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SENATE BILL 550

**50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

INTRODUCED BY

Michael S. Sanchez

AN ACT

RELATING TO DEBT COLLECTION; RESTRICTING EFFORTS TO CONTACT DEBTORS; PROVIDING PENALTIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 61-18A-1 NMSA 1978 (being Laws 1987, Chapter 252, Section 1) is amended to read:

"61-18A-1. SHORT TITLE.--~~[This act]~~ Chapter 61, Article 18A NMSA 1978 may be cited as the "Collection Agency Regulatory Act"."

SECTION 2. A new section of the Collection Agency Regulatory Act is enacted to read:

"[NEW MATERIAL] RESTRICTIONS ON EFFORTS TO CONTACT DEBTORS--PENALTIES.--

A. A debt collector shall not contact by telephone or a similar communication method a person whom the debt

1 collector believes is a debtor unless the debt collector knows  
2 the first and last name and the last known physical address of  
3 the alleged debtor and the first and last name and the physical  
4 address of the person to be contacted by the debt collector.

5 B. A debt collector shall not contact by telephone  
6 or a similar communication method a person whom the debt  
7 collector believes is a debtor unless the person to be  
8 contacted has the same first and last name and physical address  
9 as the alleged debtor.

10 C. Whenever a debt collector contacts by telephone  
11 or a similar communication method a person whom the debt  
12 collector believes is a debtor, the debt collector shall  
13 provide the person contacted with the following information:

14 (1) the name of the person calling and the  
15 name and address of the creditor or collection agency on whose  
16 behalf the person is calling; and

17 (2) a toll-free telephone number that the  
18 person believed to be a debtor can call to verify the identity  
19 of the debt collector.

20 D. A debt collector that violates the provisions of  
21 this section is guilty of a misdemeanor and shall be sentenced  
22 pursuant to the provisions of Section 31-19-1 NMSA 1978.

23 E. The collection agency and the creditor on whose  
24 behalf a debt collector is acting shall, if the debt collector  
25 violates the provisions of this section, be liable for a civil

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1 penalty not to exceed one hundred fifty thousand dollars  
2 (\$150,000), which penalty may be imposed by the director  
3 pursuant to rule."

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