

## **MARYLAND COLLECTION AGENCY LICENSING BOARD**

### **BOARD MEETING MINUTES**

**MONDAY, MAY 11, 2015 ROCKVILLE, MARYLAND**

The Collection Agency Licensing Board (the "Board") Meeting was called to order by Acting Chairman Gordon Cooley at 10:30 am at Montgomery County Office of Consumer Affairs in Rockville. Members in attendance were Stephan Hannan, Eric Friedman, Susan Hayes, Joanne Young, as well as the two Board staff members – Administrator Michael Jackson and Administrative Officer Kelly Mack. Also present were Board Counsel Jessica Carter, Assistant Attorney General Kevin McGivern, Assistant Commissioner Jedd Bellman, and Acting Deputy Commissioner Keisha Whitehall Wolfe. On motion duly made, seconded and adopted, the Minutes and Executive Session Minutes of the February 23, 2015 meeting were approved as presented.

#### **LICENSEE REPORT**

Mr. Jackson delivered a report regarding the number of licensees and changes since prior periods. There are currently 1622 collection agency licensees operating in Maryland, which includes 407 branch offices and 33 new applications approved since February 18, 2015.

#### **INFORMATION ITEMS:**

Ms. Mack reported there were no change of control applications to present at this time.

Mr. Bellman reported the enforcement actions relative to collection agencies. He indicated there are 19 open investigations against debt collection agencies, ten of which have been referred to the Attorney General. He specifically briefed the Board on the following most recent actions:

- Sean Madden dba National Credit System - \$500 fine
- DTR Recovery, LLC - Summary Order to Cease & Desist, Summary Suspension of collection agency license – Order to Produce

Mr. Bellman provided an update on the 2015 State/Operation Collection Protection first Thursday conference calls in which the Office of the Commissioner of Financial Regulation ("OCFR") has been participating in with the FTC and CFPB. He indicated that currently management is strategically deciding on how to proceed, the extent of OCFR's participation and whether OCFR will be providing enforcement actions and investigatory information to the group.

Mr. Cooley congratulated the Board members on their reappointment to new four-year terms. He further confirmed that he continues to serve as Acting Commissioner and Acting Chairman to the Board.

**ACTION ITEMS:**

Ms. Whitehall Wolfe reported on the process of revising the collection agency licensing forms and advised that the bond form has already been implemented. The Board was presented with proposed amendments to the initial company and branch applications, revised company and branch checklists and a revised change of control application update form (collectively, "the forms"). The forms have been revised in consideration of other applications issued by the OCFR and included revisions to the standard used to determine control of a licensee, guidance on the types of events that trigger a change of control (e.g. deaths, trustee changes, etc.), and more guidance on the checklists to make them more comprehensive and yet organized/easier to read and more consumer friendly for applicants. The Board was very satisfied with the proposals and with the revised forms. The Board expressed that the revised forms are more efficient and to the point, and also a great improvement from what we had been using. The Board further expressed that the newly proposed forms would be much more helpful to the public/applicants in their dealings with State government agencies. As such, the Board unanimously approved all the proposed forms as presented and by signature, adopted the resolution provided.

Thereafter the Board voted to go into closed session for two reasons: 1) to discuss pending litigation; and 2) to consult with counsel regarding collection efforts on defaulted mortgage loans.

After the closed session ended, the Board discussed scheduling its next meeting in Ocean City, Maryland in August, 2015. With no further business, the meeting was adjourned at approximately 12:30 pm.

Respectfully submitted,

*Kelly Mack*

Kelly Mack  
Administrative Officer, MCALB