II

119TH CONGRESS
1ST SESSION

S. 2454

To amend the Fair Debt Collection Practices Act to provide enhanced protection against debt collector harassment of members of the Armed Forces, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 24, 2025

Mr. WARNOCK (for himself, Mr. BUDD, and Mr. CORNYN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

---

A BILL

To amend the Fair Debt Collection Practices Act to provide enhanced protection against debt collector harassment of members of the Armed Forces, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Debt Collection Practices for Servicemembers Act".

SEC. 2. ENHANCED PROTECTION AGAINST DEBT COLLECTOR HARASSMENT OF SERVICEMEMBERS.

(a) COMMUNICATION IN CONNECTION WITH DEBT COLLECTION.—Section 805 of the Fair Debt Collection Practices Act (15 U.S.C. 1692c) is amended by adding at the end the following:

"(e) COMMUNICATIONS CONCERNING SERVICEMEMBER DEBTS.—

"(1) DEFINITION.—In this subsection, the term 'covered individual' means—

"(A) a covered member or a dependent, as those terms are defined in section 987(i) of title 10, United States Code;

"(B) an individual who was separated, discharged, or released from duty described in subparagraph (A) or (B) of section 987(i)(1) of title 10, United States Code, but only during the 365-day period beginning on the date of separation, discharge, or release;

"(C) a dependent described in subparagraph (A), (D), (E), or (I) of section 1072(2) of title 10, United States Code, of an individual described in subparagraph (B); or

"(D) a member of the Selected Reserve of the Ready Reserve of the reserve components of the Armed Forces, as defined in section 10143 of title 10, United States Code.

"(2) PROHIBITIONS.—A debt collector may not, in connection with the collection of any debt of a covered individual—

"(A) threaten to have the covered individual reduced in rank;

"(B) threaten to have the covered individual's security clearance revoked; or

"(C) threaten to have the covered individual prosecuted under chapter 47 of title 10, United States Code (commonly known as the 'Uniform Code of Military Justice').

"(3) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to restrict the ability of a debt collector to provide a covered individual with accurate and lawful information regarding any debt owed by the covered individual (including the amount of such a debt, the status of such a debt, or the consequences of nonpayment with respect to such a debt), if providing that information does not violate paragraph (2) or any other provision of this title.".

(b) UNFAIR PRACTICES.—Section 808 of the Fair Debt Collection Practices Act (15 U.S.C. 1692f) is amended by adding at the end the following:

"(9) The representation to any covered individual (as defined in section 805(e)(1)) that failure to cooperate with a debt collector will result in—

"(A) a reduction in rank of the covered individual;

"(B) a revocation of the covered individual's security clearance; or

"(C) prosecution under chapter 47 of title 10, United States Code (commonly known as the 'Uniform Code of Military Justice').".

SEC. 3. GAO STUDY.

(a) DEFINITION.—In this section, the term "covered individual" has the meaning given the term in subsection (e) of section 805 of the Fair Debt Collection Practices Act (15 U.S.C. 1692c), as added by this Act.

(b) REQUIREMENT.—The Comptroller General of the United States shall conduct a study and submit a report to Congress on the impact of this Act, and the amendments made by this Act, on—

(1) the timely delivery of information to a covered individual;

(2) military readiness; and

(3) national security, including the extent to which covered individuals with security clearances would be impacted by uncollected debt.

○