



Chairman Phil Mendelson

AN AMENDMENT

Bill 24-357, "Protecting Consumers from Unjust Debt Collection Practices
Amendment Act of 2022"
(Engrossed Version)
June 7, 2022

(a) Paragraph (6) of subsection (b) is amended to read as follows:

"(6) "Original creditor" means the person that owned a consumer debt at the date of default, or the date of charge-off for credit cards or revolving credit accounts, giving rise to a cause of action for its collection."

Rationale: This amendment inserts the term "revolving credit accounts" so the language is consistent with D.C. Code § 28-3701.

(b) Subparagraph (B) of subsection (d)(4) is amended to read as follows:

"(B)(i) Sending text messages, emails, and private messages through social media platforms to a consumer prior to mailing the consumer the written notice required pursuant to subsection (m)(2)(A) of this section;

"(ii) After mailing the consumer the written notice required pursuant to subsection (m)(2)(A) of this section, Sending text messages, emails, and private messages through social media platforms prior to obtaining a consumer's express consent to communicate via one or more of these methods; provided, that a debt collector may send ~~an~~ one email, text message, or private message to a consumer in any 7-day period for purposes of obtaining consent to communicate via the method the debt collector is using to communicate. After obtaining a consumer's consent, sending more than 5 text messages, emails, and private messages per account in any 7-day period unless otherwise agreed to by the consumer. The limit of 5 text messages, emails, and private messages per account in any 7-day period shall not apply to messages or emails sent to a debt collector by a consumer, to messages or emails sent by a debt collector in response to a consumer's request for a response, or to messages or emails sent to a wrong number or email address that is not affiliated with the consumer or the consumer's family. Debt collectors must include opt-out language in all emails, text messages, and private messages, and consumers shall be able to opt-out of receiving communications from debt collectors via text message, email, or private message at any time;"

Rationale: This amendment clarifies that a debt collector may only send text messages, e-mails, or private messages after sending the notice required under (m)(2)(A). It also clarifies that a debt collector may send one text message, email, or private message in any 7-day period for the purposes of acquiring consent from the consumer to communicate via one or more of these methods.

(c) Paragraph (1) of subsection (m) is amended to read as follows:

“(m)(1) Except as provided in paragraph (3) of this subsection, no debt collector shall collect or attempt to collect a consumer debt unless the debt collector has complete documentation ~~that the debt collector is the owner~~ of the ownership of the consumer debt, and the debt collector in possession of or has immediate access to the following information or documents:”.

Rationale: Third-party debt collectors who collect debt on behalf of other institutions do not own the debt in question, and so would be unable to provide documentation that they own the debt. As such, this amendment is necessary to ensure that third-party debt collectors can comply with this requirement.

(d) On line 279, strike the term “credit card” and insert the term “credit card or revolving credit account” in its place.

Rationale: This amendment inserts the term “revolving credit account” so the language is consistent with D.C. Code § 28-3701.

(e) On line 303, strike the term “credit card” and insert the term “credit card or revolving credit account” in its place.

Rationale: This amendment inserts the term “revolving credit account” so the language is consistent with D.C. Code § 28-3701.

(f) Subsection (p) is amended to read as follows:

“(p) Immediately prior to commencing a legal action to collect a consumer debt, the plaintiff shall undertake a reasonable investigation to verify the defendant’s current address for service of process. ~~At the time of filing the initial pleading, the plaintiff must submit proof of address verification.~~ At the time of filing the proof of service, the plaintiff must include with the proof of service a photograph with a readable time stamp indicating the date and time of service and readable global positioning system (GPS) coordinates indicating the location of service.”.

Rationale: This amendment strikes a sentence that was inadvertently left in the Committee Print.

(g) Section 3 is amended to read as follows:

“Section 3. Applicability.

“This act shall apply as of ~~November 1, 2022~~ January 1, 2023.”.

Rationale: This amendment moves the applicable date for the bill—that is the date on which the bill becomes law—to January 1, 2023. This is necessary to provide creditors and debt collectors with more time to bring their operations and procedures into compliance with the provisions of the bill.