

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL 415
House Committee Substitute Favorable 6/20/17

Short Title: Clarify Def'n. of Collection Agency.

(Public)

Sponsors:

Referred to:

March 29, 2017

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY THE DEFINITION OF COLLECTION AGENCY TO EXCLUDE
3 PERSONS ENGAGED IN ROUTINE BILLING SERVICES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 58-70-15 reads as rewritten:

6 "**§ 58-70-15. Definition of collection agency and collection agency business.**

7 (a) "Collection agency" means a person directly or indirectly engaged in soliciting,
8 from more than one person delinquent claims of any kind owed or due or asserted to be owed
9 or due the solicited person and all persons directly or indirectly engaged in the asserting,
10 enforcing or prosecuting of those claims.

11 ...

12 (c) "Collection agency" does not ~~mean;include any of the following:~~

13 (1) Regular employees of a single ~~creditor;creditor.~~

14 (2) Banks, trust companies, or bank owned, controlled or related ~~firms,~~
15 ~~corporations or associations engaged in accounting, bookkeeping or data~~
16 ~~processing services where a primary component of such services is the~~
17 ~~rendering of statements of accounts and bookkeeping services for~~
18 ~~creditors;firms.~~

19 (2a) Corporations or associations engaged in accounting, bookkeeping, or data
20 processing services where a primary component of such services is the
21 rendering of statements of accounts and bookkeeping services for creditors.

22 (3) Mortgage banking ~~companies;companies.~~

23 (4) Savings and loan ~~associations;associations.~~

24 (5) Building and loan ~~associations;associations.~~

25 (6) Duly licensed real estate brokers and agents when the claims or accounts
26 being handled by the broker or agent are related to or are in connection with
27 the broker's or agent's regular real estate ~~business;business.~~

28 (7) Express, telephone and telegraph companies subject to public regulation and
29 ~~supervision;supervision.~~

30 (8) Attorneys-at-law handling claims and collections in their own name and not
31 operating a collection agency under the management of a ~~layman;layman.~~

32 (9) Any person, firm, corporation or association handling claims, accounts or
33 collections under an order or orders of any ~~court;court.~~

34 (10) A person, firm, corporation or association which, for valuable consideration
35 purchases accounts, claims, or demands of another, which such accounts,
36 claims, or demands of another are not delinquent at the time of such



- 1 purchase, and then, in its own name, proceeds to assert or collect the
2 accounts, claims or ~~demands;~~demands.
- 3 (11) Any person attempting to collect or collecting claims, in that person's name,
4 of a business or businesses owned wholly or substantially by that
5 ~~person;~~person.
- 6 (12) Any nonprofit tax exempt corporation organized for the purpose of
7 providing mediation or other dispute resolution ~~services; and~~services.
- 8 (13) The designated representatives of programs as defined by G.S. 110-129(5)."
9 **SECTION 2.** This act is effective when it becomes law.