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Testimony of Arthur Towers

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In Support of SB 1595

Before the Senate Committee on Labor and Business

February 7, 2024

Chair Taylor, Vice Chair Bonham, members of the committee. Thank you for the opportunity to testify in favor of SB 1595, the Family Financial Protection Act.

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

The modernization of debt collection practices proposed in SB 1595 is eminently reasonable. One aim of the bill is to give those who legitimately owe a debt a fighting chance to pay it back. Businesses that are owed money will stand a better chance of being repaid.

The second goal is to hold low-road debt collectors accountable for illegal behavior. The enforcement provisions of the legislation, working in tandem, will provide the deterrent needed to improve this industry.

SB 1595 provides a reasonable process for families to recover from economic and personal catastrophes. Serious health problems can ruin a family. They should not have to face the double whammy of financial ruin caused by the medical debt. SB 1595 provides some protection for these families that are otherwise facing extreme poverty.

SB 1595 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. SB 1595 gives defrauded Oregonians a means to fight back.

SB 1595 provides consumers with a significantly increased window of time to pursue legal action for an unlawful collection practice. This is particularly important in that many of the episodes come in the wake of a family disaster.

We urge your support for SB 1595.