Who is required to have this license?

- Any company, branch, or individual that operates as a collection agency, debt counselor, credit counselor, debt settlement company, social security designee or other similar third party payer, debt buyer or credit repair organization;
- Engages, either directly or indirectly, in the business of collecting or receiving payment for others of any account, bill, claim or other indebtedness;
- Solicits or advertises to collect or receive payment for another of any account, bill, claim or other indebtedness;
- Sells or otherwise distributes any system or systems of collection letters or similar printed matter where the name of any person other than the particular creditor to whom the debt is owed appears;
- Engages in any activity which indicates, directly or indirectly, that a third party is or may be involved in effecting any collections;
- Engages or offers to engage, directly or indirectly, in the business of collecting any form of indebtedness for that person's own account if the indebtedness was acquired from another person and if the indebtedness was either delinquent or in default at the time it was acquired;
- Engages or offers to engage in the business of receiving money from debtors for application or payment to or prorating of a debt owed to, any creditor or creditors of such debtor, or engage or offer to engage in this state in the business of providing counseling or other services to debtors in the management of their debts, or contracting with the debtor to effect the adjustment, compromise, or discharge of any account, note or other indebtedness of the debtor.
- Engages or offers to engage in this state in the business of selling, providing or performing services to improve any consumer's credit record, credit history or credit rating, or providing advice or assistance to any consumer with regard to his credit record, credit history or credit rating.

This applies to consumer and commercial debt activity and may include mortgage servicers depending upon the activities conducted and licenses held.

Who does not need this license?

- Persons licensed to practice law in this state, to the extent that they are retained by their clients to engage in activities authorized by this act, and such activities are incidental to the practice of law. Such exemption shall not apply to an attorney engaged in a separate business conducting the activities authorized by this act;
● Any regulated lender as defined in section 28-41-301, Idaho Code, to the extent that the regulated lender’s collection activities are incidental to the business of a regulated lender;
● Any bank, trust company, credit union, insurance company or industrial loan company authorized to do business in this state;
● Any federal, state or local governmental agency or instrumentality;
● Any real estate broker or real estate salesman licensed under the laws of and residing within this state while engaged in acts authorized by his real estate license;
● Any person authorized to engage in escrow business in this state while engaged in authorized escrow business;
● Any mortgage company engaged in the regular business of a mortgage company as defined in section 26-2802, Idaho Code, except a mortgage company engaged in a separate business conducting the activities authorized by this act;
● Any court appointed trustee, receiver or conservator;
● Any person while acting as a debt collector for another person, both of whom are related by common ownership or affiliated by corporate control, if the person acting as a debt collector does so only for persons to whom he is so related or affiliated and if the principal business of such person is not the collection of debts.

The burden of proof for any exemption lies with the requester/claimant.

Pre-requisites for license applications?

● Idaho Surety Bond $15,000

● Experience QI/Responsible Person in Charge (RPIC): Three (3) years verifiable and documented experience in each of the business activities to be conducted in Idaho: Collection Agency/Debt Buyer, Debt/Credit Counseling; Debt Settlement; Credit Repair. More than one QI/RPIC may be identified and will have to be identified outside the system on the checklist.

● Agent Registration Registration of all QI/RPICs, collectors or solicitors of creditor accounts with Idaho consumers or Idaho-based businesses must be reported at time of application accompanied by a $20 registration fee per individual. This cannot be filed through NMLS.

Military Member, Veteran, and Spouse Priority – Sole Proprietor Applicants

An individual that is a current military member, veteran, or spouse of a military member or veteran, is entitled to an expedited application review once required verification documentation has been uploaded and notification to the Department of Finance has been received.

To qualify, the military member or veteran must have served on active duty for at least 180 consecutive days and if discharged, the discharge must be an honorable discharge or general discharge under honorable conditions. Refer to the application checklist for required documentation to be uploaded.

Additionally, if you hold a current, valid and unrestricted active collection agency license in another state or jurisdiction, with similar qualification requirements and without any disciplinary, criminal or enforcement actions, you may be eligible for a license while completing any additionally-required Idaho application requirements.
WHO TO CONTACT – Contact Consumer Finance Bureau licensing staff by phone at (208) 332-8002 or send your questions via e-mail to collections@finance.idaho.gov for additional assistance.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE JURISDICTION SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.