

DEPARTMENT OF LAW

Administrator – Uniform Consumer Credit Code

FEES CHARGED TO CONSUMERS FOR DEBT-MANAGEMENT SERVICES RULES

4 CCR 902-2

Rule 4. Fees Charged to Consumers for Debt-Management Services

If an individual assents to a plan that contemplates that creditors or debt collectors will settle debts for less than the principal amount of the debt:

1. A provider may not request or receive payment of any fee or consideration until and unless:
 - a. The fee or consideration either. Bears the same proportional relationship to the total fee for settling the terms of the entire debt balance as the individual debt amount bears to the entire debt amount, in which case the individual debt amount and the entire debt amount are those owed at the time the debt was enrolled in the service; or is a percentage of the amount saved as a result of the settlement. The percentage charged cannot change from one individual debt to another. The amount saved is the difference between the amount owed at the time the debt was enrolled in the plan and the amount actually paid to satisfy the debt.
2. Except as otherwise provided section 5-19-228 (d), if an individual does not assent to an agreement, a provider may receive for educational and counseling services it provides to the individual a fee not exceeding one hundred dollars or, with the approval of the administrator, a larger fee. The administrator may approve a fee larger than one hundred dollars if the nature and extent of the educational and counseling services warrant the larger fee.
 - a. If, before the expiration of ninety days after the completion or termination of educational or counseling services, an individual assents to an agreement, the provider shall refund to the individual any fee paid pursuant to subsection (d)(4) of this section.