



# DEVIN LEMAHIEU

## STATE SENATOR

### **Testimony on SB 438 RE: Collection Agency Operations December 15, 2015**

Thank you Chairman Marklein and Members of the Senate Committee on Revenue, Financial Institutions, and Rural Issues for hearing testimony today on Senate Bill 438. Many Wisconsin collection agencies are small, locally owned businesses which often struggle to fill vacancies, especially when their businesses are growing.

The owner of a collections agency in my district shared a story about an applicant that applied for an open position. The individual has multiple sclerosis and explained that there would be days or even weeks when he would be physically unable to come to work. He expressed an interest in working from home during these times.

SB 438 specifies that an employee of a licensed collection agency may work from home if they comply with all the same requirements that would apply if working from the licensed office. All provisions regarding data security and confidentiality as specified by the Fair Debt Collection Practices Act and the Fair Credit Reporting Act will continue to apply under this bill.

Remote office spaces have become more common with the advancement of the internet and other technologies. This bill will facilitate the growth of small businesses by allowing collection agencies to grow without having to add new office space. Additionally, the agencies will be able to hire people with transportation issues or physical limitations who can't travel to a worksite but can work from home. Studies have shown that the ability to work from home produces happier and more productive employees.

Thank you for your consideration on Senate Bill 438



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Remarks of Representative Lee Nerison  
on Senate Bill 438/Assembly Bill 592  
Senate Committee on Revenue, Financial Institutions and Rural Issues  
December 15, 2015

Chair Marklein and Committee Members:

As the author of Assembly Bill 592, I thank you for holding a hearing on this legislation which would allow employees of collection agencies to work from home.

I have worked with the owner of a collection agency in western Wisconsin to address a provision in Wisconsin law that only permits the operation of a collection agency at or from the location specified in the license.

Many Wisconsin collection agencies are small locally-owned businesses that want to expand their search for eligible employees to reflect modern telecommuting practices but cannot do so under current law. The common-sense change in this bill allows these employers to hire applicants who are not restricted by location or transportation, which is a tremendous benefit for the rural parts of our state.

Keep in mind that under this bill, the employee of a licensed collection agency must comply with the same requirements that would apply if working from the licensed office. All provisions regarding data security and confidentiality as specified by the Fair Debt Collection Practices Act and the Fair Credit Reporting Act will continue to apply.

I would appreciate your support for this change so that collection agencies can expand their pool of job applicants similar to the practices of other private sector businesses.

Thank you for your consideration.



Written Testimony of Kenlyn T. Gretz, CEO and President of Americollect Inc on 12-14-2015 regarding Senate Bill 438.

Americollect Inc is a collection agency that employs 260 Wisconsin co-workers and has been in the debt collection business since 1964.

We would like to see this bill passed to allow us to offer the ability to have collectors work from home. A few years ago, a person named Tim applied for a full time position with the company. He explained he had Multiple Sclerosis and that there were weeks when his health condition would prevent him from physically coming to work for a few days during the week. He could not predict when this would happen. We appreciated his honesty about his condition, but declined hiring him because the current law does not allow for us to have collectors calling from home and we were looking for full time collectors. He asked if he could work from home on the days he was not up to traveling to work.

The same type of scenarios happen for veterans, stay at home moms/dads who have unexpected sick children and many others.

We look to use the bill to also reduce the carbon foot print in Wisconsin. Collectors who have been on the job for X number of years would be able to work 1 or 2 days from home instead of driving to work.

We have the ability to control auditing of the work and privacy within a co-workers work at home environment.