

Know Your Rights Regarding Debt Collection

If you are behind in paying your bills, or a creditor mistakenly believes that you owe a debt, you may be contacted by a debt collector. You have rights, however, under Maryland and Federal law that protect you from abusive, unfair or deceptive debt collection practices. Here's what you can do if you are experiencing debt collection problems:

- 1. Get more information.** Ask the caller for his or her name, company, street address, telephone number, and professional license number. If you don't recognize the debt, ask for more information in writing.
- 2. Dispute the debt if it's not yours or if the amount is wrong.** Write a letter disputing the debt or any portion of the debt that's incorrect. It is important to do so as soon as possible after you are first contacted, and keep copies of any letters you send. When you dispute a debt in writing, the debt collector must obtain and provide you with written verification of the debt.
- 3. Know your rights.**

Debt collectors may:

- Contact you by telephone, but must then send you a letter within five days informing you how much debt is owed, the name of the creditor to whom you owe the money, and how you can proceed if you don't think you owe the money.
- Call you only between 8:00 a.m. and 9:00 p.m.
- Contact other people only to find out your address, your home telephone number, and where you work. Other than to obtain this information, a debt collector is not permitted to discuss your debt with anyone other than you, your spouse, or your attorney.

Debt collectors may not:

- Threaten force or violence, use obscene or grossly abusive language or call repeatedly or in a manner designed to harass you;
- Make false statements or misrepresent the debt or who they are;
- Try to collect any interest or fees on top of the amount owed unless the contract allows it;
- Contact you at your place of employment if they are told (orally or in writing) that you are not allowed to get calls there. They may not tell your employer about a delinquent debt without a court judgment against you.
- Contact you if you have an attorney representing you regarding the debt owed. They must contact your attorney instead.

4. Stop harassing and/or offensive phone calls.

If the debt collector won't stop calling or is harassing you, you don't have to put up with it. You can send a letter telling the debt collector to stop contacting you. Send the letter by certified mail, return receipt request, so you have proof of the notice. Once the notice is received, the debt collector may only contact you to tell you that it is ceasing communications or that it is taking a specific action, like filing a court action.

Usually, debt collection court actions must be filed within three years of the date of default (when the last payment was due but not paid). While a debt collector cannot sue you after that three-year period, it can contact you to request payment. It's important to keep in mind, however, that if you make a voluntary payment after the 3-year period, the debt will be revived and the creditor will have another three years to collect the debt.

For more information or assistance on this or other consumer topics, or to obtain this factsheet in an alternative format, please contact:

The Howard County Office of Consumer Protection
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