

What is a collection agency?

A **collection agency** specializes in collecting past due payments. Collection agencies can damage your credit rating and get court orders to:

- Take payments directly from your paycheck.
- Put a lien on your house, which means if you sell the house, the agency collects payment out of the profit you make on the sale.



Collection Agencies - What to Do

CALIFORNIA
PUBLIC
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If you need help with a dispute about your telecommunications service or bill, first contact your phone company. If your issue is not resolved, you can file a complaint online at: www.calphoneinfo.com or call the Consumer Affairs Branch and Utility Fraud Hotline at (800) 649-7570



CPUC





Phone companies may send unpaid bills to collection agencies

Generally, phone companies will disconnect some or all of your services for non-payment before they send your bill to a collection agency, unless you are disputing the bill. Phone companies in California cannot send a bill to a collection agency while they are looking into your dispute.

Collection Agencies – What To Do

Within five days of a collection agency contacting you about an unpaid bill, the agency must tell you:

- How much you owe
- Who you owe
- How to dispute the bill
- The collection agency's name, address and telephone number
- The date the notice was mailed to you

What Can I do after I receive a letter from a collection agency?

- 1) Pay the bill directly to the collection agency. You may discuss a payment plan if you cannot pay the whole bill at one time. Do not call or send money to the phone company.

2. Dispute the bill directly with the collection agency if you disagree with the charges. Once the collection agency knows that you are disputing the charges, they must investigate your claims. They may not attempt to collect the debt until the investigation is complete.
3. Refuse to pay the debt. If you refuse to pay the debt and want the agency to stop calling you, send a letter advising them not to contact you. After receiving that letter, the agency will contact you one more time to tell you what action it may take against you.



Avoid collection agencies by paying your entire bill each month, or your final bill soon after receiving it.

Remember to write down what you and the collection agency discussed, make copies of anything you mail to the agency and, once your bill is paid, ask the agency to send you a confirmation (you might need one to clear your credit rating).