



COWBOY COLLECTOR

Wyoming Collection Agency Board
122 West 25th Street, 3rd Floor, East
Cheyenne, WY 82002
(307) 777-3497, Fax (307) 777-3555
E-mail: ssmith@wyaudit.state.wy.us
Website: <http://audit.state.wy.us/banking>

Collection Agency Board

Rocky L. Edmonds
Chairman

Linda Russell
Board Member

William L. Larson
Board Member

June 2003

The *Cowboy Collector* is the Board's semi-annual newsletter. The newsletter is mailed to all Wyoming licensed collection agencies and is also available on the Board's Internet web site.

Corporate Structure Changes In Wyoming Collection Agencies

By: Marlene Aitchison, Banking Projects Coordinator

The Wyoming Collection Agency Board has received several inquiries regarding changes in corporate structure within Wyoming collection agencies and how these changes may or may not affect an agency's license. The following topics illustrate the expectations of the board for agencies undertaking a change in control, sale of an agency or the closure of an agency in the State of Wyoming.

Change in Control

Controlling interest is defined as ownership of more than 50% of a corporation's voting shares. When the controlling interest of a corporation changes, the current collection agency license is to be closed and application made for a new license. Wyoming Statute 33-11-110(b) states that licenses cannot be transferred.

- The licensee must:
 - Apply for a new license,
 - Obtain a new bond, and
 - Send a letter to the board along with the new application explaining the change of control and stating that the current license is to be closed.

Corporate structure changes resulting in less than a 50% ownership change do not require a new license; however, these changes should be reported to the Wyoming Collection Agency Board.

Sale of an Agency

Collection agency licenses cannot be transferred or sold. Wyoming Statute 33-11-110(b) states that licenses cannot be transferred; Chapter 2, Section 12 of the Rules of the Collection Agency Board states that licenses cannot be transferred or sold.

The selling and purchasing collection agencies must do the following:

- The *selling* agency must:
 - Notify the board in writing of its decision to sell and provide the name of the agency purchasing its business,
 - Send written notification to each Wyoming creditor-client who has an account with the agency that the agency will cease doing business at least thirty (30) days prior to the cessation of business. (*Termination of business (Rules Chapter 3, Section 7)*) The notice must include:

- Name of agency,
 - Date the agency will cease doing business,
 - Name, address and telephone number of a person from the agency whom the creditor-client may contact after the sale of the agency, and
 - Statement listing and accounting for all accounts to be returned or transferred by the agency indicating at a minimum the account balances and present payment status.
 - Send the agency's original license to the board, and
 - Upon the sale of the agency, a licensee shall not transfer or sell any of its accounts to another licensee until the notices required by Chapter 3, Section 8, and listed above, have been made. (*Transfer of accounts (Rules Chapter 3, Section 8)*)
- The **purchasing** agency must:
 - Apply for new license,
 - Obtain a new bond, and
 - Receive confirmation from the selling agency that the notices required by Chapter 3, Section 8 of the board's rules have been made. (*Transfer of accounts (Rules Chapter 3, Section 8)*)

Closing an Agency

A collection agency that is closing its business must notify the board in writing of its decision to close and the effective date of the closure.

The **closing** agency must:

- Send written notification to each Wyoming creditor-client who has an account with the agency that the agency will cease doing business at least thirty (30) days prior to the cessation of business. (*Termination of business (Rules Chapter 3, Section 7)*) The notice must include:
 - Name of agency,
 - Date the agency will cease doing business,
 - Name, address and telephone number of a person from the agency whom the creditor-client may contact after the sale of the agency; and
 - Statement listing and accounting for all accounts to be returned or transferred by the agency indicating at a minimum the account balances and present payment status, and
- Send the agency's original license to the board.



Review of the Resident Manager Exam

The Board is currently reviewing its resident manager exam. All test questions will be reviewed and possibly updated. ***The Board is asking its licensees for suggested test questions.*** If you have any topics you would like to see on the test, or any questions that are on the test, that need review, please email, fax, or hard copy your ideas ***no later than Friday, August 29, 2003.***

The Board is also investigating the option of making the test available by proxy through the University of Wyoming satellite campuses for those who live more than two hours from Cheyenne.

Wyoming Legislative Report 2003
By: Linda Russell, Wyoming Collection Agency Board Member
March 7, 2003

With the 40-day legislative session now over, it seems safe to say that we in the collection industry will suffer no direct ill effects from it ☺

We have been watching closely and on occasion taking some “behind-the-scenes” action either ourselves or in conjunction with other groups to be sure that those bills filed which would have negative impact are either killed in committee or amended to be acceptable. Fortunately, this year we had very few of those needing action. Those which were “on the list” to watch follow along with their disposition:

HIGH ALERT STATUS, NOW PASSED:

HB 53, which passed and became enrolled act #43 related to telephone solicitations, limiting the hours to 8 a.m. to 8 p.m. (after being amended from 7 p.m. to 9 p.m. then back up to 8 p.m.). We watched this one carefully to be sure that it was not amended in any way to include collection calls, and this did not happen – it is still limited to “unsolicited telephonic sales call” activity. This was a joint watch with several other interested groups such as Wyoming Retail Merchants Association.

HB 132, which amends administrative hearing procedures relating to the Wyoming Fair Employment Practices Act was reviewed. The person claiming to be aggrieved by a discriminatory or unfair employment practice personally or through an attorney filed a written complaint to the department. Previously the law stated, “the hearing officer’s decision in a case shall constitute the final agency action.” This language was stricken and language added which says: “The department shall investigate to determine the validity of the charges and issue a determination thereupon.” Then it added a requirement to issue their order within 14 days and that order shall “require the employer, employment agency or labor organization to comply with” the order. It also adds that if the hearing officer finds discriminatory or unfair employment practice the decision may require a “cease and desist”; “affirmative action, which may include hiring, reinstating or upgrading of an employee...”, “posting of notices, making reports as to the manner of compliance”; or “require .. pay back pay or front pay.” As employers we will want to watch this new concept and see whether problems come from it.

HIGH ALERT STATUS, KILLED:

HB 52 titled “Personal Data Protection” contained some provision, which would have been a problem for the flow of needed information for collection purposes. This was killed in committee, again with some help from other trade associations.

HB 266, which would have provided more exemptions from executions, attachments or other process was reviewed. While this would relate mainly to awards from personal injury lawsuits and wrongful death lawsuits as well as life insurance proceeds, and crime victims’ reparation law, it attempts to limit execution or attachment or garnishment, and got our immediate attention. This bill was killed in committee.

HB 109 would have mandated coverage for mental illnesses in any health plan. This would have made it even more difficult for we who have small businesses to find affordable health insurance. It was also killed in committee.

HB 119 would have authorized a “study” to determine how and if a tax should be passed on individual business’s income. This was soundly defeated in committee.

SF 26 would have authorized and funded a “feasibility study” to force employers to contribute a certain amount to cover employee health insurance. This also died in committee.

SF46 would have eliminated our long-standing “right to work” approach to the workplace. This also was killed in committee.

OF INTEREST AND PASSED:

HB 30 establishes a health care commission directly under the Governor’s office with a director and staff who are charged to meet monthly and with an advisory board and develop strategies to improve health care and improve access to “affordable, effective and quality health care systems”. This will bear watching as it develops in case it strays into the collection area, but nothing in the bill as passed would indicate that happening.

HB 305, which modifies the medical review act and provides an alternative means to resolve medical malpractice claims was reviewed. This will be of interest to us since if something is not done to lower the malpractice insurance costs we may well lose many of our healthcare providers causing problems both personal and professional.

SF 108 which makes child support awards in divorce proceedings confidential and not to be revealed except to enforce the child support enforcement act and uniform interstate family support act under court orders, and removes the social security numbers from decrees and makes them also confidential. Whether this will have any impact on any of our ways of doing business remains to be seen.

It was, all in all, a very quiet year in Wyoming for our industry – thank goodness!

**Wyoming Collection Agency Board
Semi-Annual Administrative Report
January 1, 2003 through June 30, 2003**

<i>LICENSING:</i>	<i>TOTALS:</i>
Number of Agencies as of January 1, 2003	136
Agencies added	28
Agencies closed	9
In-State Agencies	21
Out-of-State Agencies	134
Total Current number of Licensed Agencies as of June 30, 2003	*155
* A 14% increase in six months	
<i>COMPLAINTS:</i>	<i>TOTALS:</i>
Number of Complaint Calls Received since January 1, 2003	16
Complaint Forms Filed with the Board	14
Complaints Dismissed	4
Complaints Closed with Conditional Terms of Settlement	0
Complaints Resolved by Private Letter of Reprimand or Advisement	2
Complaints Resolved in Informal Manner	4
Complaints out of the Board’s Jurisdiction	3
Complaints Currently Under Investigation	1
<i>CEASE AND DESIST LETTERS SENT:</i>	<i>TOTALS:</i>
Cease and Desist Letters Sent	2
