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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 610 Session of  
1989

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INTRODUCED BY MAYERNIK, CALTAGIRONE, McVERRY, KOSINSKI, REBER,  
McNALLY, HAGARTY, HECKLER, PICCOLA AND MOEHLMANN,  
FEBRUARY 15, 1989

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REFERRED TO COMMITTEE ON JUDICIARY, FEBRUARY 15, 1989

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AN ACT

1 Amending Title 18 (Crimes and Offenses) of the Pennsylvania  
2 Consolidated Statutes, further providing for unlawful  
3 collection agency practices.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Section 7311(a) and (b) of Title 18 of the  
7 Pennsylvania Consolidated Statutes are amended and the section  
8 is amended by adding a subsection to read:

9 § 7311. Unlawful collection agency practices.

10 (a) [Appearance for creditor.--It is unlawful for a  
11 collection agency to appear for or represent a creditor or other  
12 person in any proceeding, or in any action or proceeding for or  
13 growing out of the appointment of a receiver or trustee, or in  
14 connection with an assignment for the benefit of creditors, or  
15 to present any claim or to vote on behalf of a creditor, whether  
16 an assignee or transferee of such claim or by virtue of a proxy  
17 or otherwise, or to represent any creditor in any action or  
18 proceeding in any court, or before any justice of the peace or

1 magistrate, or to solicit from any creditor any claim for any of  
2 the purposes forbidden by this section.] Assignments of  
3 claims.--It is lawful for a collection agency, for the purpose  
4 of collecting or enforcing the payment thereof, to take an  
5 assignment of any such claim from a creditor, if all of the  
6 following apply:

7       (1) The assignment between the creditors and collection  
8 agency is in writing.

9       (2) The original agreement between the creditor and  
10 debtor does not prohibit assignments.

11       (3) The collection agency complies with the act of  
12 December 17, 1968 (P.L.1224, No.387), known as the Unfair  
13 Trade Practices and Consumer Protection Law, and with the  
14 regulations promulgated under that act.

15       (b) [Assignments of claims.--It is unlawful for a collection  
16 agency, for the purpose of collecting or enforcing the payment  
17 thereof, directly or indirectly, to buy, take an assignment of,  
18 or to become in any manner interested in the buying or taking of  
19 an assignment of any such claim.] Appearance for creditor.--It  
20 is unlawful for a collection agency to appear for or represent a  
21 creditor in any manner whatsoever, but a collection agency,  
22 pursuant to subsection (a), may bring legal action on claims  
23 assigned to it and not be in violation of subsection (c) if the  
24 agency appears by an attorney.

25       (b.1) Unfair or deceptive collection methods.--It is  
26 unlawful for a collector to collect any amount, including any  
27 interest, fee, charge or expense incidental to the principal  
28 obligation, unless such amount is expressly provided in the  
29 agreement creating the debt or is permitted by law.

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1       Section 2.   This act shall take effect immediately.