



Department of
Consumer Affairs

40 years

of ensuring a fair and
vibrant marketplace

Jonathan Mintz
Commissioner

February 2, 2010

Staff Counsel
Research & Investigations



Re: Debt collection agency license question

42 Broadway
9th Floor
New York, NY 10004

Dear Ms. [REDACTED]

tel [REDACTED]
fax [REDACTED]

The New York City Department of Consumer Affairs (the "Department") issues this letter in response to your inquiry of November 9, 2009. You asked whether you need a debt collection agency license from the Department. You described your work as follows:

nyc.gov/consumers

1. You are an attorney licensed in the State of New York.
2. You are an employee of a tile company located in New York City and Nassau County.
3. You will be collecting debts. It is not clear from your submission whether the debts you will be collecting are owed to your employer or another entity, nor whether or not those debts are consumer debts.
4. The collection of debts is not your principal purpose. It is not clear from your submission whether or not debt collection is your employer's principal purpose.

You have not provided the Department with enough information to determine whether or not you need a debt collection agency license. The Department advises you to consult New York City Administrative Code (the "Code") Sections 20-101 *et seq.*, 20-488 *et seq.* (the "Licensing Law"), Sections 20-700 *et seq.*, and the Rules of the City of New York Title 6, Sections 5-76 *et seq.*

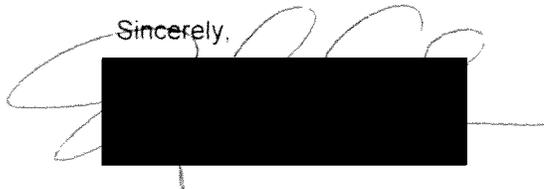
Attorneys are not automatically exempt from the Licensing Law. Section 20-489(a)(5) of the Code requires attorneys to obtain debt collection agency licenses if they "...regularly engage[e] in activities traditionally performed by debt collectors, including, but not limited to, contacting a debtor through the mail or via telephone with the purpose of collecting a debt or other activities as determined by rule of the commissioner."

You also asked if you need to fill out a Non-Resident Form regarding debts collected in Nassau County. You can find information regarding the Non-Resident Form on the Department's web site at www.nyc.gov/consumers.

Finally, you asked how long the licensing process takes. Licensing generally takes four to six weeks if a business applies in person. If a business applies over the Internet—as debt collection agencies may do—the process generally takes two to four weeks.

For more information about New York City's laws and rules regulating debt collection agencies, please visit the Department's web site. Thank you for your inquiry.

Sincerely,


[REDACTED]