



**Testimony of Becky Straus, Legislative Director  
In Support of SB 525A  
House Committee on Consumer Protection and Government Efficiency  
May 7, 2013**

Chair Holvey and Members of the Committee:

SB 525A, addressing certain debt collection practices, includes provisions to prohibit district attorney offices from allowing debt collectors to use their seal, letterhead, or name as part of the debt collection process. Thank you for the opportunity to provide testimony in support of this proposal.

As reported in two recent articles<sup>1</sup> in the Oregonian, private check collection companies on contract with district attorney offices have been sending letters that appear to be coming from district attorney offices for the purpose of compelling collection on bad checks. The companies and the district attorney offices assert that these letters, which may explicitly or implicitly threaten jail time, scare debtors into paying their debts.

**This system is set up and maintained in such a way as to misrepresent which entity is conducting the collection. District attorneys are government actors and perform a public function, but private check collection companies are not and district attorneys should not allow for these companies to represent themselves as such.**

SB 525A is a sensible adjustment to current statutes meant to clarify that this practice of misrepresentation should not continue. We commend Senator Prozanski for moving forward with a bill this session to address this issue. We respectfully urge your support.

Thank you for the opportunity to testify and please feel free to be in touch at any time with questions or comments.

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<sup>1</sup> [http://www.oregonlive.com/business/index.ssf/2012/12/bill\\_collectors\\_use\\_oregon\\_pro.html](http://www.oregonlive.com/business/index.ssf/2012/12/bill_collectors_use_oregon_pro.html) and [http://www.oregonlive.com/politics/index.ssf/2013/05/oregon\\_senate\\_bill\\_focuses\\_new.html](http://www.oregonlive.com/politics/index.ssf/2013/05/oregon_senate_bill_focuses_new.html)