

**IMPORTANT NOTICE REGARDING
RENEWAL OF EXEMPT OUT-OF-STATE
COLLECTION AGENCY (“COLAX”) DESIGNATIONS**

Please be informed that due to an update to the collection agency laws in **Indiana, Nevada, or North Dakota**, these states no longer meet the definition of a “reciprocal state” and therefore, cannot be used to obtain or maintain (renew) your Hawaii COLAX designation.

If your current reciprocal state of record is **Indiana, Nevada, or North Dakota**, you are required to designate a **new** reciprocal state on your renewal application (in the “Other Requirements” section) and submit an original “Verification of License” form completed by your new reciprocal state (form available on the Board’s website: <http://hawaii.gov/dcca/pvl/programs/collection/>) and a copy of the bond from that state. As this is a change to the current information on file, we will not accept an “online” license verification in lieu of a completed original “Verification of License” form.

Please note: if your reciprocal state of record is not Indiana, Nevada, or North Dakota, you will not be allowed to change your reciprocal state.

To our knowledge, the following states currently meet the definition of a reciprocal state: Colorado, Illinois, Michigan, Minnesota, Nebraska, New Mexico, and Wisconsin. Applicants who are licensed in these multiple states may wish to designate a state that meets the definition of a reciprocal state.

Pursuant to Hawaii Revised Statutes §443B-3.5(n): A “reciprocal state” is one whose requirements to be licensed, permitted, or registered as a collection agency in that state are at a minimum substantially equivalent to the requirements to be registered as a collection agency in Hawaii, including but not limited to the bonding requirements in section 443B-5; and does not require a Hawaii collection agency to obtain a license, permit, or registration to collect debts in that state if the activities of the Hawaii collection agency are limited to collecting debts on behalf of an out-of-state creditor using interstate communication methods, including telephone, facsimile, mail, or electronic mail, and the Hawaii collection agency does not solicit or engage in collection activities for clients in that state.

The Collection Agency Program’s statutes and rules may be viewed in their entirety on the Program’s website: <http://hawaii.gov/dcca/pvl/programs/collection/>

Should you have further questions, please email the Collection Agency Program at: collection@dcca.hawaii.gov