

[Washington Attorney General Accuses Rent-a-center of Harassing, Deceiving Customers](#)

Local News

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SEATTLE- Carol Hammons says she picked up a sofa, recliners, and a hide-a-bed from her local Rent-A-Center store. The sofa's fabric was torn, a foot was bent, and the recliner didn't work. But, according to a sworn statement, that's just where Hammons' problems with the national lease-to-own chain started. When she stopped making payments in protest, Hammons says Rent-A-Center employees came to her home to find her 11-year-old autistic daughter being babysat by two neighbor girls. The employees refused to leave, telling the girls that Hammons would be jailed for theft. Hammons says that Rent-A-Center employees also passed on personal financial information to her neighbors, including the accusation that she wrote bad checks.

In another sworn statement, Mark Patrick of College Place says he told Rent-A-Center that his payments would be late due to his wife's hospitalization. Patrick claims the company made repeated, profane collection calls. Patrick says Rent-A-Center employees later arrived at his house and tried to kick the door in. When Patrick returned he found his doorframe split and shoe marks on the door. "While companies certainly have the right to collect on outstanding debts, state law, along with the most basic standards of common courtesy, dictate how companies may collect on those debts," said Attorney General Rob McKenna. "Attempting to kick doors down, calling the debtor's friends and relatives, and scaring their children aren't included in those basic standards." The Washington State Attorney General's Consumer Protection Division on Friday filed claims against Rent-A-Center asking King County Superior Court to declare Rent-A-Center's collection practices and rental contracts in violation of the state's Consumer Protection Act and Lease-Purchase Agreements Act. The AG's office has also requested that the court force Rent-A-Center to comply with an earlier demand to turn over documents related to its collection and other practices, and to stop engaging in unlawful conduct. "Because of a loophole in state and federal laws that apply to debt collection, Rent-A-Center employees believe they can use harrassing tactics to collect from renters who are late on their payments." Jim Sugarman. The State's complaint alleges that Rent-A-Center engages in the following tactics when attempting to collect delinquent payments: Harassing consumers with repeated telephone calls at home and at work after being told not to and filling a consumer's answering service to capacity with collection messages; Repeated collection calls to third parties such as family members or friends of the consumers, and disclosing the existence of the purported debt to third parties, and continuing such calls after being told not to; Using profanity and other abusive, threatening or humiliating language, including calling consumers "deadbeat," "liar," "thief," and "ghetto trash"; Revealing consumer's personal information to third parties in the course of attempting to collect debts; Using false threats of criminal arrest or other legal action, including telling children who are home alone that their parents will face legal action; Pounding aggressively on the doors of consumers' homes even when the consumer clearly does not want to answer or has asked them to leave, shouting at consumers from outside of their homes, walking around the house and peering in windows when consumers refuse to answer the door; Claiming to have a court order to serve when they do not; Making payment demands to babysitters or other third parties when the

consumer is not in the home; and going to consumers' place of employment to demand payments and remaining even when asked to leave. The AG's office argues that Rent-A-Center's collection practices qualify as unfair and deceptive under the state's Consumer Protection Act. In addition, state attorneys say Rent-A-Center violates the Lease-Purchase Agreements Act by failing to disclose the individual cash price of each property it rents. This practice prevents consumers from exercising their early purchase option, causes them to run up additional purchase costs or causes them to lose their chance to purchase property. Texas-based Rent-A-Center has 3,000 stores nationally and 50 in the State of Washington. It sells furniture, televisions, and other consumer items using a rent-to-own business model. Consumers make weekly, and sometimes biweekly or monthly payments. Through these payments, consumers ultimately pay far larger prices for items than charged in traditional stores. As an example, documents filed by the state show that through weekly payments Rent-A-Center charged a total of \$3,585.21 for a refrigerator, \$4,073.25 for a laptop computer and \$6,594 for a used television. Generally consumers' payments must be taken to the store each week in person. According to a Rent-A-Center tax filing, only 25% of its consumers actually complete this payment schedule. Sugarman added that Rent-A-Center's training materials presume that there are no legal limits to the number of times it may contact a customer or third party and that those materials instruct employees to begin collection calls before the actual due date of the first payment. In addition, Sugarman says that when consumers challenge Rent-A-Center's abusive collection practices, Rent-A-Center's employees tell consumers that their tactics are legal because collection laws do not apply to them. "We hope the Court will show Rent-A-Center that in fact there are limits as to what it can do when attempting to collect a debt," Sugarman said.