



April 27, 2023

TO: House Rules Committee  
FR: Maribeth Guarino, Health Care Advocate, Oregon State Public Interest Research Group (OSPIRG)  
RE: In Support of HB 2008 and Consumer Debt Protections

Good afternoon Chair Fahey, Vice-Chairs Breese-Iverson and Kropf, members of the committee, my name is Maribeth Guarino and I am an advocate at OSPIRG. We are a statewide public interest organization representing thousands of Oregonians. I am testifying in support of HB 2008 and consumer debt protections.

Oregonians take on debt for a variety of reasons: for education and the pursuit of a degree; for housing and a place to feel secure and maybe raise a family; for transportation and the independence and reliability of a personal vehicle; for entrepreneurial improvements to their own business. Unfortunately, there are more concerning kinds of financial obligations, including debt that comes from medical bills.

In a report we released, OSPIRG analyzed nearly 8,000 Chapter 7 and Chapter 13 Oregon bankruptcy filings from 2019 and found that [60% included medical debt](#). Sudden or unexpectedly large medical bills can leave individuals and families vulnerable to other kinds of debt, forcing them to mortgage their home, borrow from family or banks, or add to their credit card debt. In addition to the financial burden and debt cycle this creates, once action is taken to collect a debt, consumers are often at the beck and call of creditors and legal proceedings that leave no room for errors - which happen all too often.

From January 1 to March 1 of this year, the Consumer Financial Protection Bureau received [31 complaints](#) from Oregonians about wrongful debt collections, including for debt already paid and debt that did not belong to the consumer. One consumer wrote that they "Received debt collection notices of {\$880.00} and {\$74.00} from credit collection services for an account that I do not have...My name is not even spelled correctly on the debt collection letters."

This is not including the 28 additional complaints from the same time period regarding harassment tactics, unclear or ineffective notices of debt collections, and attempts to collect the wrong amount of debt. In 2022, there were nearly [400 of these complaints](#) from Oregonians.

HB 2008 would protect Oregonians whose debt leaves them vulnerable to collections and complicated legal proceedings, as well as evens out the playing field when creditors take action they shouldn't and consumers are pulled into legal messes that can have long-lasting effects on their financial stability. I urge your support and yes vote for HB 2008.

Thank you.