## FINAL BILL REPORT SB 5211

## C 203 L 03

Synopsis as Enacted

**Brief Description:** Clarifying that certain entities are not collection agencies.

**Sponsors:** Senators Kohl-Welles, Winsley, Fairley, Prentice, Benton and Keiser.

Senate Committee on Financial Services, Insurance & Housing House Committee on Financial Institutions & Insurance

**Background:** The term "collection agency" includes any person engaged in collecting claims "owed or due another person." Property management companies sometimes collect homeowners and condominium association dues for their clients.

Certain businesses are exempt from the definition of collection agency if their collection activities are directly related to the operation of a business other than that of a collection agency. Property management companies are not currently listed under this exemption.

**Summary:** Property management companies collecting assessments, charges or fines on behalf of condominium unit owners' associations, associations of apartment owners, or homeowners' associations are exempt from the definition of collection agency.

## **Votes on Final Passage:**

Senate 49 0 House 95 0

Effective: July 27, 2003