

Introduced: 1/14/76  
Referred: Commerce

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 500

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to collection agencies; and  
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 08.24.031 is amended to read:

10 ARTICLE 1. COLLECTION AGENCY REGULATION [BOARD].

11 Sec. 08.24.031. REGULATIONS. The department [BOARD] may adopt  
12 [RULES AND ] regulations necessary to effectuate the purposes of this  
13 chapter.

14 \* Sec. 2. AS 08.24.051 is repealed and re-enacted to read:

15 [ARTICLE 2. POWERS AND DUTIES OF DEPARTMENT OF COMMERCE AND  
16 ECONOMIC DEVELOPMENT.]

17 Sec. 08.24.051. POWER TO SEEK INJUNCTIONS. (a) The department  
18 may upon its own motion conduct investigations to determine whether  
19 any person has violated a provision of this chapter or a regulation  
20 adopted under it or to secure information useful in the lawful admini-  
21 stration of this chapter.

22 (b) If it appears to the commissioner that a person has engaged  
23 in or is about to engage in an act or practice in violation of a pro-  
24 vision of this chapter or a regulation adopted under it, the commissioner  
25 may, if he considers it in the public interest,

26 (1) issue an order directing the person to stop the act or  
27 practice; reasonable notice of and an opportunity for a hearing shall  
28 first be given, except that the commissioner may issue a temporary  
29 order pending the hearing which remains in effect until 10 days after

1 the hearing is held and which becomes final if the person to whom the  
2 notice is addressed does not request a hearing within 15 days after  
3 receipt of notice;

4 (2) bring an action in the superior court to enjoin the acts  
5 or practices and to enforce compliance with this chapter and the  
6 regulations adopted under it;

7 (3) examine or have examined the books and records of any  
8 person whose business activities require licensure under this chapter,  
9 and require such a person to pay the reasonable costs of the examina-  
10 tion;

11 (4) issue subpoenas for the attendance of witnesses, and the  
12 production of books, records and other documents, as necessary to  
13 accomplish the purposes of this chapter;

14 (5) take other action necessary to accomplish the purposes  
15 of this chapter.

16 \* Sec. 3. AS 08.24.100(a) is amended to read:

17 ARTICLE 2 [3]. LICENSING.

18 (a) Notwithstanding any other provision of this chapter, no  
19 licensee may engage in the collection agency business unless and until  
20 the collection agency, and each branch office of the agency is under  
21 the management and control of a licensed operator for each office.  
22 The department [OR THE BOARD] may waive this requirement for a period  
23 not to exceed 90 days upon the death or disability of an operator, or  
24 for other good cause.

25 \* Sec. 4. AS 08.24.120(b) is amended to read:

26 (b) The department is [AND THE BOARD ARE] authorized to make a  
27 complete investigation of applicants including inquiry of police  
28 agencies as to the applicant's record of arrest or conviction of crime.

29 \* Sec. 5. AS 08.24.130(a)(5) is amended to read:

1 (5) additional information which the department [OR THE  
2 BOARD], by [RULE OR] regulation, requires.

3 \* Sec. 6. AS 08.24.270 is amended to read:

4 Sec. 08.24.270. ADMINISTRATIVE PROCEDURE ACT. The department  
5 [AND THE BOARD] shall comply with the Administrative Procedure Act  
6 both as to enactment of regulations and adjudication.

7 \* Sec. 7. AS 08.24.330 is amended to read:

8 Sec. 08.24.330. DUTY TO MAINTAIN A PUBLIC OFFICE. (a) Each  
9 collection agency shall maintain its principal office and any branch  
10 office at a street address which is stated in its original application  
11 for license or another address which the agency may designate to the  
12 department; the office shall be maintained in such a manner as to be  
13 open for contact by the public or debtors during normal working hours.

14 (b) The agency shall notify the department immediately of any  
15 change in location of principal office or branch office.

16 \* Sec. 8. AS 08.24.340(b)(4) is amended to read:

17 (4) further information which the [BOARD OR] department  
18 may require.

19 \* Sec. 9. AS 08.24.360 is amended to read:

20 Sec. 08.24.360. FINES AND PENALTIES. A collection agency or an  
21 operator who fails on written demand to render a true and complete  
22 account to the person from whom an indebtedness was taken for collection  
23 or who fails to turn over to that person the proceeds of the col-  
24 lection within 30 days after written demand, or who fails to comply  
25 with any of the provisions of this chapter is punishable by a fine of  
26 not more than \$500, or by imprisonment for not more than three months,  
27 or by both. Each day in which a collection agency or operator fails  
28 to comply with this section constitutes a separate punishable offense.

29 \* Sec. 10. AS 08.01.010(16), 08.24.011, 08.24.021, and 08.24.380(1) are

1 repealed.

2 \* Sec. 11. This Act takes effect immediately in accordance with AS  
3 01.10.070(c).

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