

118TH CONGRESS
2D SESSION

H. R. 8196

To amend the Fair Debt Collection Practices Act to safeguard access to information for consumers and to stop abusive debt litigation, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2024

Ms. BONAMICI (for herself, Mr. FOSTER, Mr. COHEN, Ms. CHU, Mr. MCGOVERN, and Ms. NORTON) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Fair Debt Collection Practices Act to safeguard access to information for consumers and to stop abusive debt litigation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Securing Consumers
5 Against Misrepresented Debt Act of 2024” or the “SCAM
6 Debt Act”.

1 **SEC. 2. DEFINITIONS.**

2 Section 803 of the Fair Debt Collection Practices Act
3 (15 U.S.C. 1692a) is amended by adding at the end the
4 following:

5 “(9) The term ‘legal action’ means any lawsuit
6 or legal proceeding (including litigation, arbitration,
7 enforcement of security interests, post-judgment ac-
8 tions, and mediation) pursued, taken, threatened, of-
9 fered, or requested by debt collectors.”.

10 **SEC. 3. FALSE OR MISLEADING REPRESENTATIONS.**

11 Section 807(11) of the Fair Debt Collection Practices
12 Act (15 U.S.C. 1692e(11)) is amended by striking “legal
13 action” and inserting “lawsuit”.

14 **SEC. 4. VALIDATION OF DEBTS.**

15 Section 809(a) of the Fair Debt Collection Practices
16 Act (15 U.S.C. 1692g(a)) is amended—

17 (1) in the matter preceding paragraph (1), by
18 striking “the following information is contained in
19 the initial communication or”;

20 (2) by amending paragraph (1) to read as fol-
21 lows:

22 “(1) an itemization of the amount of the debt
23 that includes—

24 “(A) the total amount of the debt owed on
25 the date of the notice;

1 “(B) the most recent date of default on the
2 debt; and

3 “(C) the amount owed on the most recent
4 date of default, the amount of any payments
5 made since such date, and the amount of any
6 interest or fees accrued on the debt since such
7 date;”;

8 (3) by amending paragraph (2) to read as fol-
9 lows:

10 “(2) the name of the original creditor and, if
11 different, the name of the creditor on the most re-
12 cent date of default and the name of the current
13 creditor to whom the debt is owed;”.

14 (4) in paragraph (4)—

15 (A) by striking “in writing”; and

16 (B) by striking “and” at the end;

17 (5) in paragraph (5)—

18 (A) by striking “written”; and

19 (B) by striking the period at the end and
20 inserting a semicolon; and

21 (6) by adding at the end the following:

22 “(6) the account number of the debt on the
23 most recent date of default; and

24 “(7) all methods that the consumer can use to
25 contact the debt collector.”.

1 **SEC. 5. LEGAL ACTIONS BY DEBT COLLECTORS.**

2 Section 811 of the Fair Debt Collection Practices Act
3 (15 U.S.C. 1692i) is amended—

4 (1) by redesignating subsection (b) as sub-
5 section (c); and

6 (2) by inserting after subsection (a) the fol-
7 lowing new subsection:

8 “(b) REQUIREMENTS FOR DEBT COLLECTORS.—A
9 debt collector that takes legal action to collect or attempt
10 to collect a debt shall comply with the following require-
11 ments:

12 “(1) Provide the consumer written notice of the
13 intent to take legal action, sent to the consumer’s
14 last known address at least 30 days in advance of
15 commencing the legal action, that shall include all
16 information contained in the notice required under
17 section 809(a) (excluding the information described
18 in paragraphs (3), (4), and (5) of such section), up-
19 dated to ensure correctness.

20 “(2) In the initial pleading filed by a debt col-
21 lector to commence a legal action to collect a debt,
22 include—

23 “(A) all information contained in the no-
24 tice required under section 809(a) (excluding
25 the information described in paragraphs (3),
26 (4), and (5) of such section), except any ac-

1 count numbers and any personally identifiable
2 information, updated to ensure correctness;

3 “(B) the last four digits of the account
4 number of the original debt;

5 “(C) admissible documentary evidence of—

6 “(i) the written agreement, contract,
7 or instrument creating the debt, if any, or
8 other documents showing that the con-
9 sumer agreed to the agreement, contract,
10 or instrument creating the debt;

11 “(ii) any terms and conditions rel-
12 evant to the debt;

13 “(iii) that the consumer incurred the
14 debt and the amount owed; and

15 “(iv) that there is a chain of title of
16 the ownership of debt and the right to col-
17 lect the debt, including documents showing
18 the date of each transfer of ownership of
19 the debt and the identity of each owner of
20 the debt; and

21 “(D) a sworn affidavit stating—

22 “(i) that the applicable statute of limi-
23 tations for collecting the debt has not ex-
24 pired and the date on which such statute
25 of limitations expires; and

1 “(ii) that the debt collector personally
2 reviewed all applicable records and docu-
3 ments relating to the debt to be collected.”.

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