

## New York - Yonkers

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### Summary

License required for local active and passive debt buyers.

License required for non-local active and passive debt buyers collecting from Yonkers debtors.

### Resources

Licensing Application: <http://www.cityofyonkers.com/home/showdocument?id=11917>

Municipal Code: <http://ecode360.com/15112700>

### Statutory Provisions

#### § 31-158. Definitions.

As used in this article, the following terms shall have the meanings indicated:

#### CONSUMER

Any natural person obligated or allegedly obligated to pay any debt.

#### DEBT

Any obligation or alleged obligation of a consumer to pay money arising out of a transaction in which the money, property, insurance, or services which are the subject of the transaction are primarily for personal, family, or household purposes, whether or not such obligation has been reduced to judgment, or any obligation or alleged obligation arising out of a judgment.

#### DEBT COLLECTION AGENCY

A person engaged in business, the principal purpose of which is to regularly collect or attempt to collect debts owed or due or asserted to be owed or due to another and shall also include a buyer of delinquent debt who seeks to collect such debt, either directly or through the services of another, by, including but not limited to initiating or using legal processes or other means to collect or attempt to collect such debt. The term does not include:

- A. Any person while serving or attempting to serve legal process on any other person in connection with the judicial enforcement of any debt.
- B. Any attorney at law 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 not any 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 debtor through the mail or via telephone with the purpose of collecting a debt or other activities as determined by rule of the Commissioner.
- C. Any person employed by a utility regulated under the provisions of the Public Service Law, acting for such utility;
- D. Any person collecting or attempting to collect any debt owed or due or asserted to be owed or due another to the extent such activity:
  - (1) Is incidental to a bona fide fiduciary obligation or a bona fide escrow agreement;
  - (2) Concerns a debt which was originated by such person;
  - (3) Concerns a debt which was not in default at the time it was obtained by such person as a secured party in a commercial credit transaction involving the creditor.
- E. Any officer or employee of the United States, any state thereof or any political subdivision of any state, to the extent that collecting or attempting to collect any debt owed is in the performance of his or her official duties.

F. Any nonprofit organization which, at the request of consumers, performs bona fide consumer credit counseling and assists customers in the liquidation of their debts by receiving payments from such customers and distributing such amounts to creditors.

**§ 31-159**

**License required.**

It shall be unlawful for any person to act as a debt collection agency without first having obtained a license in accordance with the provisions of this article, and without first being in compliance with all other applicable laws, rules and regulations.