

# H.B. 78

## UTAH DIVISION OF CONSUMER PROTECTION AMENDMENTS

HOUSE COMMITTEE AMENDMENTS

AMENDMENT 1

JANUARY 31, 2012 5:04 PM

Representative **Derek E. Brown** proposes the following amendments:

1. Page 23, Line 689:

689 (6) ~~{(a)}~~ Except as otherwise provided in Subsections (3) and (4), if an agreement

2. Page 23, Line 691 through Page 24, Line 714:

691 the debt ~~{-}~~ :

(a) compensation for services in connection with settling a debt ~~{may not exceed one of the following applicable settlement fee limits in Subsection (6)(b) or (c), the terms of which shall be clearly disclosed in the agreement.}~~ shall be reasonable and clearly disclosed in the agreement; and

(b) a fee for settling a debt may be collected only as the debt is settled.

694 ~~{(b) (i) With respect to agreements where a flat settlement fee is charged based on the overall amount of included debt, total aggregate fees charged may not exceed 17% of the principal amount of debt included in the agreement[, including any fees charged under Subsections (4)(b)(i) and (ii)].~~

698 ~~—— (ii) The flat settlement fee authorized under this Subsection (6)(b) [shall be assessed in equal monthly payments over no less than half of the length of the plan, as estimated at the plan's inception, unless:] may be collected only upon the settlement of all debt included in the settlement fee agreement.~~

702 ~~—— [(A) payment is voluntarily accelerated by the individual in a separate record; and]~~

703 ~~—— [(B) at least half of the principal amount of overall debt included in the agreement at its inception has been settled.]~~

705 ~~—— (c) (i) With respect to agreements where fees are calculated as a percentage of the amount saved by an individual, a settlement fee may not exceed 30% of the excess of the outstanding amount of each debt over the amount actually paid to the creditor, as calculated at the time of settlement.~~

709 ~~—— (ii) Settlement fees authorized under this Subsection (6)(c):~~

710 ~~—— (A) may be collected only as debts are settled; and~~

711 ~~—— (B) the total aggregate amount of fees charged to any individual under this chapter[, including fees charged under Subsections (4)(b)(i) and (ii),] may not exceed 20% of the principal amount of debt included in the agreement at the agreement's inception.~~

714 ~~—— (d) A provider may not impose or receive fees under both Subsections (6)(b) and (c).}~~