



# California Association of Licensed Repossessors "CALR" A Not-For-Profit Since 1961

[www.CALR.org](http://www.CALR.org)

*Individually we struggle to be heard - Collectively, we cannot be ignored*



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## Law: Who may Legally Engage in Repossessions

### BUSINESS AND PROFESSIONS CODE - BPC

#### DIVISION 3. PROFESSIONS AND VOCATIONS GENERALLY [5000 - 9998.11]

*( Heading of Division 3 added by Stats. 1939, Ch. 30. )*

#### CHAPTER 11. Repossessors [7500 - 7511]

*( Chapter 11 added by Stats. 1981, Ch. 1138, Sec. 11. )*

#### ARTICLE 1. General Provisions [7500 - 7500.3]

*( Article 1 added by Stats. 1981, Ch. 1138, Sec. 11. )*

#### 7500.2.

(a) A repossession agency means and includes any person who, for any consideration whatsoever, engages in business or accepts employment to locate or recover collateral, whether voluntarily or involuntarily, including, but not limited to, collateral registered under the provisions of the Vehicle Code which is subject to a security agreement, except for any person registered pursuant to Article 7 (commencing with Section 7506).

(b) A repossession agency licensed pursuant to this chapter shall only transact business with another person or entity as an independent contractor.

(c) A repossession agency shall not allow a person or entity other than the qualified certificate holder, as provided in Section 7505.1, or the owner or officer of the repossession agency, to manage the day-to-day operations, operate, control, or transact business covered by this act, except as provided in Section 7503.3.

*(Amended by Stats. 2014, Ch. 390, Sec. 1. Effective September 17, 2014.)*

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#### ARTICLE 1. General Provisions [7500 - 7500.3]

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#### 7500.3.

A repossession agency shall **not** include any of the following:



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- (a) Any bank subject to the jurisdiction of the Commissioner of Financial Institutions of the State of California under Division 1 (commencing with Section 99) of the Financial Code or the Comptroller of the Currency of the United States.
  - (b) Any person organized, chartered, or holding a license or authorization certificate to make loans pursuant to the laws of this state or the United States who is subject to supervision by any official or agency of this state or the United States.
  - (c) An attorney at law in performing his or her duties as an attorney at law.
  - (d) The legal owner of collateral that is subject to a security agreement or a bona fide employee employed exclusively and regularly by the legal owner of collateral that is subject to a security agreement. With regard to collateral subject to registration under the Vehicle Code, the legal owner shall be the legal owner listed on the records of the Department of Motor Vehicles or the seller or lessor named on a valid conditional sales contract or rental or lease agreement if the seller or lessor is a licensed vehicle dealer as defined in Section 285 of the Vehicle Code.
  - (e) An officer or employee of the United States of America, or of this state or a political subdivision thereof, while the officer or employee is engaged in the performance of his or her official duties.
  - (f) A qualified certificate holder or a registrant when performing services for, or on behalf of, a licensee.
  - (g) This section shall become operative on January 1, 2018.

*(Repealed (in Sec. 1) and added by Stats. 2012, Ch. 476, Sec. 2. Effective January 1, 2013. Section operative January 1, 2018, by its own provisions.)*

*The above is for references only, please refer to the sections of the Business and Professions Code for any changes that may have occurred since the publication of this document.*

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