

March 18, 2009

**MAYOR BLOOMBERG SIGNS LEGISLATION TO EXPAND OVERSIGHT OF DEBT COLLECTION AGENCIES TO PREVENT ILLEGAL AND UNFAIR PRACTICES**

*Remarks by Mayor Bloomberg at a Public Hearing on Local Laws*

"The fourth bill before me is Introductory Number 660-A, sponsored by Council Members Garodnick, Comrie, Mendez, Mark-Viverito, Barron, Brewer, Fidler, Gennaro, Gentile, Gerson, Gonzalez, Jackson, James, Koppell, Liu, Martinez, Nelson, Palma, White, Seabrook, Avella, Recchia, Vann, Sears, Baez, Eugene, Sanders and Weprin. Introductory Number 660-A expands the licensing of debt collection agencies to include buyers of delinquent debt who seek to collect such debt by, among other things, filing law suits.

"The Department of Consumer Affairs (DCA) receives more complaints about abuse by collection agencies than about any other issue. Anyone seeking to collect on a debt from a New Yorker is already required to be licensed by DCA, which devotes substantial resources to protect consumers from illegal and unfair practices. With the passage of this legislation, DCA will be armed with even more tools to make sure that debt buyers will be held accountable for doing right by New Yorkers.

"Under this legislation, debt collection agencies will now be required to adhere to common sense guidelines regulating their interaction with New Yorkers. Those who make calls or send letters to collect debts will have to tell the debtor who is calling and from what agency, the original creditor, the amount of the debt they owe, and the name and phone number of a live person the debtor can call back. Anyone contacted by a debt collection agency will now be empowered to demand written documentation regarding the status and history of the debt.

"I would like to thank Department of Consumer Affairs Commissioner Jonathan Mintz and his staff for their work on this bill. I would also like to thank the Council for approving this legislation."