

HB 3188 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 3/27

WHAT THE MEASURE DOES:

Prohibits person from engaging in business as debt buyer without certificate of registration from Department of Consumer and Business Services. Prescribes procedures for applying for certificate. Requires debt buyer to send certain information to debtor who requests information in writing. Requires debt buyer that brings action to collect debt to possess and be able to produce information. Provides that debt buyer or debt collector is not liable for unlawful collection practice if preponderance of evidence shows that unlawful collection practice was not intentional and resulted from bona fide error. Exempts debt buyer from definition of "collection agency." Becomes operative January 1, 2018. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Debt collection practices are governed by both federal and state regulations. In Oregon, the statutes defining unlawful collection practices apply only to debt collectors and not debt buyers. Unlike a debt collector who collects a debt on behalf of a creditor, the debt buyer owns the debt and is collecting on their own behalf.