DEBT COLLECTION AGENCY LICENSE REQUIRED FOR ATTORNEYS-AT-LAW AND LAW FIRMS

As a result of the resolution of *Eric M. Berman P.C. v. City of New York*, you or your law firm may require a Debt Collection Agency license from the New York City Department of Consumer Affairs (DCA). See Case Background and New York City Law below.

Attorneys and law firms acting as debt collection agencies in New York City must submit a Debt Collection Agency license application by November 30, 2016. You may apply for a Debt Collection Agency license in one of the following ways:

- In person at:
  - DCA Licensing Center at 42 Broadway, Lobby, New York, NY 10004. Hours of operation are 9:00 a.m. to 5:00 p.m. Monday through Friday, and from 8:30 a.m. to 5:00 p.m. on Wednesday.  
  - NYC Small Business Support Center at 90-27 Sutphin Blvd., 4th Floor, Jamaica, NY 11435. Hours of operation are 9:00 a.m. to 5:00 p.m. Monday through Friday.  

- Online at nyc.gov/BusinessToolbox

Case Background
For information about the case, see:


New York City Law
New York City Administrative Code (Code) Section 20-490 requires any person acting as a “debt collection agency” to obtain a license from DCA. Code Section 20-489(a)(5) states that the term “debt collection agency” does not include an attorney or law firm “collecting a debt in such capacity on behalf of and in the name of a client solely through activities that may only be performed by a licensed attorney” but does include “an attorney-at-law or law firm or part thereof who regularly engages in activities traditionally performed by debt collectors, including, but not limited to, contacting a [New York City] debtor through the mail or via telephone with the purpose of collecting a debt. . . .”
Note: Attorneys who engage in debt collection activity who are members of a law firm that is licensed as a debt collection agency do not need to be individually licensed by DCA.

Under the Code Section 20-494(a), a person who is found guilty of unlicensed debt collection agency activity is subject to a penalty of up to $1000 plus $100 per day for each day of operating without a license and an additional penalty of $100 for each contact with a consumer.

Questions?
For more information about New York City's laws and rules governing debt collection agencies or general licensing questions, please visit DCA’s website at nyc.gov/dca or call +1 (212) 436-0436.