

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FOUR

S.P. 908 - L.D. 2115

An Act to Prohibit Unfair Practices Related to the Collection of Medical Debt

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 32 MRSA §11002, sub-§7-A is enacted to read:

7-A. Medical debt. "Medical debt" means debt arising from health care services, including dental services, or health care goods, including products, devices, durable medical equipment and prescription drugs. "Medical debt" does not include debt arising from services provided by a veterinarian; debt charged to a credit card unless the credit card is issued under an open-end or closed-end credit plan offered solely for the payment of health care services; debt charged to a home equity or general purpose line of credit; or secured debt.

Sec. 2. 32 MRSA §11013, sub-§2, ¶O, as enacted by PL 1985, c. 702, §2, is amended to read:

O. The false representation or implication that documents are not legal process forms or do not require action by the consumer; or

Sec. 3. 32 MRSA §11013, sub-§2, ¶P, as amended by PL 2013, c. 588, Pt. C, §17, is further amended to read:

P. The false representation or implication that a debt collector operates or is employed by a consumer reporting agency, as defined by Title 10, section 1308, subsection 3;

Sec. 4. 32 MRSA §11013, sub-§2, ¶Q is enacted to read:

Q. The false, deceptive or misleading representation or implication that interest will accumulate on the debt principal when the debt collector or collection agency is attempting to collect debt that the debt collector or collection agency knows is medical debt or to obtain information about a consumer in relation to an attempt to collect medical debt;

Sec. 5. 32 MRSA §11013, sub-§2, ¶R is enacted to read:

R. The false, deceptive or misleading representation or implication that a fee will be charged in connection with the debt when the debt collector or collection agency is attempting to collect debt that the debt collector or collection agency knows is medical

debt or to obtain information about a consumer in relation to an attempt to collect medical debt; or

Sec. 6. 32 MRSA §11013, sub-§2, ¶S is enacted to read:

S. The false, deceptive or misleading representation or implication that the debt collector or collection agency will pursue litigation to compel payment of the debt when attempting to collect debt that the debt collector or collection agency knows is medical debt or to obtain information about a consumer in relation to an attempt to collect medical debt.

Sec. 7. 32 MRSA §11013, sub-§3, ¶M, as enacted by PL 1985, c. 702, §2, is amended to read:

M. Engaging in the business of lending money to any person or contacting any person for the purpose of securing a loan for any person with which to pay any claim left with it for collection, or recommending any person or persons as a source of funds to pay any such claim; or

Sec. 8. 32 MRSA §11013, sub-§3, ¶N, as repealed and replaced by PL 2009, c. 245, §8, is amended to read:

N. Threatening to bring legal action in the debt collector's own name or instituting a suit on behalf of others or furnishing legal advice, except that a debt collector who is also an attorney may bring an action under this paragraph in the name of the creditor in any division or county permitted by 15 United States Code, Section 1692i and may furnish legal advice to the creditor with respect to a debt;

Sec. 9. 32 MRSA §11013, sub-§3, ¶O is enacted to read:

O. Notwithstanding paragraph A, charging any interest on debt that the debt collector knows is medical debt;

Sec. 10. 32 MRSA §11013, sub-§3, ¶P is enacted to read:

P. Notwithstanding paragraph A, charging any fee in connection with the collection of debt that the debt collector knows is medical debt; or

Sec. 11. 32 MRSA §11013, sub-§3, ¶Q is enacted to read:

Q. Pursuing litigation to compel payment of medical debt without providing proof that the consumer was sent a written notice indicating that litigation may not be pursued when the debt collector or collection agency knows the consumer's household income is not more than 300% of the federal poverty guidelines, as defined by the federal Office of Management and Budget and revised annually, and the debt collector or collection agency provided the consumer with at least 30 days to provide evidence that the consumer's household income is not more than 300% of the federal poverty guidelines.