



813206

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/17/2010	.	
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The Committee on Banking and Insurance (Bennett) recommended the following:

**Senate Amendment**

Delete lines 1088 - 1141  
and insert:

(6)(1) "Debt relief organization Credit counseling agency"  
means a person offering to provide or any organization providing  
debt management services, debt settlement services, or credit  
counseling services for compensation.

(3)(2) "Credit counseling services" means ~~confidential~~  
money management, debt reduction, financial analysis, and  
financial educational services provided to a debtor. The term  
does not include foreclosure-related rescue services.



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13            (4)-(3) "Creditor contribution" means any sum that a  
14 creditor agrees to contribute to a debt relief organization  
15 credit counseling agency, whether directly or by setoff against  
16 amounts otherwise payable to the creditor on behalf of debtors.

17            (5)-(4) "Debt management services" means services, other  
18 than foreclosure-related rescue services, provided to a debtor  
19 by a debt relief credit counseling organization for a fee to:

20            (a) Effect the adjustment, compromise, interest rate  
21 reduction, modification of terms, negotiation, or discharge of  
22 any unsecured account, note, or other indebtedness of the  
23 debtor; or

24            (b) Receive funds periodically from the debtor and disburse  
25 to a creditor any money or other thing of value with the  
26 expectation that the debtor will repay the creditor the entire  
27 principal owed.

28            (7) "Debt settlement services" means services, other than  
29 foreclosure-related rescue services, provided to a debtor with  
30 the expectation of obtaining the creditor's agreement to accept  
31 less than the principal amount of a debt in full satisfaction of  
32 the debt.

33            (8) "Debtor" means an individual who obtains credit, seeks  
34 a credit agreement with a creditor, or owes money to a creditor.

35            (9) "Enrolled debt" means the amount of debt at the time  
36 the contract for debt management services is entered but does  
37 not include any increases in the amount of debt or additional  
38 fees or penalties applied to the debt after services included in  
39 the contract are initiated.

40            (10) "Financial analysis" means the review of an  
41 individual's budget, income, expenses, and debt by the debt



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42 relief organization in order to determine the individual's  
43 suitability for additional credit counseling, debt management,  
44 or debt settlement services provided by the organization.

45 (11) "Financial audit report" means a report prepared in  
46 connection with a financial audit that is conducted in  
47 accordance with generally accepted auditing standards,  
48 prescribed by the American Institute of Certified Public  
49 Accountants, by a certified public accountant licensed to do  
50 business in the United States, which includes:

51 (a) Financial statements, including notes related to the  
52 financial statements and required supplementary information,  
53 prepared in conformity with United States generally accepted  
54 accounting principles.

55 (b) An expression of opinion regarding whether the  
56 financial statements are presented in conformity with United  
57 States generally accepted accounting principles, or an assertion  
58 that such an opinion cannot be expressed and the reasons.

59 (12) "Office" means the Office of Financial Regulation of  
60 the Financial Services Commission.

61 (13)~~(5)~~ "Person" has the same meaning as in s. 1.01 ~~means~~  
62 ~~any individual, corporation, partnership, trust, association, or~~  
63 ~~other legal entity.~~

64 (14) "Service contract" means the agreement for services  
65 between a debt relief organization and a debtor.