

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING COLLECTION AGENCY LAWS;
5 LIMITING THE AMOUNT OF MONEY A COLLECTION AGENCY MAY COLLECT ON A DEBT; LIMITING THE
6 AMOUNT OF TIME A COLLECTION AGENCY MAY COLLECT ON A DEBT; PROVIDING AN
7 APPROPRIATION; AMENDING SECTION 30-14-2013, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE
8 DATE AND AN APPLICABILITY DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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12 **Section 1.** Section 30-14-2013, MCA, is amended to read:

13 **"30-14-2013. Prohibited practices.** (1) A credit counseling service may not:

- 14 (a) purchase any debt or obligation of a consumer;
- 15 (b) lend money or provide credit to a consumer;
- 16 (c) obtain a mortgage or other security interest in any property of a consumer;
- 17 (d) operate as a collection agency;
- 18 (e) structure a debt management plan in a way that at the debt management plan's conclusion any
- 19 debts of the consumer that are subject to the debt management plan are not fully amortized;
- 20 (f) charge for or provide credit insurance;
- 21 (g) cause or attempt to cause a consumer to waive or forego any right or benefit that the consumer
- 22 has under the provisions of this part; or
- 23 (h) operate in this state without a license.

24 (2) (a) A credit counseling service may not advertise its services in any manner in this state without
25 first being licensed by the department.

26 (b) A credit counseling service or any person on a credit counseling service's behalf may not
27 misrepresent any material fact or make a false promise intended to induce a consumer into entering a debt
28 management plan.

