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Testimony of Arthur Towers

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**In Support of HB 2008**

Before the House Committee on Judiciary

March 6, 2023

Chair Holvey, Vice-Chairs Elmer and Sosa, and members of the committee, thank you for the opportunity to submit testimony in support of HB 2008.

We appreciate your interest in this legislation a great deal and applaud the sponsors of the bill for bringing this forward.

OTLA members are lawyers who fight for underdogs. In this case, the underdogs are Oregonians who are the victims of predatory debt collection practices.

The modernization of debt collection practices proposed in HB 2008 is eminently reasonable. One aim of the bill is to give those who owe a debt a fighting chance to pay it back so businesses get the money they are owed. The second goal is to hold low-road debt collectors accountable for illegal behavior. The enforcement provisions of the legislation will, in tandem, provide the deterrent needed to clean up this industry.

HB 2008 makes the playing field more level for consumers by improving the tools at their disposal to fight back against unfair debt collection. Current law requires moderate income Oregonians to take huge risks to hold an unfair debt collector accountable. HB 2008 gives defrauded Oregonians a means to fight back. (Sec. 13(3) P. 20 lines 13-17)

HB 2008 provides consumers with the same window of time to pursue legal action for an unlawful collection practice as collectors currently have to pursue a debt. (Sec. 13 (4) P. 20, lines 18-19)

HB 2008 also increases the minimum penalty for an unfair debt collection practice. Penalties alone are not always a deterrent to low-road businesses but moving the minimum penalty from \$200 to \$1,000 is an extremely reasonable step, especially if there are patterns of unscrupulous behavior by a debt collector. (Sec. 13 (1) and (2) P.19, lines 42-45, P. 20 lines 5-12)

Over the years, legislators have taken on powerful interests and passed laws to make life better for ordinary Oregonians. But legislators end up stymied because the bill they passed had weak or non-existent enforcement provisions. This just increases cynicism and distrust in our political process. HB 2008's meaningful enforcement provisions will help bring about the changes that proponents desire.

We urge a YES vote on HB 2008.