

March 27, 2017

Representative Paul Holvey, Chair
House Committee on Business and Labor
Oregon State Legislature

Re: HB 2356

Chair Holvey and Members of the Committee:

OSPIRG strongly supports HB 2356. This important legislation will take some simple, common-sense steps to protect Oregonians from unreasonable debt collection practices, including especially attempts to collect on nonexistent or improperly documented debts. The very least we can do to protect Oregon consumers is to ensure that they are provided with clear documentation of any debts and actionable information about their rights and responsibilities under the law in advance of legal action to collect a debt.

It should go without saying that no Oregon consumers should ever be held legally liable for debts that are not their own, or that have already been paid, but unfortunately this is all too common. The federal Consumer Financial Protection Bureau informs us that the most frequent complaints it receives about debt collection are about debts not actually owed by the consumer, often from consumers who say they have never been provided with documentation of the debt.¹

HB 2356 will apply basic principles of fairness to debt collection by ensuring that debt buyers cannot collect against a consumer simply by winning a default court judgment without providing documentation to support the basic facts of their claim. This legislation will also empower consumers to push back more effectively when inappropriately targeted for debt collections.

HB 2356 is a critical step forward for consumer protection in Oregon, and we urge its passage.

Thank you for your consideration.

Jesse Ellis O'Brien
OSPIRG Policy Director

¹ See, e.g., <https://www.consumerfinance.gov/about-us/newsroom/cfpb-monthly-complaint-snapshot-spotlights-debt-collection-complaints/>