

SENATE BILL No. 211

DIGEST OF INTRODUCED BILL

Citations Affected: IC 24-5-0.5.

Synopsis: Debt collection. Amends the statute concerning deceptive consumer sales as follows: (1) Defines the term "debt buyer". (2) Specifies that a debt buyer is a debt collector for purposes of the statute. (3) Defines the term "charged off" with respect to a consumer loan or a consumer credit account. (4) Requires a debt collector to make certain disclosures during an oral communication with an Indiana debtor. (5) Requires a debt collector to make certain written disclosures following an initial oral communication with a debtor. (6) Provides that the failure to make the required oral or written disclosures constitutes a deceptive act under the statute. (7) Specifies that the attorney general's authority to recover a civil penalty not exceeding \$1,000 for knowing violations of the provisions concerning debt collection practices applies to each violation of the provisions per consumer, subject to a cap of \$25,000 in total civil penalties that may be imposed for each violation.

Effective: July 1, 2015.

Miller Patricia

January 6, 2015, read first time and referred to Committee on Civil Law.



First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 211



A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 24-5-0.5-2, AS AMENDED BY P.L.65-2014,
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2015]: Sec. 2. (a) As used in this chapter:
4 (1) "Consumer transaction" means a sale, lease, assignment,
5 award by chance, or other disposition of an item of personal
6 property, real property, a service, or an intangible, except
7 securities and policies or contracts of insurance issued by
8 corporations authorized to transact an insurance business under
9 the laws of the state of Indiana, with or without an extension of
10 credit, to a person for purposes that are primarily personal,
11 familial, charitable, agricultural, or household, or a solicitation to
12 supply any of these things. However, the term includes the
13 following:
14 (A) A transfer of structured settlement payment rights under
15 IC 34-50-2.
16 (B) An unsolicited advertisement sent to a person by telephone



- 1 facsimile machine offering a sale, lease, assignment, award by
 2 chance, or other disposition of an item of personal property,
 3 real property, a service, or an intangible.
- 4 (C) The collection of or attempt to collect a debt by a debt
 5 collector.
- 6 (2) "Person" means an individual, corporation, the state of Indiana
 7 or its subdivisions or agencies, business trust, estate, trust,
 8 partnership, association, nonprofit corporation or organization, or
 9 cooperative or any other legal entity.
- 10 (3) "Supplier" means the following:
- 11 (A) A seller, lessor, assignor, or other person who regularly
 12 engages in or solicits consumer transactions, including
 13 soliciting a consumer transaction by using a telephone
 14 facsimile machine to transmit an unsolicited advertisement.
 15 The term includes a manufacturer, wholesaler, or retailer,
 16 whether or not the person deals directly with the consumer.
- 17 (B) A person who contrives, prepares, sets up, operates,
 18 publicizes by means of advertisements, or promotes a pyramid
 19 promotional scheme.
- 20 (C) A debt collector.
- 21 (4) "Subject of a consumer transaction" means the personal
 22 property, real property, services, or intangibles offered or
 23 furnished in a consumer transaction.
- 24 (5) "Cure" as applied to a deceptive act, means either:
- 25 (A) to offer in writing to adjust or modify the consumer
 26 transaction to which the act relates to conform to the
 27 reasonable expectations of the consumer generated by such
 28 deceptive act and to perform such offer if accepted by the
 29 consumer; or
- 30 (B) to offer in writing to rescind such consumer transaction
 31 and to perform such offer if accepted by the consumer.
- 32 The term includes an offer in writing of one (1) or more items of
 33 value, including monetary compensation, that the supplier
 34 delivers to a consumer or a representative of the consumer if
 35 accepted by the consumer.
- 36 (6) "Offer to cure" as applied to a deceptive act is a cure that:
- 37 (A) is reasonably calculated to remedy a loss claimed by the
 38 consumer; and
- 39 (B) includes a minimum additional amount that is the greater
 40 of:
- 41 (i) ten percent (10%) of the value of the remedy under
 42 clause (A), but not more than four thousand dollars



- 1 (\$4,000); or
 2 (ii) five hundred dollars (\$500);
 3 as compensation for attorney's fees, expenses, and other costs
 4 that a consumer may incur in relation to the deceptive act.
 5 (7) "Uncured deceptive act" means a deceptive act:
 6 (A) with respect to which a consumer who has been damaged
 7 by such act has given notice to the supplier under section 5(a)
 8 of this chapter; and
 9 (B) either:
 10 (i) no offer to cure has been made to such consumer within
 11 thirty (30) days after such notice; or
 12 (ii) the act has not been cured as to such consumer within a
 13 reasonable time after the consumer's acceptance of the offer
 14 to cure.
 15 (8) "Incurable deceptive act" means a deceptive act done by a
 16 supplier as part of a scheme, artifice, or device with intent to
 17 defraud or mislead. The term includes a failure of a transferee of
 18 structured settlement payment rights to timely provide a true and
 19 complete disclosure statement to a payee as provided under
 20 IC 34-50-2 in connection with a direct or indirect transfer of
 21 structured settlement payment rights.
 22 (9) "Pyramid promotional scheme" means any program utilizing
 23 a pyramid or chain process by which a participant in the program
 24 gives a valuable consideration exceeding one hundred dollars
 25 (\$100) for the opportunity or right to receive compensation or
 26 other things of value in return for inducing other persons to
 27 become participants for the purpose of gaining new participants
 28 in the program. The term does not include ordinary sales of goods
 29 or services to persons who are not purchasing in order to
 30 participate in such a scheme.
 31 (10) "Promoting a pyramid promotional scheme" means:
 32 (A) inducing or attempting to induce one (1) or more other
 33 persons to become participants in a pyramid promotional
 34 scheme; or
 35 (B) assisting another in promoting a pyramid promotional
 36 scheme.
 37 (11) "Senior consumer" means an individual who is at least sixty
 38 (60) years of age.
 39 (12) "Telephone facsimile machine" means equipment that has
 40 the capacity to transcribe text or images, or both, from:
 41 (A) paper into an electronic signal and to transmit that signal
 42 over a regular telephone line; or



- 1 (B) an electronic signal received over a regular telephone line
 2 onto paper.
- 3 (13) "Unsolicited advertisement" means material advertising the
 4 commercial availability or quality of:
- 5 (A) property;
 6 (B) goods; or
 7 (C) services;
- 8 that is transmitted to a person without the person's prior express
 9 invitation or permission, in writing or otherwise.
- 10 (14) "Debt" has the meaning set forth in 15 U.S.C. 1692a(5).
- 11 (15) "Debt collector" has the meaning set forth in 15 U.S.C.
 12 1692a(6). **The term includes a debt buyer.** The term does not
 13 include a person admitted to the practice of law in Indiana if the
 14 person is acting within the course and scope of the person's
 15 practice as an attorney.
- 16 **(16) "Debt buyer" means a person that is engaged in the**
 17 **business of purchasing:**
- 18 (A) delinquent or charged-off consumer loans;
 19 (B) delinquent or charged-off consumer credit accounts; or
 20 (C) other delinquent consumer debt;
- 21 **for collection purposes, whether the person collects the debt**
 22 **itself or through an affiliate or a subsidiary. The term does**
 23 **not include a person that collects or attempts to collect a debt**
 24 **as an agent of the original creditor.**
- 25 **(17) "Charged off", with respect to a consumer loan or a**
 26 **consumer credit account, means an accounting action taken**
 27 **by the original creditor to remove a debt obligation from the**
 28 **original creditor's financial statements by treating the debt**
 29 **obligation as a loss or an expense.**
- 30 (b) As used in section 3(b)(15) and 3(b)(16) of this chapter:
- 31 (1) "Directory assistance" means the disclosure of telephone
 32 number information in connection with an identified telephone
 33 service subscriber by means of a live operator or automated
 34 service.
- 35 (2) "Local telephone directory" refers to a telephone classified
 36 advertising directory or the business section of a telephone
 37 directory that is distributed by a telephone company or directory
 38 publisher to subscribers located in the local exchanges contained
 39 in the directory. The term includes a directory that includes
 40 listings of more than one (1) telephone company.
- 41 (3) "Local telephone number" refers to a telephone number that
 42 has the three (3) number prefix used by the provider of telephone



1 service for telephones physically located within the area covered
 2 by the local telephone directory in which the number is listed. The
 3 term does not include long distance numbers or 800-, 888-, or
 4 900- exchange numbers listed in a local telephone directory.

5 SECTION 2. IC 24-5-0.5-3, AS AMENDED BY P.L.65-2014,
 6 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2015]: Sec. 3. (a) A supplier may not commit an unfair,
 8 abusive, or deceptive act, omission, or practice in connection with a
 9 consumer transaction. Such an act, omission, or practice by a supplier
 10 is a violation of this chapter whether it occurs before, during, or after
 11 the transaction. An act, omission, or practice prohibited by this section
 12 includes both implicit and explicit misrepresentations.

13 (b) Without limiting the scope of subsection (a), the following acts,
 14 and the following representations as to the subject matter of a
 15 consumer transaction, made orally, in writing, or by electronic
 16 communication, by a supplier, are deceptive acts:

17 (1) That such subject of a consumer transaction has sponsorship,
 18 approval, performance, characteristics, accessories, uses, or
 19 benefits it does not have which the supplier knows or should
 20 reasonably know it does not have.

21 (2) That such subject of a consumer transaction is of a particular
 22 standard, quality, grade, style, or model, if it is not and if the
 23 supplier knows or should reasonably know that it is not.

24 (3) That such subject of a consumer transaction is new or unused,
 25 if it is not and if the supplier knows or should reasonably know
 26 that it is not.

27 (4) That such subject of a consumer transaction will be supplied
 28 to the public in greater quantity than the supplier intends or
 29 reasonably expects.

30 (5) That replacement or repair constituting the subject of a
 31 consumer transaction is needed, if it is not and if the supplier
 32 knows or should reasonably know that it is not.

33 (6) That a specific price advantage exists as to such subject of a
 34 consumer transaction, if it does not and if the supplier knows or
 35 should reasonably know that it does not.

36 (7) That the supplier has a sponsorship, approval, or affiliation in
 37 such consumer transaction the supplier does not have, and which
 38 the supplier knows or should reasonably know that the supplier
 39 does not have.

40 (8) That such consumer transaction involves or does not involve
 41 a warranty, a disclaimer of warranties, or other rights, remedies,
 42 or obligations, if the representation is false and if the supplier



- 1 knows or should reasonably know that the representation is false.
 2 (9) That the consumer will receive a rebate, discount, or other
 3 benefit as an inducement for entering into a sale or lease in return
 4 for giving the supplier the names of prospective consumers or
 5 otherwise helping the supplier to enter into other consumer
 6 transactions, if earning the benefit, rebate, or discount is
 7 contingent upon the occurrence of an event subsequent to the time
 8 the consumer agrees to the purchase or lease.
 9 (10) That the supplier is able to deliver or complete the subject of
 10 the consumer transaction within a stated period of time, when the
 11 supplier knows or should reasonably know the supplier could not.
 12 If no time period has been stated by the supplier, there is a
 13 presumption that the supplier has represented that the supplier
 14 will deliver or complete the subject of the consumer transaction
 15 within a reasonable time, according to the course of dealing or the
 16 usage of the trade.
 17 (11) That the consumer will be able to purchase the subject of the
 18 consumer transaction as advertised by the supplier, if the supplier
 19 does not intend to sell it.
 20 (12) That the replacement or repair constituting the subject of a
 21 consumer transaction can be made by the supplier for the estimate
 22 the supplier gives a customer for the replacement or repair, if the
 23 specified work is completed and:
 24 (A) the cost exceeds the estimate by an amount equal to or
 25 greater than ten percent (10%) of the estimate;
 26 (B) the supplier did not obtain written permission from the
 27 customer to authorize the supplier to complete the work even
 28 if the cost would exceed the amounts specified in clause (A);
 29 (C) the total cost for services and parts for a single transaction
 30 is more than seven hundred fifty dollars (\$750); and
 31 (D) the supplier knew or reasonably should have known that
 32 the cost would exceed the estimate in the amounts specified in
 33 clause (A).
 34 (13) That the replacement or repair constituting the subject of a
 35 consumer transaction is needed, and that the supplier disposes of
 36 the part repaired or replaced earlier than seventy-two (72) hours
 37 after both:
 38 (A) the customer has been notified that the work has been
 39 completed; and
 40 (B) the part repaired or replaced has been made available for
 41 examination upon the request of the customer.
 42 (14) Engaging in the replacement or repair of the subject of a



- 1 consumer transaction if the consumer has not authorized the
 2 replacement or repair, and if the supplier knows or should
 3 reasonably know that it is not authorized.
- 4 (15) The act of misrepresenting the geographic location of the
 5 supplier by listing a fictitious business name or an assumed
 6 business name (as described in IC 23-15-1) in a local telephone
 7 directory if:
- 8 (A) the name misrepresents the supplier's geographic location;
 9 (B) the listing fails to identify the locality and state of the
 10 supplier's business;
 11 (C) calls to the local telephone number are routinely forwarded
 12 or otherwise transferred to a supplier's business location that
 13 is outside the calling area covered by the local telephone
 14 directory; and
 15 (D) the supplier's business location is located in a county that
 16 is not contiguous to a county in the calling area covered by the
 17 local telephone directory.
- 18 (16) The act of listing a fictitious business name or assumed
 19 business name (as described in IC 23-15-1) in a directory
 20 assistance database if:
- 21 (A) the name misrepresents the supplier's geographic location;
 22 (B) calls to the local telephone number are routinely forwarded
 23 or otherwise transferred to a supplier's business location that
 24 is outside the local calling area; and
 25 (C) the supplier's business location is located in a county that
 26 is not contiguous to a county in the local calling area.
- 27 (17) The violation by a supplier of IC 24-3-4 concerning
 28 cigarettes for import or export.
- 29 (18) The act of a supplier in knowingly selling or reselling a
 30 product to a consumer if the product has been recalled, whether
 31 by the order of a court or a regulatory body, or voluntarily by the
 32 manufacturer, distributor, or retailer, unless the product has been
 33 repaired or modified to correct the defect that was the subject of
 34 the recall.
- 35 (19) The violation by a supplier of 47 U.S.C. 227, including any
 36 rules or regulations issued under 47 U.S.C. 227.
- 37 (20) **The following acts in connection with the collection of or**
 38 **attempt to collect a debt:**
- 39 (A) The violation by a supplier of the federal Fair Debt
 40 Collection Practices Act (15 U.S.C. 1692 et seq.), including
 41 any rules or regulations issued under the federal Fair Debt
 42 Collection Practices Act (15 U.S.C. 1692 et seq.).



1 **(B) The failure of a debt collector to do any of the**
2 **following in connection with the debt collector's initial oral**
3 **communication with a debtor who is an Indiana resident,**
4 **upon the debt collector's verification that the debt collector**
5 **is communicating with the debtor:**

6 **(i) Disclose during the initial oral communication with**
7 **the debtor the debt collector's identity as a debt**
8 **collector.**

9 **(ii) Provide during the initial oral communication with**
10 **the debtor the information set forth in 15 U.S.C.**
11 **1692g(a)(1)-(2). The debt collector shall, not later than**
12 **five (5) days after the initial oral communication with the**
13 **debtor, send the debtor a written notice containing the**
14 **information set forth in 15 U.S.C. 1692g(a) and, as**
15 **applicable, in items (iii), (iv), and (vi), unless the debt**
16 **collector has provided a written notice containing the**
17 **information set forth in 15 U.S.C. 1692g(a) and, as**
18 **applicable, in items (iii), (iv), and (vi) (and concerning**
19 **the same debt that is the subject of the initial oral**
20 **communication) before the debt collector's initial oral**
21 **communication with the debtor.**

22 **(iii) If the debt collector is a debt buyer, disclose during**
23 **the initial oral communication with the debtor the name**
24 **of the original creditor.**

25 **(iv) If the original creditor is different from the current**
26 **creditor, disclose during the initial oral communication**
27 **with the debtor the name of the original creditor.**

28 **(v) If the original creditor is different from the current**
29 **creditor, provide during the initial oral communication**
30 **with the debtor the date the debt was charged off by the**
31 **original creditor.**

32 **(vi) For a debt that is charged off after June 30, 2015,**
33 **provide to the debtor not later than five (5) days after**
34 **the initial oral communication with the debtor a written**
35 **itemized accounting of the debt, including the total**
36 **amount of the debt due as of the charge-off date, the**
37 **total amount of interest accrued following the charge-off**
38 **date, the total amount of charges or fees (other than**
39 **interest) accrued following the charge-off date, and the**
40 **total amount of payments made on the debt following the**
41 **charge-off date.**

42 **(C) The failure of a debt collector to do any of the**



1 following in connection with any oral communication with
 2 a debtor who is an Indiana resident, upon the debt
 3 collector's verification that the debt collector is
 4 communicating with the debtor:

5 (i) Provide the oral communication in a clear,
 6 conspicuous, and audible manner so that the
 7 communication is readily understood by the debtor and
 8 recognized as an attempt to collect a debt.

9 (ii) If one (1) or more previous oral communications
 10 concerning the debt have been made to the debtor,
 11 disclose the date the initial oral communication
 12 concerning the debt was made on behalf of the current
 13 creditor.

14 (21) A violation of IC 24-5-7 (concerning health spa services), as
 15 set forth in IC 24-5-7-17.

16 (22) A violation of IC 24-5-8 (concerning business opportunity
 17 transactions), as set forth in IC 24-5-8-20.

18 (23) A violation of IC 24-5-10 (concerning home consumer
 19 transactions), as set forth in IC 24-5-10-18.

20 (24) A violation of IC 24-5-11 (concerning home improvement
 21 contracts), as set forth in IC 24-5-11-14.

22 (25) A violation of IC 24-5-12 (concerning telephone
 23 solicitations), as set forth in IC 24-5-12-23.

24 (26) A violation of IC 24-5-13.5 (concerning buyback motor
 25 vehicles), as set forth in IC 24-5-13.5-14.

26 (27) A violation of IC 24-5-14 (concerning automatic
 27 dialing-announcing devices), as set forth in IC 24-5-14-13.

28 (28) A violation of IC 24-5-15 (concerning credit services
 29 organizations), as set forth in IC 24-5-15-11.

30 (29) A violation of IC 24-5-16 (concerning unlawful motor
 31 vehicle subleasing), as set forth in IC 24-5-16-18.

32 (30) A violation of IC 24-5-17 (concerning environmental
 33 marketing claims), as set forth in IC 24-5-17-14.

34 (31) A violation of IC 24-5-19 (concerning deceptive commercial
 35 solicitation), as set forth in IC 24-5-19-11.

36 (32) A violation of IC 24-5-21 (concerning prescription drug
 37 discount cards), as set forth in IC 24-5-21-7.

38 (33) A violation of IC 24-5-23.5-7 (concerning real estate
 39 appraisals), as set forth in IC 24-5-23.5-9.

40 (34) A violation of IC 24-5-26 (concerning identity theft), as set
 41 forth in IC 24-5-26-3.

42 (35) A violation of IC 24-5.5 (concerning mortgage rescue fraud),



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as set forth in IC 24-5.5-6-1.

(36) A violation of IC 24-8 (concerning promotional gifts and contests), as set forth in IC 24-8-6-3.

(37) A violation of IC 21-18.5-6 (concerning representations made by a postsecondary credit bearing proprietary educational institution), as set forth in IC 21-18.5-6-22.5.

(c) Any representations on or within a product or its packaging or in advertising or promotional materials which would constitute a deceptive act shall be the deceptive act both of the supplier who places such representation thereon or therein, or who authored such materials, and such other suppliers who shall state orally or in writing that such representation is true if such other supplier shall know or have reason to know that such representation was false.

(d) If a supplier shows by a preponderance of the evidence that an act resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid the error, such act shall not be deceptive within the meaning of this chapter.

(e) It shall be a defense to any action brought under this chapter that the representation constituting an alleged deceptive act was one made in good faith by the supplier without knowledge of its falsity and in reliance upon the oral or written representations of the manufacturer, the person from whom the supplier acquired the product, any testing organization, or any other person provided that the source thereof is disclosed to the consumer.

(f) For purposes of subsection (b)(12), a supplier that provides estimates before performing repair or replacement work for a customer shall give the customer a written estimate itemizing as closely as possible the price for labor and parts necessary for the specific job before commencing the work.

(g) For purposes of subsection (b)(15) and (b)(16), a telephone company or other provider of a telephone directory or directory assistance service or its officer or agent is immune from liability for publishing the listing of a fictitious business name or assumed business name of a supplier in its directory or directory assistance ~~database~~ **data base** unless the telephone company or other provider of a telephone directory or directory assistance service is the same person as the supplier who has committed the deceptive act.

(h) For purposes of subsection (b)(18), it is an affirmative defense to any action brought under this chapter that the product has been altered by a person other than the defendant to render the product completely incapable of serving its original purpose.

SECTION 3. IC 24-5-0.5-4, AS AMENDED BY P.L.65-2014,



1 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2015]: Sec. 4. (a) A person relying upon an uncured or
3 incurable deceptive act may bring an action for the damages actually
4 suffered as a consumer as a result of the deceptive act or five hundred
5 dollars (\$500), whichever is greater. The court may increase damages
6 for a willful deceptive act in an amount that does not exceed the greater
7 of:

8 (1) three (3) times the actual damages of the consumer suffering
9 the loss; or

10 (2) one thousand dollars (\$1,000).

11 Except as provided in subsection (j), the court may award reasonable
12 attorney fees to the party that prevails in an action under this
13 subsection. This subsection does not apply to a consumer transaction
14 in real property, including a claim or action involving a construction
15 defect (as defined in IC 32-27-3-1(5)) brought against a construction
16 professional (as defined in IC 32-27-3-1(4)), except for purchases of
17 time shares and camping club memberships. This subsection does not
18 apply with respect to a deceptive act described in section 3(b)(20) of
19 this chapter. This subsection also does not apply to a violation of
20 IC 24-4.7, IC 24-5-12, IC 24-5-14, or IC 24-5-14.5. Actual damages
21 awarded to a person under this section have priority over any civil
22 penalty imposed under this chapter.

23 (b) Any person who is entitled to bring an action under subsection
24 (a) on the person's own behalf against a supplier for damages for a
25 deceptive act may bring a class action against such supplier on behalf
26 of any class of persons of which that person is a member and which has
27 been damaged by such deceptive act, subject to and under the Indiana
28 Rules of Trial Procedure governing class actions, except as herein
29 expressly provided. Except as provided in subsection (j), the court may
30 award reasonable attorney fees to the party that prevails in a class
31 action under this subsection, provided that such fee shall be determined
32 by the amount of time reasonably expended by the attorney and not by
33 the amount of the judgment, although the contingency of the fee may
34 be considered. Except in the case of an extension of time granted by the
35 attorney general under IC 24-10-2-2(b) in an action subject to IC 24-10,
36 any money or other property recovered in a class action under this
37 subsection which cannot, with due diligence, be restored to consumers
38 within one (1) year after the judgment becomes final shall be returned
39 to the party depositing the same. This subsection does not apply to a
40 consumer transaction in real property, except for purchases of time
41 shares and camping club memberships. This subsection does not apply
42 with respect to a deceptive act described in section 3(b)(20) of this



1 chapter. Actual damages awarded to a class have priority over any civil
2 penalty imposed under this chapter.

3 (c) The attorney general may bring an action to enjoin a deceptive
4 act, including a deceptive act described in section 3(b)(20) of this
5 chapter, notwithstanding subsections (a) and (b). However, the attorney
6 general may seek to enjoin patterns of incurable deceptive acts with
7 respect to consumer transactions in real property. In addition, the court
8 may:

9 (1) issue an injunction;

10 (2) order the supplier to make payment of the money unlawfully
11 received from the aggrieved consumers to be held in escrow for
12 distribution to aggrieved consumers;

13 (3) for a knowing violation against a senior consumer, increase
14 the amount of restitution ordered under subdivision (2) in any
15 amount up to three (3) times the amount of damages incurred or
16 value of property or assets lost;

17 (4) order the supplier to pay to the state the reasonable costs of
18 the attorney general's investigation and prosecution related to the
19 action;

20 (5) provide for the appointment of a receiver; and

21 (6) order the department of state revenue to suspend the supplier's
22 registered retail merchant certificate, subject to the requirements
23 and prohibitions contained in IC 6-2.5-8-7(i), if the court finds
24 that a violation of this chapter involved the sale or solicited sale
25 of a synthetic drug (as defined in IC 35-31.5-2-321) or a synthetic
26 drug lookalike substance (as defined in IC 35-31.5-2-321.5).

27 (d) In an action under subsection (a), (b), or (c), the court may void
28 or limit the application of contracts or clauses resulting from deceptive
29 acts and order restitution to be paid to aggrieved consumers.

30 (e) In any action under subsection (a) or (b), upon the filing of the
31 complaint or on the appearance of any defendant, claimant, or any
32 other party, or at any later time, the trial court, the supreme court, or the
33 court of appeals may require the plaintiff, defendant, claimant, or any
34 other party or parties to give security, or additional security, in such
35 sum as the court shall direct to pay all costs, expenses, and
36 disbursements that shall be awarded against that party or which that
37 party may be directed to pay by any interlocutory order by the final
38 judgment or on appeal.

39 (f) Any person who violates the terms of an injunction issued under
40 subsection (c) shall forfeit and pay to the state a civil penalty of not
41 more than fifteen thousand dollars (\$15,000) per violation. For the
42 purposes of this section, the court issuing an injunction shall retain



1 jurisdiction, the cause shall be continued, and the attorney general
 2 acting in the name of the state may petition for recovery of civil
 3 penalties. Whenever the court determines that an injunction issued
 4 under subsection (c) has been violated, the court shall award
 5 reasonable costs to the state.

6 (g) If a court finds any person has knowingly violated section 3 or
 7 10 of this chapter, other than section 3(b)(19) or 3(b)(20) of this
 8 chapter, the attorney general, in an action pursuant to subsection (c),
 9 may recover from the person on behalf of the state a civil penalty of a
 10 fine not exceeding five thousand dollars (\$5,000) per violation.

11 (h) If a court finds that a person has violated section 3(b)(19) of this
 12 chapter, the attorney general, in an action under subsection (c), may
 13 recover from the person on behalf of the state a civil penalty as follows:

14 (1) For a knowing or intentional violation, one thousand five
 15 hundred dollars (\$1,500).

16 (2) For a violation other than a knowing or intentional violation,
 17 five hundred dollars (\$500).

18 A civil penalty recovered under this subsection shall be deposited in
 19 the consumer protection division telephone solicitation fund
 20 established by IC 24-4.7-3-6 to be used for the administration and
 21 enforcement of section 3(b)(19) of this chapter.

22 (i) A senior consumer relying upon an uncured or incurable
 23 deceptive act, including an act related to hypnotism, may bring an
 24 action to recover treble damages, if appropriate.

25 (j) An offer to cure is:

26 (1) not admissible as evidence in a proceeding initiated under this
 27 section unless the offer to cure is delivered by a supplier to the
 28 consumer or a representative of the consumer before the supplier
 29 files the supplier's initial response to a complaint; and

30 (2) only admissible as evidence in a proceeding initiated under
 31 this section to prove that a supplier is not liable for attorney's fees
 32 under subsection (k).

33 If the offer to cure is timely delivered by the supplier, the supplier may
 34 submit the offer to cure as evidence to prove in the proceeding in
 35 accordance with the Indiana Rules of Trial Procedure that the supplier
 36 made an offer to cure.

37 (k) A supplier may not be held liable for the attorney's fees and
 38 court costs of the consumer that are incurred following the timely
 39 delivery of an offer to cure as described in subsection (j) unless the
 40 actual damages awarded, not including attorney's fees and costs, exceed
 41 the value of the offer to cure.

42 (l) If a court finds that a person has knowingly violated section



1 3(b)(20) of this chapter, the attorney general, in an action under
2 subsection (c), may recover from the person on behalf of the state a
3 civil penalty not exceeding one thousand dollars (\$1,000) per consumer
4 **for each violation of section 3(b)(20) of this chapter. However, the**
5 **total amount of civil penalties imposed for each violation of section**
6 **3(b)(20) of this chapter may not exceed twenty-five thousand**
7 **dollars (\$25,000).** In determining the amount of the civil penalty in any
8 action by the attorney general under this subsection, the court shall
9 consider, among other relevant factors, the frequency and persistence
10 of noncompliance by the debt collector, the nature of the
11 noncompliance, and the extent to which the noncompliance was
12 intentional. A person may not be held liable in any action by the
13 attorney general for a violation of section 3(b)(20) of this chapter if the
14 person shows by a preponderance of evidence that the violation was not
15 intentional and resulted from a bona fide error, notwithstanding the
16 maintenance of procedures reasonably ~~adapted~~ **adopted** to avoid the
17 error. A person may not be held liable in any action for a violation of
18 this chapter for contacting a person other than the debtor, if the contact
19 is made in compliance with the Fair Debt Collection Practices Act.

