[DISCUSSION DRAFT]

117TH CONGRESS  
1ST SESSION  
H. R. _____

To amend the Fair Debt Collection Practices Act to provide enhanced protection against debt collector harassment of members of the Armed Forces, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. DEAN introduced the following bill; which was referred to the Committee on ______________________

A BILL

To amend the Fair Debt Collection Practices Act to provide enhanced protection against debt collector harassment of members of the Armed Forces, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Fair Debt Collection Practices for Servicemembers Act”.

March 4, 2021 (4:03 p.m.)
SEC. 2. ENHANCED PROTECTION AGAINST DEBT COLLECTOR HARASSMENT OF SERVICEMEMBERS.

(a) COMMUNICATION IN CONNECTION WITH DEBT COLLECTION.—Section 805 of the Fair Debt Collection Practices Act (15 U.S.C. 1692c) is amended by adding at the end the following:

“(e) COMMUNICATIONS CONCERNING SERVICEMEMBER DEBTS.—

“(1) DEFINITION.—In this subsection, the term ‘covered member’ means—

“(A) a covered member or a dependent as defined in section 987(i) of title 10, United States Code; and

“(B)(i) an individual who was separated, discharged, or released from duty described in such section 987(i)(1), but only during the 365-day period beginning on the date of separation, discharge, or release; or

“(ii) a person, with respect to an individual described in clause (i), described in subparagraph (A), (D), (E), or (I) of section 1072(2) of title 10, United States Code.

“(2) PROHIBITIONS.—A debt collector may not, in connection with the collection of any debt of a covered member—
“(A) threaten to have the covered member reduced in rank;

“(B) threaten to have the covered member’s security clearance revoked; or

“(C) threaten to have the covered member prosecuted under chapter 47 of title 10, United States Code (the Uniform Code of Military Justice).”.

(b) UNFAIR PRACTICES.—Section 808 of the Fair Debt Collection Practices Act (15 U.S.C. 1692f) is amended by adding at the end the following:

“(9) The representation to any covered member (as defined under section 805(e)(1)) that failure to cooperate with a debt collector will result in—

“(A) a reduction in rank of the covered member;

“(B) a revocation of the covered member’s security clearance; or

“(C) prosecution under chapter 47 of title 10, United States Code (the Uniform Code of Military Justice).”.

SEC. 3. GAO STUDY.

The Comptroller General of the United States shall conduct a study and submit a report to Congress on the impact of this Act on—
the timely delivery of information to a covered member (as defined in section 805(e) of the Fair Debt Collection Practices Act, as added by this Act);

(2) military readiness; and

(3) national security, including the extent to which covered members with security clearances would be impacted by uncollected debt.

SEC. 4. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.