



Jonathan Mintz
Commissioner

42 Broadway
New York, NY 10004

Dial 311 or
212-NEW-YORK
(outside NYC)

nyc.gov/consumers

November 4, 2010

BY REGULAR MAIL



Re: Debt collection agency question

Dear [REDACTED]

The New York City Department of Consumer Affairs ("Department") issues this letter in response to your recent inquiry. You asked whether a "debt buyer" needs a debt collection agency license from the Department if the debt buyer uses a Department-licensed debt collection agency to communicate with consumers and, presumably, has no direct contact with consumers. The answer is yes.

The Department advises you to refer to Section 20-489(a) of the Administrative Code of the City of New York ("Code") for the definition of a "debt collection agency." Under the Code, a debt collection agency that requires a license from the Department is:

. . . a person engaged in business the principal purpose of which is to regularly collect or attempt to collect debts owed or due or asserted to be owed or due to another and shall also include a buyer of delinquent debt who seeks to collect such debt either directly or through the services of another by, including but not limited to, initiating or using legal processes or other means to collect or attempt to collect such debt.

For more information about New York City's laws and rules regulating debt collection agencies, please visit the Department's web site at www.nyc.gov/consumers. Note that there may be other laws enforced by Federal, State, and/or other City agencies that apply to your business.

Thank you for your inquiry.

Sincerely,

Department of Consumer Affairs