



MICHIGAN COLLECTION AGENCY OWNER MANAGED LICENSING GUIDE

OVERVIEW:

The collection agency owner managed license allows the collection agency to oversee the operation of a collection agency which includes an individual who, in the course of collecting, repossessing, or attempting to collect or repossess, represents himself or herself as a collection or repossession agency, or a person that performs collection activities that are regulated under this article on behalf of another.

NOTE: The content contained below is a general overview of licensing requirements. Links to access the Occupational Code and Administrative Rules for this profession can be found at the end of this guide.

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LICENSURE REQUIREMENTS CHECKLIST

APPLICATION AND FEES

- Online Application for a Collection Agency Owner Managed License - Complete all fields, answer all questions, and upload any supporting documentation.
Online applications can be completed by visiting www.michigan.gov/miplus
Application Fee + 3 year license fee: (Must be paid by Visa, Mastercard, American Express, or Discover credit or debit card)

Collection Agency Owner Managed License: \$475.00

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**\*When applying for the agency license, you will automatically enter information for the owner manager.**

## THE FOLLOWING REQUIREMENTS APPLY TO ALL APPLICANTS

- Good Moral Character Question – I have the ability and will serve the public in a fair, honest, and open manner. If I have had a judgement of guilt in a criminal proceeding or a civil action against me, I am rehabilitated, or the substance of my former offense is not reasonably related to the occupation or profession for which I am seeking a license.
- Social Security Number (SSN) – An individual applying for licensure is required to provide his or her social security number at the time of application. If exempt under law from obtaining an SSN or you do not have an SSN, the SSN affidavit form will be required to be uploaded at the time the application is submitted.
- Each individual, partner of a partnership, or officer or director of a corporation that is an applicant must be at least 18 years of age.
- Confidence of Community Question – Does each individual, partner of a partnership, or officer or director of a corporation that is an applicant have the financial stability, reputation, and experience such as to command the confidence of the community and to warrant the belief that the business will be lawfully, honestly and fairly?

## ADDITIONAL REQUIREMENTS FOR LICENSURE BY EXAMINATION (These are in addition to the requirements stated above that apply to ALL applicants)

- Experience – Collection agency owner manager must complete at least 6 months of full-time experience in the collection of accounts.
- Examination – Collection agency owner manager must take and pass the required Michigan Collection Agency Manager examination administered by PSI.
- Education – Collection agency owner manager must have graduated from high school or passed the general educational development test (GED) or other graduate equivalency examination.
- Surety Bond – Applicants for the collection agency license must obtain a surety bond or cash bond in the amount of not less than \$5,000 nor more than \$50,000.

## ADDITIONAL REQUIREMENTS FOR FOREIGN EDUCATED OR TRAINED APPLICANTS WHO RECEIVED EDUCATION OR TRAINING OUTSIDE THE UNITED STATES (These are in addition to the requirements stated above that apply to All applicants)

- Experience – Collection agency owner manager must complete at least 6 months of full-time experience in the collection of accounts.

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- Education – Collection agency owner manager must have graduated from high school or passed the general educational development test (GED) or other graduate equivalency examination.
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## ADDITIONAL REQUIREMENTS FOR THOSE APPLYING FOR RELICENSURE (These are in addition to the requirements stated above that apply to All applicants)

- Online application can be completed by visiting [www.michigan.gov/miplus](http://www.michigan.gov/miplus) and selecting MiPLUS Login. Once logged in, click on the “**Licenses**” tab, select “**Modification**” next to your license number and this will start the relicensure process.
- 3 year Collection Agency Owner Managed Relicensure Application and Fee: \$495.00 (Must be paid by Visa, Mastercard, American Express or Discover credit or debit card)

## RENEWAL REQUIREMENTS CHECKLIST

- Online Application for Michigan Collection Agency Owner Managed Renewal – Must be completed by visiting [www.michigan.gov/miplus](http://www.michigan.gov/miplus) no sooner than 90 days prior to the expiration date of current license.
- Collection Agency Owner Managed Renewal Application Fee: \$495.00 (Must be paid by Visa, Mastercard, American Express or Discover credit or debit card)
- Renewal Cycle: 3 years

## HELPFUL RESOURCES AND FORMS

- By visiting [www.michigan.gov/occupationallicense](http://www.michigan.gov/occupationallicense) and clicking on the collection agency link you can access the following helpful resources:

### Resources:

- [Michigan Occupational Code](#)

## FREQUENTLY ASKED QUESTIONS

1. Does each branch office need a license?

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Yes, a license is required for each separate place of business.

## **2. Can a manager supervise more than one office?**

No. MCL 339.908(4) states “a person shall not personally supervise more than 1 office.”

## **3. How do I schedule my Collection Agency Manager exam?**

The department will review the application, and upon complete review the applicant will be made eligible for the Collection Agency Manager exam. Once the applicant is made eligible for the exam, they will be notified and can contact PSI at (800) 733-9267 or [www.psiexams.com](http://www.psiexams.com) for scheduling.

## **4. What type of bond is required?**

Applicants for the collection agency license must obtain a surety bond or cash bond in the amount of \$5,000 for the first year of operation. The amount of the bond for subsequent years will be based upon the amount of average monthly business as reported in the Annual Report of Business and Operations, which must be filed with the Department by May 16 each year.

## **5. How do I obtain a surety bond?**

Contact your insurance agent or company to assist you with obtaining a surety bond. If you do not have an insurance agent or company, you may search for companies that are known to provide surety bonds at the following link: [www.michigan.gov/difs](http://www.michigan.gov/difs)

## **6. My license was lost/stolen/destroyed, how do I get a new one?**

You may request a duplicate license online at [www.michigan.gov/MiPlus](http://www.michigan.gov/MiPlus) To request a hard copy of your license you will need to log in to your MiPlus account and pay a \$10.00 fee.

## **7. How do I file a complaint against an occupational professional?**

Information on how to File a Complaint with the Bureau of Professional Licensing can be found on the Bureau of Professional Licensing’s website at [www.michigan.gov/bpl](http://www.michigan.gov/bpl)