

A Bill for an Act Relating to Collection Agencies.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 443A-1, Hawaii Revised Statutes, is amended by amending the definition of "collection agency" to read as follows:

- (2) "Collection agency" means any person who by himself or through others offers to undertake or holds himself out as being able to undertake or does undertake to collect for another person, claims or money due on accounts or other forms of indebtedness for a commission, fixed fee, or a portion of the sums so collected.
- (3) "Collection agency" includes:
  - (A) Any person using any name other than his own in collecting his own claims with the intention of conveying, or which tends to convey the impression that a third party has been employed;
  - (B) Any person who, in the conduct of his business for a fee, regularly repossesses any merchandise or chattels for another;
  - (C) Any person who regularly accepts the assignment of claims or money due on accounts or other forms of indebtedness and brings suits upon such assigned claims or money due on accounts or other forms of indebtedness in his own name, provided that any such suits shall be initiated and prosecuted by an attorney who shall have been appointed by the assignor[.]; provided, further, that any person who by himself or through others offers to undertake or holds himself out as

being able to undertake or does undertake to collect for another person the amounts due under any agreement which provides for installment payments and which is secured by an interest in real property, including without limitation, mortgage loans and agreements of sale, whether or not such collection servicing agent receives any compensation or other consideration for his services, shall fall within the purview of chapter 454D.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 14, 1984.)