

DON'T GET DUPED BY A DEBT COLLECTOR...

The New York City Department of Consumer Affairs (DCA) reminds New Yorkers to take the following precautions and know their rights when contacted by a debt collection agency. To file a complaint or to check on a business' history, call 311 (212-NEW-YORK outside the five boroughs) or visit DCA online at www.nyc.gov/consumers.

KNOW YOUR RIGHTS

- ❖ New York City law provides the strongest anti-harassment protection in the country when it comes to collecting debts. Any business, regardless of where they are based, must be licensed by the DCA to collect debts from New Yorkers.
- ❖ Debt collectors must tell you that you can dispute a debt, and stop trying to collect on disputed debts, until a correction has been made or an explanation has been sent.
- ❖ If a debt collector contacts you by phone, you should insist upon documentation in writing. Keep a log of any phone calls for your records.

IT IS ILLEGAL FOR A DEBT COLLECTION AGENCY TO:

- ❖ Engage in acts of violence, threats of violence, or obscene language.
- ❖ Make false statements; misrepresent the character or status of the debt; and state that nonpayment will lead to the collector seizing your wages or assets, unless lawful.
- ❖ Call before 8:00AM or after 9:00PM, or with excessive frequency of more than twice a week.
- ❖ Advertise a debt or reveal it to another person.
- ❖ Contact your employer, neighbors, relatives or friends for any other reason than to locate you. Creditors and debt collectors cannot discuss debts with anyone other than you.

IF YOU'RE NOT SURE THE DEBT IS VALID, TAKE THESE STEPS:

- ❖ Act quickly. You must dispute a debt within 30 days of receiving notice. After 30 days if the debt is not disputed, a collection agency is entitled to treat the debt as valid and pursue it further.

- ❖ Send by certified mail a letter to the collection agency requesting proof of the original debt/purchase and creditor. The debt collector cannot pursue you further until they have done so. Once proof of the original debt has been provided, the agency can seek to collect it.

IF YOU DO NOT OWE THE DEBT, TAKE THESE STEPS:

- ❖ Act quickly. You must dispute a debt within 30 days of receiving notice. After 30 days if the debt is not disputed, a collection agency is entitled to treat the debt as valid and pursue it further.
- ❖ Send by certified mail a letter to the collection agency requesting that they cease contacting you about the alleged debt. After receiving a cease collection letter, a collection agency is only authorized to contact you once more, in writing, to inform you of any further legal action they intend to pursue. At the same time, consumers should warn the collection agency in writing by certified mail against falsely reporting the debt to anyone else.

IF THE DEBT IS VALID, TAKE THESE STEPS:

- ❖ Do not ignore the debt collector - failure to pay a debt or respond could hurt your credit rating and your ability to obtain loans, mortgages or other financial services.
- ❖ If you do not want the collection agency to continue contacting you, send by certified mail a letter to the collection agency requesting that they cease contacting you about the alleged debt. After receiving a cease collection letter, a collection agency is only authorized to contact you once more, in writing, to inform you of any further legal action they intend to pursue. Keep in mind, if you choose this option, the creditor can sue, report you to a credit agency, and take other lawful actions to pursue the debt.
- ❖ Calculate your finances and figure out your ability to repay the debt. There is a good chance the collector will work out a payment plan with you. If so, get all the terms of the agreement in writing.

IF YOU HAVE A COMPLAINT, OR YOU WERE TREATED UNFAIRLY, CONTACT THE DCA.

- ❖ Call 311 (or 212-NEW-YORK outside NYC) - New York City's 24-hour Citizen Service Hotline, seven days a week in 170 languages.
- ❖ Go online to www.nyc.gov/consumers.