
A BILL FOR AN ACT

RELATING TO DEBT COLLECTION PRACTICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 443B-16, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "~~§~~443B-16~~§~~ Harassment and abuse~~§~~; contacting a
4 person at place of employment prohibited. (a) No collection
5 agency shall oppress, harass, or abuse any person in connection
6 with the collection of or attempt to collect any claim alleged
7 to be due and owing by that person or another in any of the
8 following ways:

- 9 (1) The use of profane or obscene language that is
10 intended to abuse the hearer or reader;
- 11 (2) The placement of telephone calls without disclosure of
12 the caller's identity or with the intent to harass~~§~~
13 or threaten any person at the called number; and
- 14 (3) Causing expense to any person in the form of long
15 distance telephone tolls, telegram fees, or other
16 charge incurred by a medium of communication, by
17 concealment of the true purpose of the notice, letter,
18 message, or communication.



1 (b) No collection agency shall contact a person at the
2 person's place of employment for the purpose of collecting any
3 claim alleged to be due and owing by the person."

4 SECTION 2. Section 480D-3, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "[+]§480D-3[+] **Prohibited practices.** It shall be a
7 prohibited practice for any debt collector to engage in any of
8 the following practices while collecting a consumer debt:

- 9 (1) To threaten the use of violence or other criminal
10 means to cause harm to the physical person,
11 reputation, or property of any person;
- 12 (2) To falsely accuse or threaten to falsely accuse any
13 person of fraud or any other criminal conduct;
- 14 (3) To make false accusations or threaten to make false
15 accusations, to another person, including any credit
16 reporting agency, that a debt has not been paid;
- 17 (4) To threaten that nonpayment of a debt will result in
18 the arrest of any person;
- 19 (5) To threaten to turn over the collection of the debt to
20 a person who will engage in practices prohibited by
21 this section;



- 1 (6) To threaten to sell or assign the debt with statements
2 that, or implying that, the sale or assignment will
3 cause the debtor to lose a defense or legal right as a
4 result of the sale or assignment;
- 5 (7) To use profane or obscene language that is intended to
6 abuse the hearer or reader;
- 7 (8) To disclose, publish, or communicate any false and
8 material information relating to the indebtedness;
- 9 (9) To represent that an existing obligation may be
10 increased by attorney's fees, investigation fees,
11 service fees, and other fees or charges when in fact
12 the fees or charges may not legally be added to the
13 existing obligations;
- 14 (10) To seek or obtain any statement or acknowledgment that
15 the debt was incurred for necessities of life when in
16 fact the debt was not so incurred; [~~or~~]
- 17 (11) To collect or attempt to collect any interest, charge,
18 fee, or expense incidental to the debt unless the
19 additions are authorized by the agreement or by
20 law[~~[-]~~]; or
- 21 (12) To contact the person at the person's place of
22 employment."



H.B. NO. 173

1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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Report Title:

Debt Collection; Prohibited Practices; Harassment; Contacting a Person at Workplace

Description:

Prohibits contacting a person at the workplace in debt collection practices.

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