

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

SENATE BILL 321

5 By: Senator Irvin
6 By: Representatives Gramlich, L. Johnson, Wardlaw
7

For An Act To Be Entitled

9 AN ACT TO CLARIFY THE DEFINITION OF A COLLECTION
10 AGENCY; TO DELETE OBSOLETE REFERENCES CONCERNING
11 APPOINTMENTS TO THE STATE BOARD OF COLLECTION
12 AGENCIES AND THE GRADING OF EXAMINATIONS; TO PROVIDE
13 CAUSES FOR THE REMOVAL OF BOARD MEMBERS OF THE STATE
14 BOARD OF COLLECTION AGENCIES AND PROCEDURES FOR
15 FILLING VACANCIES; AND FOR OTHER PURPOSES.
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Subtitle

18 TO CLARIFY THE DEFINITION OF A COLLECTION
19 AGENCY; AND CONCERNING APPOINTMENTS,
20 REMOVAL, AND VACANCIES OF THE STATE BOARD
21 OF COLLECTION AGENCIES.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code §17-24-101 is amended to read as follows:
28 17-24-101. Definition.

29 As used in this chapter, unless the context otherwise requires,
30 “collection agency” means any person, partnership, corporation, association,
31 limited liability corporation, or firm that:

32 (1) which engages Engages in the collection of delinquent
33 accounts, bills, or other forms of indebtedness owed or due or asserted to be
34 owed or due to another;

35 (2) or any person, partnership, corporation, association,
36 limited liability corporation, or firm using Uses a fictitious name or any



1 name other than its own ~~in the collection of~~ to collect their own accounts
2 receivable; ~~or any person, partnership, corporation, association, limited~~
3 ~~liability corporation, or firm which solicits~~

4 (3) Solicits claims for collection; ~~or any person, partnership,~~
5 ~~corporation, association, limited liability corporation, or firm that~~
6 ~~purchases~~

7 (4) Purchases and attempts to collect delinquent accounts or
8 bills.

9
10 SECTION 2. Arkansas Code §17-24-201 is amended to read as follows:
11 17-24-201. Creation – Members.

12 (a)(1) There is created a State Board of Collection Agencies
13 composed of five (5) members to be appointed by the Governor.

14 (2) The members of the board:

15 (A) Shall hold office until a successor is appointed
16 and qualified; and

17 (B) May be removed by the Governor for:

18 (i) Lacking competency to perform the duties
19 of the position;

20 (ii) Conduct or behavior that is immoral;

21 (iii) Physical or mental infirmity that
22 prevents the discharge of the member's duties;

23 (iv) An abuse of his or her official power; or

24 (v) Other good cause.

25 (3) The Governor shall fill a vacancy by appointment
26 within thirty (30) days after the vacancy occurs.

27 (4) A member appointed to fill a vacancy caused by death,
28 resignation, or removal:

29 (A) Shall meet the qualifications of the vacancy to
30 be filled;

31 (B) Shall serve for the unexpired term of their
32 predecessor; and

33 (C) Is eligible to be subsequently appointed to the
34 board to the same position and any other position to which the member is
35 qualified.

36 ~~(2)(5)~~ The members of the board shall serve three-year

1 staggered terms without compensation except they may receive expense
2 reimbursement and stipends in accordance with § 25-16-901 et seq.

3 (b)(1)~~(A)~~ ~~One (1) member~~ Two (2) members shall ~~be appointed by the~~
4 ~~Governor after consulting the Associated Credit Bureaus of Arkansas, Inc.,~~
5 ~~subject to confirmation by the Senate, and another shall be appointed by the~~
6 ~~Governor after consulting with the Arkansas Collectors Association, Inc. and~~
7 ~~subject to confirmation by the Senate.~~

8 ~~(B) The persons appointed under subdivision (b)(1)(A) of~~
9 ~~this section shall:~~

10 ~~(i)(A)~~ Be actively engaged as the owners or managers an
11 owner or manager of a collection agency or someone employed by a collection
12 ~~agencies~~ agency in an executive capacity; and

13 ~~(ii)(B)~~ Have been actively engaged in connection with the
14 operation of a collection agency for five (5) years next preceding their
15 appointment.

16 (2) One (1) member, ~~who shall not be a member of either such~~
17 ~~association,~~ shall be selected from the public at large.

18 (3)~~(A)~~ One (1) member shall:

19 ~~(A) represent~~ Represent the elderly; ~~and shall~~

20 ~~(B) -be~~ Be at least sixty (60) years of age; ~~or older, and~~

21 ~~(B)(C) This member shall not~~ Not be actively engaged in or
22 retired from the operation of a collection agency.

23 ~~(C) He or she shall be selected from the state at large~~
24 ~~subject to confirmation by the Senate and shall be a full voting member but~~
25 ~~shall not participate in the grading of examinations.~~

26 (4)~~(A)~~ One (1) member shall be:

27 ~~(A) selected~~ Selected to represent the banking industry; ~~;~~
28 and

29 ~~(B) He or she shall be an~~ An Arkansas resident who is
30 actively engaged in the operation of a banking entity that is chartered to
31 conduct business in the State of Arkansas.

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34 **APPROVED: 3/21/23**