



2009 ASSEMBLY BILL 820

March 9, 2010 - Introduced by Representatives STASKUNAS and MOLEPSKE JR.,
cosponsored by Senator TAYLOR. Referred to Committee on Judiciary and
Ethics.

1 **AN ACT to amend** 218.02 (1) (a) of the statutes; **relating to:** exempting attorneys
2 from regulation as adjustment service companies.

Analysis by the Legislative Reference Bureau

Under current law, an “adjustment service company” is an individual or business entity engaged as principal in the business of prorating a debtor’s income to the debtor’s creditors or of assuming a debtor’s obligations to the debtor’s creditors in return for a service charge or other consideration. To engage in business as an adjustment service company, the individual or business entity must be licensed by the Division of Banking in the Department of Financial Institutions (division). There are specified criteria for obtaining such a license and the division has regulatory authority over licensees, including the power to regulate advertising and solicitation and to investigate and examine licensees’ books and records. If an adjustment service company settles or reduces a debtor’s accounts, the adjustment service company must furnish the debtor, on demand, with a verified statement showing the amount due creditors by the terms of the settlement or reduction.

This bill exempts from regulation as an adjustment service company any attorney who resides, and is authorized to practice law, in this state.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 218.02 (1) (a) of the statutes is amended to read:

