

Debt Collection Protections

What are my protections?

Debt collectors (anyone trying to collect a consumer debt) are not allowed to:

- Threaten you
- Harass you
- Purposefully share information with your employer, family, or friends
- about your debt
- Call, text, or email you more than 4 times in one week
- Call you before 8am or after 9pm
- Tell others or threaten to tell others your immigration status

What are the requirements for debt collectors?

Debt collectors must:

- Inform you:
 - That they own the debt,
 - That you can ask for documents proving they own the debt, and
 - That you may have a type of income that debt collectors cannot take
- Have documents that prove they own your debt
- Give you a written copy of any settlement agreement/payment plan you agree to

How long do debt collectors have to sue me?

- Typically, 3 years from when you stopped making payments on the account.
- Due to COVID-19, debt collectors may have more time to bring a lawsuit. If you are concerned about being sued, you may want to talk to an attorney.

Can debt collectors take my money?

Only if you are sued and the debt collector gets a "judgment." However, certain types of income are **protected** from collection, including:

- Public assistance, including food stamps and TANF
- Social Security benefits (SS retirement, SSI, SSDI)
- Veterans' benefits
- Disability and unemployment benefits
- Pensions
- Workers' compensation
- Alimony or support for your dependents

How can debt collectors take my money?

Creditors/debt collectors can try to collect in several ways:

- *Wage garnishment*: Debt collectors can garnish your wages only if you are earning (after taxes are taken out) more than the equivalent of D.C. minimum wage at 40 hours/week.
 - If your wages are above this threshold, then you can be garnished at 25% of the amount that your wages (after taxes) exceed 40 times the D.C. minimum wage.
- *Bank account attachment*: Debt collectors may be able to take money in a bank account up to the amount of the judgment.
- *Liens on property*: Debt collectors may record a judgment against your home that must be paid if the property is sold.

There's a judgment against me. How can I protect my money?

- **Speak with an attorney!**
- File a motion to exempt (protect) your wages from garnishment or to show that the money in your bank account is exempt
- File a motion to vacate (undo) the judgment
- Consider a payment plan if debt collector agrees they will not collect on the judgment