

## What to do if you can't pay your bills

Call creditors—businesses to which you owe money—before they call you:

- If you have a bill that is incorrect, correct it. Disputing a debt within 30 days of receiving a notice of a right-to-dispute will stop collection actions while the agency investigates. Credit card accounts can normally be disputed within 60 days of receipt of the notice-of-dispute.
- If your bills are correct, contact the creditor and try to work out a payment plan.

If you are having difficulty correcting your debt problems on your own, contact the Consumer Credit Counseling Service (CCCS) in your area. Your local CCCS will be listed in your phone book. This agency can help with debt management and assist with arranging payment plans with your creditors.

Contact an attorney or the Federal Trade Commission if a creditor is treating you unfairly. You may file a complaint with the Federal Trade Commission through their website (<http://www.ftc.gov>) or by phone at 1-877-FTC-HELP (382-4357).

Consider bankruptcy as an option if other efforts are not working. Talk to attorney for help in making this difficult decision. Bankruptcy will stop all debt collection efforts and will protect most of your possessions. You will still have to make payments on your house, car, and items held as collateral, but you may be able to erase most unsecured debts while leaving money available to pay what you can afford to pay.

## About FloridaLawHelp.org

FloridaLawHelp.org is administered by Florida Legal Services, Inc. and is produced in cooperation with Pro Bono Net and the legal services organizations and government agencies throughout Florida and the United States.

This brochure is for general education only. It is not intended to be used to solve *individual problems*. If you have specific questions, see an attorney.

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 FLORIDA LEGAL SERVICES, INC.

## FloridaLawHelp.org

To locate your local legal aid or legal services office, please visit us on the web at

[www.floridalawhelp.org](http://www.floridalawhelp.org)

Your local legal aid or legal services office can be located through either the “Find Local Help” or “Directory” links.

If you don't have access to the internet, consult your local Directory Assistance for the number of the legal aid or legal services office nearest to you.

Special thanks to Community Legal Services of Mid-Florida, Inc.

## FloridaLawHelp.org

How to cope with

## Debts...



How to deal with

## Collectors

*There are times when a person is totally overwhelmed with debts. Whatever the circumstances—a medical emergency, the loss of a job, or poor financial planning — a decision needs to be made about how to cope with debts and how to deal with collectors in this time of crisis.*

### What if I owe a debt I cannot pay?

A creditor—a business to which you owe money—can request payment and eventually sue you if you are unable to comply with your contract. Although creditors can request that you honor the debt, they cannot illegally harass you for payment.

**It is against the law** for a creditor or collection agency to contact your employer before getting a court judgment, to contact people outside your family about your debts, to threaten you with going to jail, or to unnecessarily harass you or your family about the debts. If this law is violated, you may sue the creditor for collection abuse.

### You Can Not go to jail for not paying a debt!!!

You cannot be jailed for not paying a consumer debt. Child support is different. Child support is not a consumer debt.

### Improper collection activities

Though there are many types of improper collection activities, the most common are the following:

- calling you before 8:00 o'clock in the morning or after 9:00 o'clock at night
- calling without identifying to you who the caller is, or using a false name
- giving out false credit information about you to anyone
- calling an unreasonable number of times
- misrepresenting the amount of the debt
- harassing, abusive or obscene language
- calling you at work when you have a home phone and have told them to call you at home
- talking to anyone other than you or your attorney about your debt
- repeatedly calling after you have told them you are not paying
- impersonating a police officer
- sending anything resembling a government document to you
- threatening to call the police or put you in jail if you don't pay



### What should I do if I'm being harassed?

- Keep a record of all collection calls: the time of day, what was said, and how you were treated.
- If you are being called at work, write the collector (keep a copy of the letter), telling them to stop calling you at work. If you have a home number, you can give that to them. If they still call you at work even after you have notified them not to, you should immediately contact an attorney.
- If you cannot pay, tell them. If they continue to call after you tell them you will not pay, their actions may be illegal.
- Hang up the phone! You are under no obligation to talk to them. Collectors rely on you getting upset. Don't let them bother you.
- Do not let collectors pressure you into making wrong choices. Let them know you lost your job or got hit with enormous medical bills. Let them know you will begin payments as soon as your financial situation allows.
- If your local chapter of Consumer Credit Counseling Services (CCCS — 1-800-450-1794) can assist you in prioritizing bills and in negotiating acceptable payments, you are on your way to solving these problems! If CCCS cannot help you, they will very quickly advise you to see an attorney for bankruptcy counseling.

### What are creditors allowed to do?

Creditors may demand payment. They may report you to a credit bureau and sue you in court. They may seize property such as a car, a home, or part of your wages **after they obtain a judgment**. They cannot do anything if there is nothing to collect.

### How may collectors contact you?

A debt collector may contact you in person, by mail, telephone, or telegram. However, they may not contact you at unreasonable hours—before 8 a.m. or after 9 p.m.—without your permission. Collectors may not contact you at work if they have been informed that you and/or your employer do not want them to call you there.

### How can I stop the harassment?

**Explain the situation.** This may stop creditors from turning debts over to collection agencies. Creditors may be agreeable to working out a flexible payment plan with you.

If your creditors have turned over your debts to collection agencies, you may write a letter asking the agencies to stop contacting you. Federal law requires collection agencies to stop contact after they receive a written request (Fair Debt Collections Practices Act 15 U.S.C. Section 1692c (c)). If your letter does not work, get an attorney to write a letter.