

75th OREGON LEGISLATIVE ASSEMBLY - 2009 Regular Session  
STAFF MEASURE SUMMARY  
Senate Committee on Consumer Protection & Public Affairs

**MINORITY REPORT**  
**MEASURE:** SB 328 A  
**CARRIER:** Sen. George

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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**Action:** Do Pass With Amendments  
**Signers of the Report:** Sen. George and Sen. Girod  
**Prepared By:** Lori Brocker, Administrator  
**Meeting Dates:** 2/5, 2/17

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**WHAT THE MINORITY REPORT DOES:** Authorizes Director of Department of Consumer and Business Services to refuse to issue or renew and to revoke or suspend person's registration as debt collector if person violates debt collection practice as defined in ORS 646.639. Prohibits registered debt collector from collecting fee or compensation on money received or collected while in violation of debt collection practice under ORS 646.639. Authorizes director to investigate whether registered debt collector has violated debt collection practice. Authorizes director to issue cease and desist order if registered debt collector has violated debt collection practice. Allows department to impose civil penalty up to \$1000 per offense.

**ISSUES DISCUSSED:**

- Effect of debt collection laws on out-of-state debt collectors
- Interplay of federal and state law in debt collection context
- Pattern and practice of debt collectors
- Procedures of Department of Consumer and Business Services (DCBS) in regulation of debt collectors
- Differences in enforcement powers of DCBS and Department of Justice (DOJ)
- Current process for consumer complaints received by DOJ
- Other states handling of debt collection issues
- Coordination of legal actions between states
- Impact on financial entities

**EFFECT OF MINORITY AMENDMENT:** Replaces the measure.

**BACKGROUND:** Collection practices in Oregon are regulated under the Trade Practices and Antitrust Regulations in ORS Chapter 646. Persons alleging unlawful debt collection practices may bring a civil action under ORS 646.641. Currently, debt collection practices are not subject to ORS 646.607, the Unlawful Trade Practices Act (UTPA). Senate Bill 328 puts unlawful collection practices or acts under the UTPA framework, giving the Department of Justice the authority to enforce debt collection laws. The minority report to SB 328 places debt collection practice violations into the statutory framework regulating registration of debt collection entities. The federal Fair Debt Collection Practices Act provides some protection against unlawful debt collection practices, but it is typically applied in interstate or national contexts.

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*This summary has not been adopted or officially endorsed by action of the committee.*

Committee Services Form – 2009 Regular Session