

SENATE No. 40

By Mr. Jajuga, a petition (accompanied by bill, Senate, No. 40) of James P. Jajuga, Kevin L. Finnegan and Brian S. Dempsey for legislation to allow collection agencies to accept assignments of debt. Commerce and Labor.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-Nine.

AN ACT PERMITTING COLLECTION AGENCIES TO ACCEPT ASSIGNMENTS OF DEBTS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 93 of the General Laws, as appearing in the 1996
2 Official Edition, is hereby amended by inserting after section 24D
3 the following section:—
4 Section 24E. A collection agency may accept assignments of
5 any account, bill or indebtedness in its own name as the real party
6 in interest and may bring suit thereon in its own name, provided
7 (a) such assignment is in writing and the agreement with the
8 debtor did not prohibit such assignment, (b) no suit authorized by
9 this section may be instituted on behalf of a collection agency in
10 any court, unless the collection agency appears by a duly autho-
11 rized and licensed attorney-at-law, and (c) the collection agency
12 gives the debtor written notice of such assignment within thirty
13 days after such assignment. In the case of an assignment the col-
14 lection agency shall not employ a deceptive or unfair collection
15 practice as set forth in the Code of Massachusetts Regulations.
16 The collection agency shall not be entitled to collect any interest,
17 charge or expense, including legal fees, in connection with the
18 collection of the principal obligation unless it is expressly autho-
19 rized in the agreement creating the debt or is permitted by law.

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