

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

House Bill 621 (Delegate Ross)
Economic Matters

Commercial Law - Consumer Debt Collection - Communication with Debtor by Telephone

This bill prohibits, under the Maryland Consumer Debt Collection Act, a debt collector, in collecting or attempting to collect a debt arising out of a consumer transaction, from attempting to communicate with the debtor by telephone at a telephone number other than: (1) the telephone number given for the consumer transaction from which the debt arises; or (2) the debtor's publicly available telephone number.

Fiscal Summary

State Effect: Assuming that the Consumer Protection Division receives fewer than 50 complaints per year stemming from this bill, any additional workload could be handled with existing resources.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Under the Maryland Consumer Debt Collection Act, in collecting or attempting to collect an alleged debt, a debt collector may not: (1) use or threaten force or violence; (2) threaten criminal prosecution, unless the transaction involved a criminal violation; (3) disclose or threaten to disclose information about the debtor's reputation for creditworthiness under specified circumstances; (4) except as otherwise permitted, contact a person's employer about a debt before obtaining a final judgment; (5) except as

otherwise permitted, disclose or threaten to disclose information that affects the debtor's reputation under specified circumstances; (6) communicate with the debtor or a person related to the debtor with the frequency, at the unusual hours, or in any other manner as reasonably can be expected to abuse or harass the debtor; (7) use obscene or grossly abusive language; (8) claim, attempt, or threaten to enforce a right with knowledge that the right does not exist; or (9) use a communication that simulates legal or judicial process, or gives the appearance of being authorized, issued, or approved by a government, government agency, or lawyer when it is not.

A debt collector who violates the act is liable for any damages proximately caused by the violation, including damages for emotional distress or mental anguish suffered with or without accompanying physical injury.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division),
Department of Legislative Services

Fiscal Note History: First Reader - February 13, 2006
ncs/jr

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