



September 19, 2010

Wyoming Joint Minerals, Business and Economic Development
Interim Committee
Teton County Commission Chamber
200 South Willow Street
Jackson, WY 83001

**RE: Opposition to Resident Manager Requirement in Proposed Revisions to
Wyoming Collection Agency Act**

Dear Members of the Wyoming Joint Minerals, Business and Economic Development
Interim Committee,

ACA International (ACA), the Association of Credit and Collection Professionals,
appreciates the opportunity to submit this letter to comment on a particular issue of grave
concern to the debt collection industry.

ACA understands the Joint Minerals, Business and Economic Development Interim
Committee is considering legislation revising the Wyoming Collection Agency Act. ACA
is working with its more than 5,000 members to review this legislation and provide more
substantive comments regarding its concerns as well as on proposed changes the industry
does not oppose.

We respectfully urge the Committee to amend the legislation to remove the resident
manager requirement as a condition of licensure for a collection agency to operate in
Wyoming.

Wyoming law currently requires licensees to have a resident manager, and the resident
manager must pass an examination as prescribed by the Wyoming Collection Agency
Board. *See* Wyo. Stat. Ann. § 33-11-107(c); Wyo. R. & Regs. Ch. 3, § 5. ACA
understands many out-state licensed collection agencies satisfy the resident manager
requirement by contracting with an individual in the state to serve as the agency's
resident manager.

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The proposed legislation being considered by the Committee maintains the above resident manager requirement. The most recent version of the legislation states the Wyoming banking commissioner may grant an application for a collection license if, among other things, the applicant has employed or contracted with a resident manager. A resident manager is defined as “an individual who is a bona fide resident of Wyoming and who is employed by or under contract with a collection agency to gather and distribute information pertinent to the debt collection business between the commissioner, the collection agency and consumers.”

ACA appreciates the desire by the Committee for collection agencies licensed in Wyoming to be responsive to requests for information from the commissioner’s office or any other regulatory body in the state. However, we believe maintaining the resident manager requirement does not provide any tangible benefit to either consumers or collection agencies, and requires out-state collection agencies to bear an unreasonable and unnecessary cost to legitimately operate in Wyoming.

The resident manager requirement is an archaic model for improving communication between collection agencies and a state regulatory body.

Thirty years ago, many agencies operated in only one state due to a combination of client-relationships and prohibitive costs to expanding business. Due to the rising use and decreasing cost of the telephone, in addition to the use of computers, more and more agencies have the ability to operate in different states. This has created an environment where agencies are incredibly sensitive to different state licensing requirements and have implemented considerable measures to be responsive to state regulator inquiries.

As a result, whereas a resident manager may have had particular knowledge as to Wyoming laws and regulations, today agencies collecting in Wyoming (and elsewhere across the country) have robust compliance procedures and compliance departments to be knowledgeable about applicable federal and state laws and regulation regarding collection of a debt. As an example, ACA offers a compliance manual covering state laws for its membership that is over 1,000 pages and is updated monthly.

The resident manager requirement does not provide any meaningful protection for Wyoming consumers.

In addition to the attention given to agencies in complying with state licensing requirements, requiring an in-state individual to serve as an intermediary between consumers, collection agencies, and the commissioner’s office delays the flow of information and delays resolution of any potential concerns.

As proposed, the resident manager is intended to “gather and distribute information pertinent to the debt collection business between the commissioner, the collection agency and consumers.” Due to the reasons described above, many agencies are incredibly competent at satisfying the duties that currently rest with a resident manager. By removing the resident manager requirement, the commissioner will be able to communicate with the agency directly to resolve any potential issues.

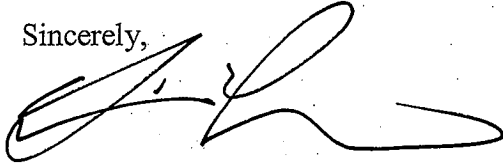
The resident manager requirement poses significant costs to agencies without any measurable benefit.

In addition to the resident manager requirement being antiquated and failing to provide meaningful protection to Wyoming consumers, collection agencies are left bearing an unnecessary cost. Many current Wyoming resident managers serve as the resident manager for a variety of out-state collection agencies that may have varying business models and may be collecting different types of debt. These resident managers charge the agencies monthly fees that, in the aggregate, are a significant business cost for those collection agencies.

In conclusion, ACA respectfully urges the Committee to eliminate the resident manager requirement as a condition of license for collection agencies to operate in Wyoming as it considers this legislation.

ACA will continue to review the remaining provisions of the legislation, and looks forward to working with the Committee on this matter.

Sincerely,



David D. Cherner, Esq.
Director of State Government Affairs
ACA International

cc: Wyoming Division of Banking Commissioner Jeff Vogel