

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2335  
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**Subject:** Debt collectors

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### Overview

This bill makes a variety of changes in Commerce Department regulation of debt collection agencies and individual debt collectors that work for those agencies.

- 1**     **Notice.** Permits an individual debt collector to give the Commerce Department notice of a change in the collector's name and address with the annual registration renewal, rather than within 15 days after the change in name or address. Also makes technical changes to separate what the individual collector has to report from what the collection agency has to report.
- 2**     **Screening process requirement.** Specifies a personnel screening process that a debt collection agency must follow in hiring and retaining individual collectors. Under current law, the agency just has to establish its own procedures, which the Commerce Department has the right to review.
- 3**     **Prior conviction or judgment as disqualification.** Revises current law that specifies the past events that disqualify a person from registration as a debt collector. The categories for disqualification are still certain types of criminal convictions, a certain type of civil court judgment, and having had a license to practice law suspended or revoked for cause.
- 4**     **Examination of licensee's or registered individual collector's records.** Adds new language providing that if a collection agency or individual collector violates certain specified laws that govern them, the commissioner must notify the agency or collector.  
  
The agency or collector then has 30 days to "address" the alleged violations without financial obligation or penalty.