

By: McCall

H.B. No. 2397

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the authority of a debt collector to contact a person
3 other than the debtor; providing a civil penalty.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter D, Chapter 392, Finance Code, is
6 amended by adding Section 392.307 to read as follows:

7 Sec. 392.307. CONTACTING PERSON OTHER THAN CONSUMER. (a)

8 In this section, "location information" means a person's place of
9 permanent or temporary residence, telephone number, or place of
10 employment.

11 (b) A debt collector may contact a person regarding a debt,
12 other than the consumer who has the debt or person with whom the
13 debt collector has a business relationship for the purpose of debt
14 collection, only for the purpose of determining the location
15 information of the debtor.

16 (c) A debt collector may not contact a person, other than
17 the consumer who has the debt or person with whom the debt collector
18 has a business relationship for the purpose of debt collection, as
19 provided by Subsection (b) more than once, unless the debt
20 collector is able to produce evidence that:

21 (1) was not available at the time the debt collector
22 first contacted the person; and

23 (2) would lead a reasonable person to believe that the
24 earlier response of the person was erroneous or incomplete and that

1 the person now has correct or complete location information for the
2 debtor.

3 (d) A debt collector who violates this section is liable to
4 this state for a civil penalty in an amount not to exceed \$150 for
5 each violation. The attorney general may bring an action to recover
6 a civil penalty under this subsection.

7 (e) The attorney general has exclusive authority to enforce
8 this section. Sections 392.402 and 392.403, and Section 392.404 to
9 the extent that section creates a private right of action, do not
10 apply to a violation of this section.

11 SECTION 2. This Act takes effect September 1, 2007.