



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2009 Wisconsin Act 404
[2009 Senate Bill 286]

Collection Agencies

2009 Wisconsin Act 404 modifies the definition of “collection agency” for purposes of the statute under which those agencies are licensed.

The statutes require a person who is operating a collection agency to be licensed by the Division of Banking in the Department of Financial Institutions. “Collection agency” is defined as “...any person engaging in the business of collecting or receiving for payment for others of any account, bill or other indebtedness.” However, the statute excludes attorneys who are licensed and residing in Wisconsin, banks, express companies, state savings banks, state savings and loan associations, insurers and their agents, trust companies, district attorneys operating a worthless check deferred prosecution program, persons contracting with district attorneys, real estate brokers, and real estate salespersons. [s. 218.04 (1) (a), Stats.]

The Act adds health care billing companies as an exception to the definition of “collection agency.” As a result of this exception, health care billing companies will not be considered collection agencies and will not require a license from the Division of Banking under s. 218.04, Stats.

Effective date: The Act takes effect on June 2, 2010.

Prepared by: Richard Sweet, Senior Staff Attorney

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.state.wi.us/>.