

State Collection Agency Licensing Board Open Session Minutes

4.13.2020		2:03 p.m.	Maryland Dept. of Labor
Meeting called to order at 2:05 p.m. by	Antonio P. Salazar, Chairman (attended via phone call)		
Administrator	Devki Dave (attended via phone call)		
Attendees	<p>Members: Steve Hannan, Susan Hayes, and Joanne Young (attended via phone call)</p> <p>Counsel: Sandra Small, Esq. (attended via phone call)</p> <p>Staff: Jedd Bellman, Betty Yates (attended via phone call)</p>		
Acknowledgements	<p>Mr. Salazar acknowledged the meeting notice was published in the Maryland Register on April 10, 2020, and on the Board's website on April 8, 2020, and the Agenda was posted on the Dept. of Labor/Board's website on April 9, 2020.</p>		
Approval of Minutes			
Mr. Salazar			
Discussion	<p>After reviewing the minutes of the March 9, 2020 meeting, on a Hayes/Hannan motion, which was unanimously approved, the Board approved the minutes.</p>		
Recognition of Public Comments			
Mr. Salazar			
Discussion	<p>No members of the public were present.</p>		

1. Non-Depository Licensing Unit Report

Ms. Yates

Discussion

Ms. Yates presented the Non-Depository Licensing Unit Report. Ms. Yates advised the Board that each entity's application and supporting materials for licensure had been reviewed and found to have satisfied the licensing qualifications. Ms. Yates proceeded to recommend that the Board issue collection agency licenses to the following entities: Vervent, Inc., Vervent, Inc. (Branch), Vervent, Inc (Branch), AllianceOne Receivables Management Inc (Branch), Wakefield & Associates, Inc (Branch), DGM Asset Solutions, LLC (Branch), Oliphant USA, LLC (Branch) and OCW Limited Liability Company.

On a Hannah/Young motion, which was unanimously approved, the Board voted to issue licenses to all recommended applicants.

Ms. Yates also informed the Board that there were ten change in control requests: Transworld Systems Inc, Nationwide Credit Inc, Convergent Healthcare Recoveries Inc, Paramount Recovery Systems L.P., National Credit Audit Corporation, Arcadia Recovery Bureau LLC, CTF Asset Management LLC, Convergent Outstanding Inc, AMCOL Systems Inc, and DCM Services LLC.

2. COVID-19 Issues Discussion

Ms. Hayes

Discussion

Mr. Salazar mentioned that as the COVID-19 crisis escalated in Maryland, Governor Larry Hogan issued an executive Order number 20-04-03-01 (“the Order”) which includes the following: “To avoid the serious health, welfare, and safety consequences that may result if Marylanders lose their housing as a result of COVID-19, it is necessary and reasonable to impose a moratorium on certain evictions and prevent the initiation of residential foreclosures.” He mentioned that there has been some confusion over the Governor’s Order as it relates to debt collection. Mr. Salazar clarified for the Board that the Governor’s Order did not suspend the right of private companies to collect debts. Mr. Salazar explained that during the press conference announcing the Order, the Governor stated that State Agencies would cease their debt collection activities. As such private collection action may continue though it needs to be done in a manner consistent with all Executive Orders.

Ms. Hayes mentioned that as she determined that her business was considered non-essential, they decided to close it and it remains closed. Ms. Hayes also mentioned that she only kept one essential employee for handling essential tasks. She said that when the stay-at-home order is rescinded, she hopes that she will be able to open her business again and bring her previous employees back.

Ms. Young mentioned that she had made a similar choice as Ms. Hayes and that she only keeps hours in the morning with no collection calls, etc. being made and only addressing medical billing and consumer calls. Her business is also otherwise remaining closed until the stay-at-home order is rescinded.

Mr. Hannan informed the Board that he was working to help people obtain direct deposits and otherwise obtain federal benefits during this COVID-19 period. He identified IRS.gov as a website for taxpayers to visit to obtain information on where and how to obtain direct deposit of COVID-19 stimulus checks.

Ms. Hayes also raised the point that the Board should prepare for both an increase in complaints against collection agencies and simultaneously a reduction in the number of licensed collection agencies. She noted that small collection agencies, as are other small businesses, are now making the determination as to whether to try to stay in business or simply to close. She suggested that staff should look into developing principles and procedures that might be useful for companies that want to shut down. Commissioner Salazar offered that Assistant Commissioner Bellman and staff would establish a working group to review and address the issue with Ms. Hayes participating.

Adjournment

Mr. Salazar informed members about the massive amount of unemployment claims and the OCFR, and other agencies, had made available staff to assist the Unemployment Insurance Division in handling claims. He noted that the Agency was not only seeking more employees but also beefing up technologies and processes so the Agency could more quickly process unemployment claims. He noted that all claimants would receive payments due on a retroactive basis even if their claim took some time to process. Finally, he asked that Board members advise patience if the issue comes up in their private conversations and strongly recommended that citizens use the on-line claims process before trying to call the Office.

Mr. Salazar announced that the next meeting would be on May 11, 2020.

On a Hannan/Young motion, which was unanimously approved, the meeting adjourned at 2:28 p.m.