

SENATE BILL No. 879

December 4, 2003, Introduced by Senators GARCIA, CASSIS, KUIPERS, SWITALSKI, SCOTT, BROWN, GOSCHKA and VAN WOERKOM and referred to the Committee on Judiciary.

A bill to amend 1980 PA 299, entitled "Occupational code," by amending section 918 (MCL 339.918), as added by 1981 PA 83.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 918. (1) Within 5 days after the initial communication
2 with a consumer in connection with a collection of a debt, a
3 collection agency shall send the consumer, unless the following
4 information is contained in the initial communication or the
5 consumer has paid the debt, a written notice containing all of
6 the following information:

- 7 (a) The amount of the debt owed.
- 8 (b) The date the communication was sent to the debtor.
- 9 (c) The name of the creditor to whom the debt is owed.
- 10 (d) A statement specifying that unless the consumer, within
11 30 days after receipt of this notice, disputes the validity of

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1 the debt, or a portion of the debt, the debt will be assumed to
2 be valid.

3 (e) A statement specifying that, if the consumer notifies the
4 collection agency in writing within 30 days after receipt of this
5 notice ~~—~~ that the debt ~~—~~ or any portion of the debt ~~—~~ is
6 disputed, the collection agency shall obtain verification of the
7 debt or a copy of a judgment against the consumer and that a copy
8 of the verification or judgment shall be mailed to the consumer
9 by the collection agency.

10 (2) If the consumer notifies the collection agency in
11 writing, within 30 days after receiving the written notice, that
12 the debt ~~—~~ or any portion of the debt ~~—~~ is disputed,
13 collection of the debt or any disputed portion of the debt shall
14 cease until the collection agency obtains verification of the
15 debt and a copy of the verification or judgment is mailed to the
16 consumer by the collection agency. Verification of the debt or
17 any disputed portion of the debt shall include the number and
18 amount of previously made payments and the name and address of
19 the ~~original~~ **original** creditor, if different from the current
20 creditor, or a copy of the judgment against the debtor.

21 **(3) In addition to the other requirements of this section, a**
22 **collection agency shall not contact a debtor in a manner that is**
23 **contrary to section 5 of the identity theft victim's rights act.**

24 **(4) ~~(3)~~** The failure of a consumer to dispute the validity
25 of a debt under this section shall not be construed as an
26 admission of liability by the consumer.

27 Enacting section 1. This amendatory act does not take

1 effect unless all of the following bills of the 92nd Legislature
2 are enacted into law:

3 (a) Senate Bill No. 878.

4

5 (b) Senate Bill No. 880.

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