

GENERAL ASSEMBLY OF NORTH CAROLINA  
1991 SESSION

CHAPTER 68  
HOUSE BILL 34

AN ACT TO INCREASE THE PENALTIES FOR VIOLATIONS OF THE DEBT  
COLLECTION PRACTICES ACTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 75-56 reads as rewritten:

**"§ 75-56. Application.**

The specific and general provisions of this Article shall exclusively constitute the unfair or deceptive acts or practices proscribed by G.S. 75-1.1 in the area of commerce regulated by this Article. Notwithstanding the provisions of G.S. 75-15.2 and 75-16, in private actions or actions instituted by the Attorney General, civil penalties in excess of ~~one thousand dollars (\$1,000)~~ two thousand dollars (\$2,000) shall not be imposed, nor shall damages be trebled for any violation under this Article."

Sec. 2. G.S. 58-70-130 reads as rewritten:

**"§ 58-70-130. Civil liability.**

(a) Any collection agency which violates Part 3 of this Article with respect to any debtor shall be liable to that debtor in an amount equal to the sum of any actual damages sustained by the debtor as a result of the violation.

(b) Any collection agency which violates Part 3 of this Article with respect to any debtor shall, in addition to actual damages sustained by the debtor as a result of the violation, also be liable to the debtor only in an individual action, and its additional liability therein to that debtor shall be for a penalty in such amount as the court may allow, which shall not be less than one hundred dollars (\$100.00) for each violation nor greater than ~~one thousand dollars (\$1,000)~~ two thousand dollars (\$2,000) for each violation.

(c) The specific and general provisions of Part 3 of this Article shall constitute unfair or deceptive acts or practices proscribed herein or by G.S. 75-1.1 in the area of commerce regulated thereby. Notwithstanding the provisions of G.S. 75-15.2 and 75-16, civil penalties in excess of ~~one thousand dollars (\$1,000)~~ two thousand dollars (\$2,000) for each violation shall not be imposed, nor shall damages be trebled for any violation under Part 3 of this Article.

(d) The remedies provided by this section shall be cumulative, and in addition to remedies otherwise available. Provided, that any punitive damages assessed against a collection agency shall be reduced by the amount of the civil penalty assessed against such agency pursuant to subsection (b)."

Sec. 3. This act is effective upon ratification and applies to actions brought on or after that date.

In the General Assembly read three times and ratified this the 2nd day of  
May, 1991.

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James C. Gardner  
President of the Senate

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Daniel Blue, Jr.  
Speaker of the House of Representatives