

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995

A Bill

HOUSE BILL 1897

4 By: Representative B. Wood

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For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 17-21-310 TO REQUIRE
9 LICENSED COLLECTION AGENCIES TO RETAIN FOR THREE (3) YEARS
10 THOSE CLIENT FUNDS WHICH ARE NOT DELIVERABLE TO THE CLIENT
11 AND TO PROVIDE A NOTICE TO CLIENTS OF THE RESULTS OF ANY
12 CLIENT'S FUNDS BEING UNDELIVERED; AND FOR OTHER PURPOSES."

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Subtitle

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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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23 SECTION 1. Arkansas Code § 17-21-310 is amended to read as follows:

24 "17-21-310. Annual notice to client of accounting requirement.

25 (a) Each collection agency required to be licensed under this chapter
26 shall, annually, within the month of April, give written notice to each
27 client for whom it is collecting or attempting to collect that collection
28 agencies licensed by the State of Arkansas are required by law to remit
29 collected funds to the clients within the calendar month following the month
30 of collection and that any collected funds which are undeliverable will be
31 retained for three (3) years and then may be considered abandoned to the
32 agency.

33 (b) No such notice is required to a forwarder who is also a licensee
34 of the State of Arkansas.

35 (c) Any collection agency required to be licensed under this chapter

1 which has attempted to remit collected funds to a client in accordance with
2 the time limits of Arkansas Code § 17-21-104 and the remittance is returned
3 by the Postal Service as undeliverable shall, after reasonable effort and a
4 diligent inquiry of the client's whereabouts, retain the collected funds for
5 a minimum of three (3) years from the date the funds were first remitted to
6 the client. Within three (3) months after the funds are returned, the
7 collection agency holding undelivered funds shall make another attempt to
8 notify the client of the undelivered collected funds by *first class* mail
9 *postage prepaid* to the client_s last known address or to any new address or
10 addresses discovered from the inquiry of the client's whereabouts. Any
11 collection agency holding undelivered funds more than twelve (12) months
12 shall notify the board of the amount of the undelivered collected funds, the
13 name and last known address of the client, and the date when the funds were
14 first remitted to the client. Any client notifying the collection agency
15 holding any undelivered funds within the three (3) year period shall receive
16 any funds held for them upon the client's written request. After three (3)
17 years, the undelivered collected funds shall be deemed abandoned to the
18 collection agency and the agency shall have no liability to the client for
19 those funds."

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21 SECTION 2. All provisions of this act of general and permanent nature
22 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
23 Revision Commission shall incorporate the same in the Code.

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25 SECTION 3. If any provisions of this act or the application thereof to
26 any person or circumstance is held invalid, the invalidity shall not affect
27 other provisions or applications of the act which can be given effect without
28 the invalid provisions or application, and to this end the provisions of this
29 act are declared to be severable.

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31 SECTION 4. All laws and parts of laws in conflict with this act are
32 hereby repealed.

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/s/Rep. B. Wood

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