

## **CONSUMER LAWS**

### **Fair Debt Collection Practices Act (FDCPA)**

The Fair Debt Collection Practices Act (FDCPA) protects consumers from unfair, deceptive and abusive debt collectors and collection harassment. The FDCPA prohibits debt collectors from harassing and abusing a consumer, reporting inaccurate information about a debt, suing a consumer after the statute of limitations has expired, and contacting most third parties such as neighbors. In addition, the FDCPA gives the consumer the right to demand that the debt collector provide verification of a debt (called validation) and cease contact if such a demand is made properly by the consumer.

If a consumer proves that a debt collector violated the law, the FDCPA provides that a consumer may recover statutory damages up to \$1,000, as well as any actual damages and attorney's fees.

### **Fair Credit Reporting Act (FCRA)**

The Fair Credit Reporting Act (FCRA) is the federal law that regulates the accuracy and privacy of credit reports and how information is collected. The FCRA requires that credit reporting agencies, banks, and other furnishers of credit report credit information accurately and only use credit reports for certain lawful purposes. The FCRA ensures that the consumer's rights are protected and that a consumer can get any incorrect or inaccurate information in his credit report to be corrected.

If a consumer proves that a debt collector, credit bureau, creditor, or credit reporting agency violated the law, the FCRA provides that a consumer may recover statutory damages up to \$1,000, as well as any actual damages and attorney's fees.

### **Telephone Consumer Protection Act (TCPA)**

The Telephone Consumer Protection Act (TCPA) is the primary law governing the conduct of telephone solicitations, i.e., telemarketing. The TCPA restricts the use of automatic dialing systems, artificial or pre-recorded voice messages, SMS text messages received by cell phones, and the use of fax machines to send unsolicited advertisements. It also specifies several technical requirements for fax machines, auto-dialers, and voice messaging systems, principally with provisions requiring identification and contact information of the entity using the device to be contained in the message.

In the event of a violation of the TCPA, individuals are entitled to collect damages directly from the violator for \$500 to \$1,500 for each violation, or recover actual monetary loss, whichever is higher.

### **State Consumer Protection Laws**

Several states have their own laws in the area of consumer rights and consumer protection. The states of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, D.C., Florida, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Texas, and Washington have their own fair debt collection laws.