

March 26, 2009

S 965. CIVIL LIABILITY/PROHIBITED DEBT COLLECTION. Filed 3/25/09. *TO INCREASE THE CIVIL LIABILITY OF DEBT COLLECTORS WHO VIOLATE THE PROVISIONS OF ARTICLE 2 OF CHAPTER 75 OF THE GENERAL STATUTES, RELATING TO PROHIBITED ACTS BY DEBT COLLECTORS.*

Article 2 of GS Chapter 75 specifies various acts that are prohibited by debt collectors, including threats, coercion, and harassment. Amends GS 75-56 to provide that a debt collector who fails to comply with a provision of Article 2 may be liable in civil damages to the person affected. Authorizes the court to award the sum of (1) actual damages caused and (2) statutory damages of not less than \$3,000 and not more than \$6,000 per violation. Article 70 of GS Chapter 58 addresses collection agencies and GS 58-70-130 currently provides for comparable civil liability for collection agencies (collection agencies are not considered debt collectors under GS Chapter 75, Article 2). New language would raise the range of possible statutory damages for collection agencies from \$100 to \$2,000 per violation to \$3,000 to \$6,000 per violation such that it mirrors the changes applicable to debt collectors. Makes a clarifying change. Effective October 1, 2009.

Intro. by Nesbitt.

GS 58, 75