

MAINE STATE LEGISLATURE

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2015
6/10/15

L.D. 1092

Date:

6/10/15

(Filing No. H-378)

INSURANCE AND FINANCIAL SERVICES

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STATE OF MAINE HOUSE OF REPRESENTATIVES 127TH LEGISLATURE FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 753, L.D. 1092, Bill, "An Act To Prevent Abusive Debt Collection Practices"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 32 MRSA §11002, sub-§1-A is enacted to read:

1-A. Collection action. "Collection action" means a lawsuit or arbitration proceeding initiated to collect a debt from a consumer.

Sec. 2. 32 MRSA §11013, sub-§§6 to 8 are enacted to read:

6. Written requirement for payment schedule or settlement agreement. A debt collector may not enter into a payment schedule or settlement agreement regarding a debt unless the payment schedule or settlement agreement is either documented in open court, approved by the court and included in a court order or otherwise reduced to writing. If a payment schedule or settlement agreement is not included in a court order, the debt collector shall provide a written copy of the payment schedule or settlement agreement to the consumer within 10 business days of entering into the payment schedule or settlement agreement and the consumer need not make a payment on the payment schedule or settlement agreement until the written copy has been provided in accordance with this subsection.

7. Acting on time-barred debt. A debt collector may not initiate a collection action when the debt collector knows or reasonably should know that the collection action is barred by the limitations period as set forth in subsection 8.

8. Limitations period for debt collectors. A debt collector may not commence a collection action more than 6 years after the date of the consumer's last activity on the debt. This limitations period applies notwithstanding any other applicable statute of limitations, unless a shorter limitations period is provided under the laws of this State. Notwithstanding any other provision of law, when the applicable limitations period expires, any subsequent payment toward, written or oral affirmation of or other activity on the debt does not revive or extend the limitations period.'

2005

COMMITTEE AMENDMENT "A" to H.P. 753, L.D. 1092

SUMMARY

This amendment replaces the bill. This amendment requires any payment agreement entered into with a debt collector to be documented in open court, approved by the court and included in a court order or otherwise reduced to writing. The amendment prohibits a debt collector from suing on a debt if the statute of limitations period has expired and provides that a consumer's payment or other activity on a debt that is made after the expiration of the statute of limitations period does not reset the statute of limitations period.

FISCAL NOTE REQUIRED

(See attached)



Approved: 06/05/15 *mac*

127th MAINE LEGISLATURE

LD 1092

LR 919(02)

An Act To Prevent Abusive Debt Collection Practices

Fiscal Note for Bill as Amended by Committee Amendment

Committee: Insurance and Financial Services

Fiscal Note Required: Yes

A (H-378)

Fiscal Note

Minor cost increase - General Fund
Minor cost increase - Other Special Revenue Funds

Correctional and Judicial Impact Statements

Increases the amount of time needed for each case with no effect on fines or fees

Fiscal Detail and Notes

Any additional costs to the Department of Professional and Financial Regulation from the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.