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2001 Regular Session
1lr2955
CF 1lr2954

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By: **Senator DeGrange**
Introduced and read first time: February 26, 2001
Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Collection Agencies - Exemption from Regulation**

3 FOR the purpose of exempting from regulation under the collection agency law a
4   certain person who is collecting a debt for another person under certain
5   circumstances; and generally relating to the scope of regulation of the collection
6   agency law.

7 BY repealing and reenacting, with amendments,
8   Article - Business Regulation
9   Section 7-102
10   Annotated Code of Maryland
11   (1998 Replacement Volume and 2000 Supplement)

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

14 **Article - Business Regulation**

15 7-102.

16   This title does not apply to:

17   (1)   a bank;

18   (2)   a federal or State credit union;

19   (3)   a mortgage lender;

20   (4)   a person acting under an order of a court of competent jurisdiction;

21   (5)   a licensed real estate broker, or an individual acting on behalf of the
22 real estate broker, in the collection of rent or allied charges for property;

23   (6)   a savings and loan association;

24   (7)   a title company as to its escrow business;

1   (8)   a trust company; [or]

2   (9)   a lawyer who is collecting a debt for a client, unless the lawyer has an
3 employee who:

4   (i)   is not a lawyer; and

5   (ii)   is engaged primarily to solicit debts for collection or primarily
6 makes contact with a debtor to collect or adjust a debt through a procedure identified
7 with the operation of a collection agency; OR

8   (10)   A PERSON WHO IS COLLECTING A DEBT FOR ANOTHER PERSON IF:

9   (I)   BOTH PERSONS ARE RELATED BY COMMON OWNERSHIP OR
10 AFFILIATED BY CORPORATE CONTROL;

11   (II)   THE PERSON ACTING AS A DEBT COLLECTOR DOES SO ONLY
12 FOR THOSE PERSONS TO WHOM IT IS RELATED BY COMMON OWNERSHIP OR
13 AFFILIATED BY CORPORATE CONTROL; AND

14   (III)   THE PRINCIPAL BUSINESS OF THE PERSON ACTING AS A DEBT
15 COLLECTOR IS NOT THE COLLECTION OF DEBTS.

16   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 June 1, 2001.