

HOUSE COMMERCE COMMITTEE

Minutes of Meeting
1997 Interim
November 19, 1997

I. CALL TO ORDER

Representative John Travis, Chairman of the House Commerce Committee, called the meeting to order at 11:20 a.m. in Committee Room 3 of the State Capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative John Travis,
Chairman
Representative Mickey Frith
Representative Herman Hill
Representative Michael Michot
Representative Arthur Morrell
Representative Gil Pinac
Representative Tank Powell
Representative Clo Fontenot
Representative Tommy Wright

MEMBERS ABSENT:

Representative Pete Schneider,
Vice Chairman
Representative Robert Barton
Representative Naomi Farve
Representative Dan Flavin
Representative Edwin Murray
Representative Sharon Weston
Representative Diane Winston

III. STAFF MEMBERS PRESENT

Cindy Mancuso, Attorney
Billy Gothreaux, Research Analyst
Sandy Painting, Secretary
Louis Miceli, Sergeant at Arms

IV. DISCUSSION

House Study Request No. 25 by Representative Travis

Representative Travis appeared before the committee to present House Study Request No. 25, which requests a study of the debt collection and collection agency industry, including but not limited to the collection of claims by attorneys.

Ms. Ann Lemenager, Louisiana Office of Financial Institutions, P. O. Box 94095, Baton Rouge, Louisiana 70809, (504) 925-4660, appeared before the committee for informational

purposes only. She stated that this office was in the process of performing examinations of the license process on all collection agencies.

Mr. Larry Murray, Commissioner, Louisiana office of financial institutions, P. O. Box 94095, Baton Rouge, Louisiana 70809, (504) 925-4661, appeared before the committee for informational purposes only. He stated that the purpose of House Study Request No. 25 was to determine whether attorneys can be involved in the collection process and whether they should be regulated and licensed.

Representative Travis stated that he had a problem with attorneys opening collection agencies under the name of their law firm and operating as a collection agency without being regulated or licensed.

Mr. Murray stated that there was a problem in determining how much of an attorney's work was legal and how much was collection in a situation where the attorney was involved in the collection process.

Mr. Morrell also stated that he had a problem with an attorney operating as a collection agency without being licensed. He suggested that the Louisiana office of financial institutions work with the supreme court in making a determination regarding licensing.

Mr. Jim Haik, Louisiana Collector's Association, 4501 Napoleon Avenue, Metairie, Louisiana, (504) 454-7885, appeared before the committee in support of HSR No. 25. He stated that some attorneys were advertising in the yellow pages under the collection section and that he was opposed to attorneys operating as collection agencies and not being licensed.

V. OTHER BUSINESS

There was no other business discussed.

VI. ANNOUNCEMENTS

There were no announcements.

VII. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,

John Travis, Chairman

Date Approved: _____