

- Adding the following charges for a "bounced check" (check not paid by your bank upon presentment due to insufficient funds or a closed account): (1) a return check charge up to \$20 if posted at the creditor's business or in your contract; and (2) collection costs of \$20 or 20% of the check amount - whichever is greater; and (3) the amount of the check. If you receive a notice to pay an NSF check and do not pay all charges within 15 days from the date the notice was mailed or served, the collection agency can generally sue you for 3 times the amount of the check for a minimum of \$100 plus court costs and reasonable attorney fees. For example, if you write a check for \$4.50 and it bounces, you may owe \$44.50. If you do not respond to the 15 day notice, the collection agency might sue you and get a court judgment for \$300 (\$100 for the check amount, \$150 for attorney fees, and \$50 for court costs).

HELPFUL HINTS

- Get all payment agreements in writing signed by you and the collection agency. Pay as agreed.
- Keep copies of all letters and notices you send to a collection agency. Send important communications by certified mail or other method to verify the agency received the letter.
- Keep a record of the dates and times you are contacted by the collection agency, including the name of the debt collector.
- Get a receipt for all cash or money-order payments you make.
- Answer legal summons and appear at all court hearings. This office cannot stop court action.

The laws on collection of student loans, child support, and taxes may limit some of the rights described in this brochure.

REMEMBER: The CFDCPA does not protect you from paying legitimate bills you owe. You are legally responsible for the payment of these debts.

COMPLAINTS

- Send complaints about debt collectors and collection agencies to the Colorado Collection Agency Board, 1525 Sherman Street, 7th Floor, Denver, CO 80203, (303) 866-5304.
- Send complaints about the collection practices of attorneys to the Colorado Supreme Court Disciplinary Counsel, 600 Seventeenth Street, #200-S, Denver, CO 80202, (303) 893-8121.
- Send complaints about the collection practices of creditors collecting their own debts to the Uniform Consumer Credit Code, 1525 Sherman Street, 7th Floor, Denver, CO 80203 (303) 866-4494.
- Send complaints about credit reports to the Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Avenue NW, #130, Washington, DC 20580, Phone: 1-877-382-4357; Fax: (202) 326-2012, Web site is www.ftc.gov.
- You may sue a collection agency yourself for any violation of the CFDCPA. Contact your local small claims court or an attorney for information.
- For more information on collection laws, visit our web site at www.ago.state.co.us. Click on the "Collection Agency Board" heading.

John W. Suthers, Attorney General

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COLORADO COLLECTION LAWS

YOUR RIGHTS UNDER

The Colorado Fair Debt Collection Practices Act



Collection Agency Board
Colorado Attorney General's Office
1525 Sherman Street, 5th Floor
Denver, CO 80203
Telephone: (303) 866-5304
Fax: (303) 866-5691
e-mail: cab@state.co.us

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THE LAW

The Colorado Fair Debt Collection Practices Act (CFDCPA) protects consumers from unfair and abusive debt collection practices. It applies to debt collectors, collection agencies, and companies that buy and collect debts in default. The CFDCPA does not apply to creditors who collect their own debts.

This pamphlet outlines your most important rights under the CFDCPA.

FIRST NOTICE

Within 5 days after you are first contacted, the collection agency must send you a written notice stating the amount of money due and the name of the creditor who referred the debt to the collection agency.

YOUR RIGHTS

- You may dispute the debt (or any part of it) within 30 days after receiving the first notice. Your dispute must be in writing. The collection agency must then stop collection efforts until it mails you proof of the debt (a bill or court judgment) and the name of the original creditor if requested (if different from the creditor listed on the collection notice).
- You may inform the collection agency to stop calling you at work or at home, limit the hours during which they call, or to contact you only in writing only. Your request must be in writing. The collection agency must comply with your request but may sue you if it believes the debt is valid. If you are sued, you have the right to appear and defend yourself in court.
- You may refuse to pay the debt or inform the collection agency to cease communication. Your request must be in writing. The collection agency may send you one final notice of its intentions. It must then comply with your request but may sue you if it believes the debt is valid. If you are sued, you have the right to appear and defend yourself in court.

- You may ask the collection agency for a copy of your payment history. The request must be in writing. You are entitled to one copy a year free of charge. The collection agency may charge up to \$5.00 for additional copies.

COMMUNICATION

A debt collector may not:

- Contact you by postcard.
- Use an envelope that shows that the sender is a collection agency or that the contents concern a debt.
- Call you before 8:00 a.m. or after 9:00 p.m. your time or at any other time or place which the debt collector knows is inconvenient for you. (If 8:00 a.m. to 9:00 p.m. is inconvenient, notify the collection agency in writing and state when you can be called).
- Discuss the debt with those who do not owe it without your consent or a court order. The debt collector cannot state he is a debt collector or affiliated with a collection agency unless specifically asked. (A spouse or co-signer is generally responsible for the debt and may be contacted). Neighbors and relatives may only be contacted to obtain your address and phone number.
- Contact you if you are represented by an attorney. (You should provide the attorney's name and telephone number to the collection agency).

PROHIBITED COLLECTION PRACTICES

A debt collector may not:

- Use obscene or profane language.
- Make repeated telephone calls to annoy or harass, such as calling and speaking to you 3 times in 1 day.
- Telephone you without stating his name within 60 seconds. The debt collector may use an alias (false name) if it is listed with the Colorado Collection Agency Board.
- Threaten violence against you, your property, or reputation.
- Publish or post the debt through any list other than a credit bureau report.

- State that he is an attorney if he is not licensed to practice law.
- Claim he works for a government agency or has governmental authority, if he does not.
- Accuse you of committing a crime or threaten you with arrest.
- Misrepresent that papers are legal documents when they are not or that papers are not legal documents when in fact they are.
- Misrepresent the amount of the debt or collect an amount greater than the amount you legally owe.
- Threaten to take actions that are illegal.
- Threaten to take or sell your property, garnish your wages, or attach your bank accounts unless that action is legal and the debt collector intends to do it.
- Report false credit information about you.
- Make you accept collect calls or pay for telegrams.
- Deposit a post-dated check before the date on the check. If the check is post-dated by more than 5 days, the debt collector must inform you in writing no less than 3 days nor more than 10 days before the date the check will be deposited. (A debt collector may ask you to write a post-dated check - the choice is yours).

ACTIONS WHICH ARE NOT PROHIBITED

The CFDCPA does not prevent a debt collector from:

- Contacting you by telephone, letter, telegram or in person (unless you have requested in writing that the collection agency not contact you or you are represented by an attorney).
- Refusing partial payment or suing you unless you have a payment agreement with the collection agency and are complying with it.
- Adding interest to the debt if permitted by law or contract.
- Adding information about the debt to your credit report. However, if you dispute the debt, it must be reported as disputed.