

# HOUSE BILL 158

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By: **Delegates B. Robinson, Bobo, Boteler, Braveboy, Cane, Conaway, Glenn, Gutierrez, Holmes, Howard, McDonough, A. Miller, Oaks, Stocksdales, Stukes, Tarrant, and V. Turner**

Introduced and read first time: January 26, 2011

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Consumer Debt Collection – Prohibited Acts**

3 FOR the purpose of prohibiting a person that collects or attempts to collect an alleged  
4 debt arising out of a certain consumer transaction from communicating with the  
5 debtor or a person related to the debtor until after a certain period of time;  
6 making certain stylistic changes; and generally relating to collection of debts  
7 relating to consumer transactions.

8 BY repealing and reenacting, without amendments,  
9 Article – Commercial Law  
10 Section 14–201  
11 Annotated Code of Maryland  
12 (2005 Replacement Volume and 2010 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article – Commercial Law  
15 Section 14–202  
16 Annotated Code of Maryland  
17 (2005 Replacement Volume and 2010 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – Commercial Law**

21 14–201.

22 (a) In this subtitle the following words have the meanings indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) "Collector" means a person collecting or attempting to collect an alleged  
2 debt arising out of a consumer transaction.

3 (c) "Consumer transaction" means any transaction involving a person  
4 seeking or acquiring real or personal property, services, money, or credit for personal,  
5 family, or household purposes.

6 (d) "Person" includes an individual, corporation, business trust, statutory  
7 trust, estate, trust, partnership, association, two or more persons having a joint or  
8 common interest, or any other legal or commercial entity.

9 14-202.

10 In collecting or attempting to collect an alleged debt a collector may not:

11 (1) Use or threaten force or violence;

12 (2) Threaten criminal prosecution, unless the transaction involved the  
13 violation of a criminal statute;

14 (3) Disclose or threaten to disclose information which affects the  
15 debtor's reputation for credit worthiness with knowledge that the information is false;

16 (4) Except as permitted by statute, contact a person's employer with  
17 respect to a delinquent indebtedness before obtaining final judgment against the  
18 debtor;

19 (5) Except as permitted by statute, disclose or threaten to disclose to a  
20 person other than the debtor or [his] **THE DEBTOR'S** spouse or, if the debtor is a  
21 minor, [his] **THE DEBTOR'S** parent, information which affects the debtor's reputation,  
22 whether or not for credit worthiness, with knowledge that the other person does not  
23 have a legitimate business need for the information;

24 (6) Communicate with the debtor or a person related to [him] **THE**  
25 **DEBTOR** with the frequency, at the unusual hours, or in any other manner as  
26 reasonably can be expected to abuse or harass the debtor;

27 **(7) COMMUNICATE WITH THE DEBTOR OR A PERSON RELATED TO**  
28 **THE DEBTOR UNTIL AT LEAST 24 HOURS AFTER THE END OF ANY GRACE PERIOD**  
29 **ALLOWED BY THE DEBTOR'S CREDITOR FOR PAYMENT OF THE DEBT;**

30 **[(7)] (8)** Use obscene or grossly abusive language in communicating  
31 with the debtor or a person related to [him] **THE DEBTOR;**

32 **[(8)] (9)** Claim, attempt, or threaten to enforce a right with  
33 knowledge that the right does not exist; or

1                    ~~[(9)]~~ **(10)** Use a communication which simulates legal or judicial  
2 process or gives the appearance of being authorized, issued, or approved by a  
3 government, governmental agency, or lawyer when it is not.

4                    SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 October 1, 2011.