
HOUSE BILL 2114

State of Washington

60th Legislature

2007 Regular Session

By Representative Dunn

Read first time 02/08/2007. Referred to Committee on Insurance,
Financial Services & Consumer Protection.

1 AN ACT Relating to the definition of collection agency; and
2 amending RCW 19.16.100.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 19.16.100 and 2003 c 203 s 1 are each amended to read
5 as follows:

6 Unless a different meaning is plainly required by the context, the
7 following words and phrases as hereinafter used in this chapter shall
8 have the following meanings:

9 (1) "Person" includes individual, firm, partnership, trust, joint
10 venture, association, or corporation.

11 (2) "Collection agency" means and includes:

12 (a) Any person directly or indirectly engaged in soliciting claims
13 for collection, or collecting or attempting to collect claims owed or
14 due or asserted to be owed or due another person;

15 (b) Any person who directly or indirectly furnishes or attempts to
16 furnish, sells, or offers to sell forms represented to be a collection
17 system or scheme intended or calculated to be used to collect claims
18 even though the forms direct the debtor to make payment to the creditor

1 and even though the forms may be or are actually used by the creditor
2 himself or herself in his or her own name;

3 (c) Any person who in attempting to collect or in collecting his or
4 her own claim uses a fictitious name or any name other than his or her
5 own which would indicate to the debtor that a third person is
6 collecting or attempting to collect such claim.

7 (3) "Collection agency" does not mean and does not include:

8 (a) Any individual engaged in soliciting claims for collection, or
9 collecting or attempting to collect claims on behalf of a licensee
10 under this chapter, if said individual is an employee of the licensee;

11 (b) Any individual collecting or attempting to collect claims for
12 not more than one employer, if all the collection efforts are carried
13 on in the name of the employer and if the individual is an employee of
14 the employer;

15 (c) Any person whose collection activities are carried on in his,
16 her, or its true name and are confined and are directly related to the
17 operation of a business other than that of a collection agency, such as
18 but not limited to: Trust companies; savings and loan associations;
19 building and loan associations; abstract companies doing an escrow
20 business; real estate brokers; property management companies collecting
21 assessments, charges, or fines on behalf of condominium unit owners
22 associations, associations of apartment owners, or homeowners'
23 associations; public officers acting in their official capacities;
24 persons acting under court order; lawyers; insurance companies; credit
25 unions; loan or finance companies; mortgage banks; and banks;

26 (d) Any person who on behalf of another person prepares or mails
27 monthly or periodic statements of accounts due if all payments are made
28 to that other person and no other collection efforts are made by the
29 person preparing the statements of account;

30 (e) An "out-of-state collection agency" as defined in this chapter;
31 ((~~or~~))

32 (f) Any person while acting as a debt collector for another person,
33 both of whom are related by common ownership or affiliated by corporate
34 control, if the person acting as a debt collector does so only for
35 persons to whom it is so related or affiliated and if the principal
36 business of the person is not the collection of debts; or

37 (g) Any person providing a service to assist judgment holders with

1 the enforcement of a court-awarded judgment, under authority of the
2 court and the legal assignee of record.

3 (4) "Out-of-state collection agency" means a person whose
4 activities within this state are limited to collecting debts from
5 debtors located in this state by means of interstate communications,
6 including telephone, mail, or facsimile transmission, from the person's
7 location in another state on behalf of clients located outside of this
8 state, but does not include any person who is excluded from the
9 definition of the term "debt collector" under the federal fair debt
10 collection practices act (15 U.S.C. Sec. 1692a(6)).

11 (5) "Claim" means any obligation for the payment of money or thing
12 of value arising out of any agreement or contract, express or implied.

13 (6) "Statement of account" means a report setting forth only
14 amounts billed, invoices, credits allowed, or aged balance due.

15 (7) "Director" means the director of licensing.

16 (8) "Client" or "customer" means any person authorizing or
17 employing a collection agency to collect a claim.

18 (9) "Licensee" means any person licensed under this chapter.

19 (10) "Board" means the Washington state collection agency board.

20 (11) "Debtor" means any person owing or alleged to owe a claim.

21 (12) "Commercial claim" means any obligation for payment of money
22 or thing of value arising out of any agreement or contract, express or
23 implied, where the transaction which is the subject of the agreement or
24 contract is not primarily for personal, family, or household purposes.

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