



Bkg 74

State of Wisconsin \ OFFICE OF COMMISSIONER OF BANKING

ERICH MILDENBERG  
COMMISSIONER

30 WEST MIFFLIN STREET  
MADISON, WISCONSIN 53703

STATE OF WISCONSIN )  
OFFICE OF COMMISSIONER OF BANKING) ss

RECEIVED  
JUL 18 1978  
12:35 pm  
REVISOR OF STATUTES  
BUREAU

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Erich Mildenberg, Commissioner of Banking, and custodian of the official records of said office, do hereby certify that the annexed rule, relating to Prohibited Debt Collection Practices, was duly approved and adopted by this office on the 18th day of July, 1978.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the department at the Office of the Commissioner of Banking in the City of Madison, this 18th day of July A.D., 1978.

*Erich Mildenberg*

Erich Mildenberg  
Commissioner of Banking





State of Wisconsin \ OFFICE OF COMMISSIONER OF BANKING

ERICH MILDENBERG  
COMMISSIONER

WILLIAM G. NOBLE  
ADMINISTRATOR

DIVISION OF CONSUMER CREDIT  
30 WEST MIFFLIN STREET  
MADISON, WISCONSIN 53703

ORDER OF THE COMMISSIONER OF BANKING  
ADOPTING RULES

Pursuant to authority vested in the Commissioner of Banking by section 218.04(7), Wis. Stats., the Commissioner hereby repeals and adopts the following rules:

Section Bkg 74.09(5) is repealed and Sections Bkg 74.11, 74.12, 74.13, and 74.14 of the WISCONSIN ADMINISTRATIVE CODE are adopted to read:

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Bkg 74.09(5) is Repealed.

Bkg 74.11 is created to read:

Bkg 74.11 Fair Collection Practice Notice. (1) Within 5 days after the initial communication with a debtor a licensee shall, unless the initial communication is written and contains the following notice or the debtor has paid the debt, send the debtor the following notice in not less than 8 point boldface type:

This collection agency is licensed by the  
Office of Commissioner of Banking, 30 West  
Mifflin, Madison, Wisconsin 53703.

This notice shall be typed or printed on either a collection notice or on the validation of any debt directed to the debtor by the licensee pursuant to Sec. 809 of the Federal Fair Debt Collection Practices Act. This subsection shall be effective on the first day of the 6th month following its publication in the Wisconsin Administrative Register.

(2) Where the notice required by subsection (1) is printed on the reverse side of any collection notice or validation sent by the licensee, the front of such notice shall bear the following statement in not less than 8 point boldface type:

Notice: See Reverse Side for Important Information.

Bkg 74.12 is created to read:

Bkg 74.12 Use of Alias or Pseudonym Prohibited. In oral or written communication with a debtor, collectors shall identify themselves by their birth given surname, their married name or a surname composed of their birth given and married names. An alias or pseudonym may not be used. They shall also identify the agency which they represent by the name in which it is licensed to do business. A licensee may forward printed collection notices to a debtor which are unsigned.

Bkg 74.13 is created to read:

Bkg 74.13 Unauthorized Practice of Law. No collector or other employee of a licensee shall in attempting to collect an account, engage in the practice of law. This includes but is not limited to the preparation of a summons or complaint or the appearance on behalf of any creditor, except when called as a witness by the Plaintiff's attorney in open court, before any court including the clerk of any small claims court in an action on the debt or in garnishment proceedings. This rule does not prohibit the appearance of an owner of a non-corporate licensee in court for the purpose of obtaining judgment on a debt owed to the licensee directly.

Bkg 74.14 is created to read:

Bkg 74.14 Oppressive and Deceptive Practices Prohibited. A licensee shall not engage in any oppressive or deceptive practices. In attempting to collect an alleged debt, a licensee shall not;

- (1) Use or threaten force or violence to cause physical harm to the person, dependents or property of a debtor;
- (2) Threaten criminal prosecution;
- (3) Disclose or threaten to disclose information adversely affecting the debtor's reputation for credit worthiness with knowledge or reason to know that the information is false;
- (4) Initiate or threaten to initiate communication with the debtor's employer prior to obtaining final judgment against the debtor, except as permitted by statute. This subsection does not prohibit a debt collector from communicating with the debtor's employer solely to verify employment status or earnings or where an employer has an established debt counseling service or procedure;

(5) Contact a debtor by telephone at the debtor's place of employment following a request or demand by the debtor that such collection efforts cease;

(6) Disclose or threaten to disclose to a person other than the debtor or the debtor's spouse information affecting the debtor's reputation, whether or not for credit worthiness, with knowledge or reason to know that the other person does not have a legitimate business need for the information; but this subsection does not prohibit the disclosure to another person of information permitted to be disclosed to that person by statute;

(7) Disclose or threaten to disclose information concerning the existence of a debt known to be reasonably disputed by the debtor without disclosing the fact that the debtor disputes the debt;

(8) Communicate with the debtor or a person related to the debtor with such frequency or at such unusual hours or in such a manner as can reasonably be expected to threaten or harass the debtor;

(9) Engage in other conduct which can reasonably be expected to threaten or harass the debtor or a person related to the debtor including conduct which violates the Federal Fair Debt Collection Practices Act;

(10) Use obscene, profane or threatening language in communicating with the debtor or a person related to the debtor;

(11) Claim or attempt to threaten to enforce a right with knowledge or reason to know that the right does not exist;

(12) Use a communication which simulates legal or judicial process or which gives the appearance of being authorized, issued or approved by a government, governmental agency or attorney-at-law when it is not or any bogus letter ostensibly addressed to any governmental authority or attorney;

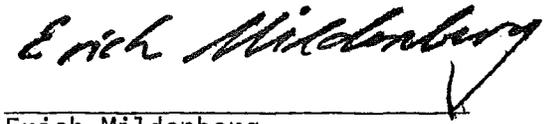
(13) Threaten action against the debtor unless like action is taken in regular course or is intended with respect to the particular debt;

(14) Mutilate any check or other writing tendered by a debtor before forwarding it or returning it to the customer;

(15) Enlist the aid of a neighbor or other third party to request that the debtor contact the licensee except a person who resides with the debtor or a third party with whom the debtor has authorized the licensee to place such requests. This subsection shall not apply to a call back message left at the debtor's place of employment which is limited to the licensee's telephone number and the collector's name.

The rule contained herein shall take effect on the 1st day of  
September, 1978.

Dated: July 18, 1978

A handwritten signature in cursive script that reads "Erich Mildeberg". The signature is written in black ink and is positioned above a horizontal line.

Erich Mildeberg  
Commissioner of Banking