

## Fair Debt Collection: Dealing with Creditors

More consumers are finding themselves hounded by aggressive debt collectors who don't always play it by the rules. According to the Better Business Bureau, preliminary figures show that complaints against debt collectors increased by 20% in 2006 and 26% in 2007. If you use credit cards, have a personal loan, or are paying on a home mortgage, you are a debtor. If you fall behind on any of these payments, or an error is made on your accounts, you may be contacted by a debt collector. As a consumer, here are some things you need to know.

- Personal, family, and household debts are covered by the Fair Debt Collection Practices Act (FDCPA) which is administered by the Federal Trade Commission (FTC). This includes automobile loans, medical bills, and charge accounts.
- A collector may contact you in person, by mail, telephone, telegram, or fax. However, a debt collector may not contact you at inconvenient times or places such, as before 8 a.m. or after 9 p.m., unless you agree. A debt collector also may not contact you at work if the collector knows that your employer disapproves of such contacts.
- You can stop a debt collector from contacting you by writing a letter to the collector telling them to stop. However, you are still responsible for repayment of the debt if you actually owe it.

The following are prohibited:

- **Harassment:** Debt collectors may not harass, oppress, verbally abuse or use the telephone to annoy you or any third parties they contact.
- **False Statements:** Debt collectors may not use any false statements, e.g. that they're attorneys or government representatives, misrepresent the amount you owe, or say that you've committed a crime, when collecting debt. They also cannot give false credit information about you to anyone, including a credit bureau.
- **Unfair Practices:** Debt collectors may not engage in unfair practices when they try to collect a debt. Examples of such practices include: collecting any amount greater than your debt, unless this is permitted by your state law, depositing a post-dated check prematurely, using deception to make you accept collect calls or pay for telegrams, taking or threatening to take your property unless this can be done legally, and contacting you by a post card.

If you owe more than one debt, any payment you make must be applied to the debt you specify. Report any problems you have with a debt collector to your state Attorney General and the Federal Trade Commission (FTC).

Source: "Coping with a Money Crunch: Dealing with Creditors." FCS 7002  
<http://edis.ifas.ufl.edu> and "Fair Debt Collection." [www.ftc.gov](http://www.ftc.gov)