

“One day you have money in your account and the next day you don’t. **It is like robbery.** They did not care if my brother is sick and this is going to put us on the street. **They did not care.**”

JOHN SALAZAR. [A debt collector wrongly wiped out his bank account.](#)



The Family Financial Protection Act of Oregon

Common-sense updates to safeguard Oregonians’ economic well-being

WHAT’S THE PROBLEM?

Our state consumer protection and debt statutes are outdated and flawed. They don’t provide Oregonians the economic protection their families require to cover the essentials and the options needed to fight unfair debt proceedings.

WHAT’S THE SOLUTION?

The Family Financial Protection Act improves Oregon’s consumer protection and debt collection laws and holds corporations accountable. It protects Oregonians’ ability to continue to work, maintain their housing, keep food on the family table, and fight unfair debt proceedings.

HOW DOES IT WORK?

CURRENT SITUATION

Currently, the lower of \$254 per week or 75% of take home pay are protected—the equivalent of making only \$6.35 per hour. Without an increase, families are stuck in a hard-to-escape cycle of debt.

Currently Oregonians do not have adequate protections to ensure that bank account balances can be available to pay for necessities.

Currently, a \$3,000 debt can force the sale of a home. In these cases, only \$40,000 of home equity for an individual would be protected, an amount that has not kept up with the cost of housing.

Protects families as they recover from debt



FAMILY FINANCIAL PROTECTION ACT

Phased in by 2027, the amount exempted from court seizure or garnishment will increase to the value of Oregon’s standard minimum wage and adjust annually to keep up with inflation.

Prevents debt collectors from wiping out someone’s entire bank account. Instead, protecting the first \$2,500, to ensure that Oregonians can meet their basic needs while paying off debt.

Increases the value of a home that a debtor can protect from seizure to \$150,000 for an individual or \$300,000 for a couple.

CURRENT SITUATION

Protects consumers from unfair collection practices

FAMILY FINANCIAL PROTECTION ACT

Oregonians must go through a difficult and expensive court process to get debt collectors to verify that they are going after the right person or the right amount.



Make it a violation of the law to attempt to collect a debt when a collector knew or should have known that the debt did not exist or was for the wrong amount. The law should protect Oregonians from going through a court process for debts they do not owe.

Oregonians have one year to file a complaint, but too often, they are unaware of an unlawful debt collection practice until after the statute of limitations has run out. This is worsened by large medical debt in collections and the unpredictable schedule of medical billing. Meanwhile, collectors have six or more years to collect on a debt.



Extend the time consumers have to file a complaint to 3 years after the date of injury.

Oregonians face unfair risks in civil court if they bring a good faith complaint against a debt collector. It exposes them to potentially enormous liabilities compared to the size of the average debt in a case. This creates a chilling effect on enforcing the unlawful debt collection statute.



Courts should award attorney fees and costs at trial and on appeal when a consumer prevails but not make them pay for a creditor's attorney unless they bring a frivolous claim. This is how federal debt collection cases already work.

Questions? Contact Matt Swanson at (503)881-4529

Endorsements



LC 54 modernizes outdated laws and enacts common-sense protections to support Oregon's economic well-being.