

# Know Your Rights!

## Fair Debt Collection Laws



COMMUNITY  
DEVELOPMENT  
PROJECT

There are laws that prevent debt collectors from using abusive and aggressive tactics to collect personal, family or household debt from you. The Federal Fair Debt Collection Practices Act and the NYC Consumer Protection Law protect you from harmful debt collection practices. *(Note: these laws do not apply to original creditors trying to collect a debt.)*

### **Fair Debt Collection Practices Act**

#### **Debt collectors are NOT permitted to:**

1. Contact your family members, neighbors, or employers;
2. Harass you, threaten violence, use obscene language or other abusive tactics;
3. Lie or make misleading representations;
4. Publish your name or address on a "bad debt" list;
5. Threaten you with arrest if that is not legally plausible;
6. Threaten to harm your credit score or garnish your wages without actually doing so;
7. Phone you at work when the debt collector knows you do not want to be contacted at work; or inform employers of the purpose of the call;
8. Phone you before 8 a.m. or after 9 p.m.
9. Send letters that appear to be from a court, but are not;
10. Seek fees not permitted by state law or contract;
11. Accept post-dated checks;
12. Sue in courts far from your home.

#### **Debt collectors MUST:**

1. On first contact, state that the debt collector is trying to collect a debt and any information obtained will only be used for that purpose;
2. Within 5 days of first contact, provide the following in writing:
  - amount of debt
  - name of creditor
  - that the consumer must dispute the validity of the debt in 30 days or else the debt is considered valid
  - if the debt is disputed, the collector must obtain verification;
3. Provide the original creditor's name & address upon written request within 30 days.

### **New York City Consumer Protection Law**

#### **In addition to the FDCPA restrictions, debt collectors may NOT:**

1. Call you more than twice a week about a debt

#### **Debt collectors also MUST:**

1. Provide you with additional information if you ask them to "verify" a debt — that is, to prove that the debt is valid
2. Be licensed by the NYC Department of Consumer Affairs
3. Provide written confirmation of any settlement agreement you have made with them within 5 business days
4. Tell you if they are trying to collect a debt that is past the statute of limitations (too old).

### **What You Can Do**

- To get the debt collector to stop calling, send a letter telling them to stop. NOTE: A letter doesn't resolve the debt and the creditor can still bring you to court.
- If you request that the collector verify a debt, they must stop collection until they get and mail you the verification. See the other side of this page for a sample cease-and-desist/verification letter.
- Find out if the collector is licensed by the NYC Department of Consumer Affairs by visiting their website or by calling 311.
- If a debt collector violates your rights, you may sue them in federal or state court within **1 year** of the unlawful act.
- Report the problems you are having with a debt collector to:  
New York City Department of Consumer Affairs  
42 Broadway, New York, NY 10004  
(212) 639-9675 or 311  
<http://www.nyc.gov/html/dca/html/resources/forms.shtml>

#### **OR**

New York State Attorney General's Office  
120 Broadway, New York, NY, 10271  
(800) 771-7755  
[www.oag.state.ny.us](http://www.oag.state.ny.us)

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[Date]

[Collector's name]

[Collector's address]

Re: [Name of alleged original creditor]; Account Number [XXXXXX]

Dear Sir or Madam:

I am disputing the debt listed above and request that you verify this debt and provide me written documentation of the alleged debt as required by the Fair Debt Collection Practices Act (section 1692g) and New York City Administrative Code (section 20-493.2). Specifically, mail me the following information, all of which is required to verify a debt under section 2-190 of the Rules of the City of New York:

- Proof of my agreement to pay the original creditor;
- A copy of the final statement on the account, issued by the original creditor
- The total amount due, including a breakdown showing principal, interest, and other charges
- For all other charges, the date and basis of each charge.

I dispute this debt for the following reasons:

**[the following are typical examples of disputes. keep those that apply or add more details if necessary]**

- I do not owe this debt [explain why];
- The debt has been paid [provide details];
- I am a victim of Identity theft [provide details];
- The debt is past the statute of limitations, which is 6 years in New York for a breach of contract. These debts were incurred [X] years ago.

Pursuant to the FDCPA, cease all collection activity until you provide verification of the debt. You may not report this debt to the credit reporting agencies while it is in dispute. If you have already reported it, contact the reporting agencies, inform them the debt is disputed, and ask them to delete it from my credit report. Failing to report information correctly or knowingly reporting inaccurate information violates the Fair Credit Reporting Act.

Aside from verifying the debt in writing, cease all contact with me about this debt.

**[If applicable]** I receive solely exempt income that is protected from collection and judgment execution. See N.Y. CPLR § 5222(e). Should this debt be sold or assigned, please forward a copy of this letter to the party that acquires the debt.

Sincerely,

[Name]

**CDP - Urban Justice Center**  
123 William St. 16th floor  
New York, NY 10038  
Tel: 646-602-5200