

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	5 - 0 - 0
Yeas:	Burdick, George, Girod, Rosenbaum, Bonamici
Nays:	0
Exc.:	0
Prepared By:	Lori Brocker, Administrator
Meeting Dates:	5/5

WHAT THE MEASURE DOES: Excludes from definition of collection agency person assigned debt without obligation to pay assignor any proceeds of debt collection. Includes in definition of collection agency person soliciting, collecting or attempting to collect claim if claim is owed at time person solicits, collects or attempts to collect claim.

ISSUES DISCUSSED:

- Application of measure
- State and federal debt collection law
- Definition of debt buyer

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: House Bill 2307 addresses an issue raised by *In re Krysl*, a bankruptcy case in which the judge prohibited an unregistered debt buyer from collecting a debt and allowed the debtor to recover attorney fees and costs. The court in *Krysl* indicated that the debt buyer needed to register with the Department of Consumer and Business Services. In cases of outright sale of debt, there is no ongoing agreement between the debtor and the debt collector for the state to monitor and no need for the debt buyer to be registered. HB 2307 statutorily removes the requirement created by case law.