Maryland

Summary
License required for in-state active and passive debt buyers.
License required for out-of-state active debt buyers collecting from Maryland debtors.
License required for out-of-state passive debt buyers collecting claims through civil litigation.

Sources
Licensing Information: http://www.dllr.state.md.us/finance/industry/collag.shtml
Statutes: http://www.lexisnexis.com/hottopics/mdcode/
Collection Agency Licensing Board Advisory:
http://www.dllr.state.md.us/finance/advisories/advisory5-10.shtml

Statutory Provisions
§ 7-101. Definitions

…
(c) Collection agency. -- "Collection agency" means a person who engages directly or indirectly in the business of:
(1) (i) collecting for, or soliciting from another, a consumer claim; or
   (ii) collecting a consumer claim the person owns, if the claim was in default when the person acquired it;
(2) collecting a consumer claim the person owns, using a name or other artifice that indicates that another party is attempting to collect the consumer claim;
(3) giving, selling, attempting to give or sell to another, or using, for collection of a consumer claim, a series or system of forms or letters that indicates directly or indirectly that a person other than the owner is asserting the consumer claim; or
(4) employing the services of an individual or business to solicit or sell a collection system to be used for collection of a consumer claim.

…
(e) Consumer claim. -- "Consumer claim" means a claim that:
(1) is for money owed or said to be owed by a resident of the State; and
(2) arises from a transaction in which, for a family, household, or personal purpose, the resident sought or got credit, money, personal property, real property, or services.
(f) License. -- "License" means a license issued by the Board to do business as a collection agency.
(g) Licensed collection agency. -- "Licensed collection agency" means a person who is licensed by the Board to do business as a collection agency.

§ 7-301. License required; exceptions
(a) In general. -- Except as otherwise provided in this title, a person must have a license whenever the person does business as a collection agency in the State.
(b) Exceptions. -- This section does not apply to:
(1) a regular employee of a creditor while the employee is acting under the general direction and control of the creditor to collect a consumer claim that the creditor owns; or
(2) a regular employee of a licensed collection agency while the employee is acting within the scope of employment.
Advisory
“The Board wishes to clarify that it has been its consistent position that a Consumer Debt Purchaser that collects consumer claims through civil litigation is a “collection agency” under Maryland law and required to be licensed as such, regardless of whether an attorney representing the Consumer Debt Purchaser in the litigation is a licensed collection agency. Annotated Code of Maryland, Business Regulation Article (“BR”) § 7-101(c).” Purchasers of Consumer Claims in Default, Maryland State Collection Agency Licensing Board Advisory (May 5, 2010).

Cases Interpreting Applicability to Debt Buyers
Bradshaw v. Hilco Receivables, LLC, 765 F. Supp. 2d 719 (D. Md. 2011), applying the above advisory to an out-of-state passive debt buyer that retrained an attorney to collect from a Maryland debtor.