



Jonathan Mintz
Commissioner

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nyc.gov/consumers

August 18, 2010

BY REGULAR MAIL



Re: Debt collection agency question

Dear 

The New York City Department of Consumer Affairs ("Department") issues this letter in response to your inquiry seeking clarification of amendments to Section 20-489(a)(5) of the New York City Administrative Code ("Code"), which excludes from the definition of debt collection agency certain attorneys-at-law and law firms that collect debts. The Department presumes that your reference to Section "20-49" of the Code is a typographical error.

First, you asked whether the Commissioner will be issuing rules further defining activities that are traditionally performed by debt collectors. The Department has promulgated rules pursuant to Local Law No. 15, and at this time deems further rulemaking on this issue unnecessary. To read the rules, please visit the Department's web site at www.nyc.gov/consumers.

Next, you asked whether "attorneys-at-law involved in the collection of debt, [who] are required by the Fair Debt Collection Practices Act (FDCPA) to send a thirty (30) day validation letter" to consumers regarding debts must obtain a license from the Department for the sole act of sending the validation letter. An entity must satisfy several criteria to meet the definition of a "debt collection agency" in Section 20-489 of the Code, including but not limited to that the regular collection or attempted collection of debts must be the entity's principal purpose and that those debts must arise from transactions that are primarily for personal, household or family purposes.

Thank you for your inquiry.

Sincerely,

Department of Consumer Affairs