

HOUSE BILL 402

C2

01r0076

By: **Chair, Economic Matters Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: January 29, 2010

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Collection Agencies – Application and Renewal Fees**

3 FOR the purpose of authorizing the State Collection Agency Licensing Board to adopt
4 certain regulations and to set by regulation collection agency license application
5 fees, renewal fees, and investigation fees; requiring the fees to be reasonable
6 and set in a manner to produce funds that are sufficient to cover the direct and
7 indirect costs of regulating collection agency licensees; requiring the Board to
8 publish a certain fee schedule; providing that certain fees remain in effect until
9 certain other fees take effect; and generally relating to the regulation of
10 collection agencies.

11 BY adding to
12 Article – Business Regulation
13 Section 7–207 and 7–302.1
14 Annotated Code of Maryland
15 (2004 Replacement Volume and 2009 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Business Regulation
18 Section 7–302
19 Annotated Code of Maryland
20 (2004 Replacement Volume and 2009 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article – Business Regulation**

24 **7–207.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **IN ADDITION TO ANY POWERS SET FORTH ELSEWHERE, THE BOARD MAY**
2 **ADOPT REGULATIONS TO CARRY OUT THIS TITLE.**

3 7–302.

4 (a) An applicant for a license shall:

5 (1) submit to the Board an application on the form that the Board
6 provides; and

7 (2) pay to the Board:

8 **(I) an application fee [of \$400] IN THE AMOUNT SET BY THE**
9 **BOARD; AND**

10 **(II) AN INVESTIGATION FEE IN THE AMOUNT SET BY THE**
11 **BOARD.**

12 (b) An application shall be made under oath.

13 (c) If an applicant wishes to do business as a collection agency at more than
14 1 place, the applicant shall submit a separate application and pay a separate
15 application fee for each place.

16 (d) An application fee is nonrefundable.

17 (e) Before a license expires, the licensee periodically may renew the license
18 for additional 2–year terms, if the licensee:

19 (1) otherwise is entitled to be licensed;

20 (2) pays to the Board a renewal fee [of \$400] **IN THE AMOUNT SET BY**
21 **THE BOARD;**

22 (3) submits to the Board a renewal application on a form required by
23 the Board; and

24 (4) files with the Board a bond or bond continuation certificate as
25 required under § 7–304 of this subtitle.

26 **7–302.1.**

27 **(A) THE BOARD SHALL SET BY REGULATION THE FEES PROVIDED FOR**
28 **IN THIS SUBTITLE.**

1 **(B) THE FEES ESTABLISHED BY THE BOARD UNDER THIS SECTION**
2 **SHALL BE REASONABLE AND SET IN A MANNER THAT WILL PRODUCE FUNDS**
3 **SUFFICIENT TO COVER THE ACTUAL DIRECT AND INDIRECT COSTS OF**
4 **REGULATING COLLECTION AGENCIES IN ACCORDANCE WITH THE PROVISIONS**
5 **OF THIS TITLE.**

6 **(C) THE BOARD SHALL PUBLISH THE FEE SCHEDULE SET BY THE**
7 **BOARD.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding Section
9 3 of this Act, the fees under § 7-302 of the Business Regulation Article that are in
10 effect on October 1, 2010, shall remain in effect until the fees set by regulation by the
11 Board, as required under this Act, take effect.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2010.