

**State Collection Agency Licensing Board
Open Session Minutes**

<u>Date: January 10, 2023</u>	2:00 p.m.	Maryland Dept. of Labor
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Meeting called to order at 2:07 p.m. by	Antonio P. Salazar, Chairman (attended via video conference call)
Administrator	Ayanna Daugherty (attended via video conference call)
Attendees	Members: Sandra Holland and Eric Friedman (both attended via telephone call) Counsel: Kenneth Krach, Esq. (attended via video conference call) Staff: Clifford Charland, Dana Allen, Betty Yates, Brendan Ambruster, and Kelly Mack (each attended via video conference call)

Acknowledgements

Mr. Salazar	
Discussion	Mr. Salazar stated that the notice of the January 10, 2023, meeting was: (i) posted on the Dept. of Labor/Board website on December 15, 2022; and (ii) published in the Maryland Register on December 2, 2022. Additionally, Mr. Salazar stated the agenda for the January 10, 2023 meeting was posted on the Dept. of Labor/Board website on January 3, 2023.

Approval of Minutes

Mr. Salazar	
Discussion	Mr. Salazar noted the minutes for the December 13, 2022 Board meeting had previously been circulated for review and asked for questions or comments. There were none, and, on a Holland/ Friedman motion, the Board unanimously approved the December 13, 2022 minutes.

Recognition of Public Comments

Mr. Salazar	
Discussion	No members of the public were present.

1. Non-Depository Licensing Unit Report

Ms. Yates

Ms. Yates advised the Board the Licensing Unit has reviewed seventeen pending applications together with all supporting materials and determined these seventeen applicants met the requirements for licensure. Accordingly, Ms. Yates recommended that the Board grant a collection agency license to the following entities:

1. NMLS ID 2367212 A-A Mortgage Investor, LLC
2. NMLS ID 2291630 Allied International Credit Corp
3. NMLS ID 1658595 Bennett & Bennett Law Group, LLC
(**Reapplication**)
4. NMLS ID 2336539 Ethiopian Community Development Council, Inc
5. NMLS ID 1659917 FirstCollect, Inc (**Reapplication**)
6. NMLS ID 2360462 Kay's Management LLC
7. NMLS ID 1678060 Law Office of J. Scott Morse LLC
(**Reapplication**)
8. NMLS ID 1676784 Levy & Associates, LLC (**Reapplication**)
9. NMLS ID 1734837 Maryland Rent Notices, LLC
10. NMLS ID 2107023 Mid Atlantic Medical Collection Services Inc (**Reapplication**)
11. NMLS ID 2373805 Momnt Servicing Company LLC
12. NMLS ID 2435495 Patriot Pond, LLC
13. NMLS ID 2447863 Radius Global Solutions LLC
14. NMLS ID 2447873 Radius Global Solutions LLC (**Branch**)
15. NMLS ID 2431640 RGN Management Services, Inc
16. NMLS ID 2438629 Transworld Systems, Inc (**Branch**)
17. NMLS ID 2442244 Sequium Asset Solutions, LLC (**Branch**)

Discussion

On a Friedman/Holland motion, which was unanimously approved, the Board voted to issue licenses to the 17 recommended applicants.

Ms. Yates reported that the following seven collection agency licensees surrendered their license in the past 30 days:

1. Credit Management Control, Inc - [NMLS ID 935022](#) - Company - They are completing the sale of CMC to a different agency, and have no Maryland clients.
2. DCM Services, LLC - [NMLS ID 2258529](#) - **Branch** - The branch office closed.
3. Receivables Performance Management, LLC - [NMLS ID 2245864](#) - **Branch** - There will no longer be a brick and mortar location in Reno, NV.
4. Ally Servicing, LLC - [NMLS ID 1676806](#) - **Branch** - This location is no longer conducting business and the physical location will be closed.

5. MRS BPO, LLC - [NMLS ID 944346](#) - **Branch** - We have closed our physical office in Westerville, OH and no longer have the need for a license in MD for this location.
6. Ironsides, L.L.C - [NMLS ID 1838250](#) - **Company** - Ceasing its operations and wrapping up its business.
7. American Coradius International LLC - [NMLS ID 1846829](#) - **Branch** - We have seen a dramatic decline in client placement volume and staffing in this location, and this location has been consistently problematic.

Ms. Yates reported the following thirteen change in control approvals:

1. Accelerated Inventory Management, LLC (1115593)
2. AssetCare, LLC (1559262)
3. Athene Annuity and Life Company (1583052)
4. CF Medical, LLC (1201424) - **2 Change requests**
5. Capio Partners, LLC (1112256) - **2 Change requests**
6. Capital Accounts, LLC (969974)
7. Cohn, Goldberg & Deutsch, LLC (1655348)
8. Delta Management Associates Inc (967590)
9. Divine and Service LP (954553)
10. Fairshare Solutions, LLC (1922421)
11. Healthcare Collections-I, LLC (1390180)
12. Lentegrity LLC (1813988)
13. State Collection Service, Inc (948017)

Ms. Yates also advised the Board that the renewal season is wrapping up and there have been no issues.

2. Consumer Services Unit Report

Ms. Mack

Discussion

Ms. Mack advised the Board that the Consumer Services Unit circulated its report to the Board prior to the meeting showing that as of Fiscal Year 2023, 72 complaints had been received, 20 are currently open and 52 were closed.

3. Complaint Trend Analysis Report

Mr. Ambruster

Discussion

In a previous State Collection Agency Licensing Board meeting held on November 10, 2022, Ms. Holland inquired about the Maryland quarterly reporting of debt collection complaints from the CFPB. During the meeting OCFR Director of Trend Analysis Brendan Armbruster provided a report to the Board with the complaints received by the CFPB from Maryland during the years of 2021 and 2022. The information provided data on the top issues filed, top respondents, and most popular zip codes.

Ms. Holland and Mr. Friedman commended Mr. Ambruster for gathering and presenting the information and Ms. Holland said she was curious to see what next year's data will be based on Regulation F and new practices in the industry.

4. Enforcement Unit Report

Ms. Allen

Discussion

Ms. Allen reported to the Board that there are three current/on-going collection agency cases in pre-charge status.

5. Legislative Session

Mr. Salazar

Discussion

Mr. Salazar reported to the Board that Legislative Session begins on January 11, 2023 and that he was aware of one bill for collection agencies in regards to student debt will be resubmitted.

6. Medical Bill Implementation and CFPB

Mr. Charland

Discussion

Medical Bill Implementation- Mr. Krach advised the Board that the Healthcare Cost Commission is trying to put a bill in place to clean up the uncertainties in the law, which may delay implementation. If the bill passes, the Commission will have to readjust the date of their regulations.

CFPB – Mr. Charland advised the Board that the CFPB released an annual survey report in December that the household financial health was declining, which can lead to an increase in activity in collections.

7. NACARA Update

Ms. Mack	
Discussion	<p>Ms. Mack advised the Board that the 2023 NACARA Conference has been scheduled for September 17-20, 2022, in Denver, Colorado. Also, she mentioned that the Association will be submitting their incentive application after an upcoming meeting in late January.</p>

8. Additional Comments

Mr. Salazar	
Discussion	<p>Mr. Friedman advised the Board that Washington, DC has updated its debt collection law, which dated back to 1971, and the changes took effect on January 1, 2023. The changes apply to all debt such as credit cards, medical, condo and HOA fees, and debt buying debt. as well. He stated that apparently it's one of the most progressive laws in the nation and it provides information regarding deceptive trade practices but also information regarding the documents and requirements that must be provided for initial collection filings. He stated that the requirements are comprehensive. He also mentioned that there is an article in January's edition of Washington Lawyer that summarizes the new law and provides a great overview.</p> <p>Mr. Salazar commended Mr. Friedman for sharing that information and will discuss with OCFR staff about putting an advisory out in Maryland for our licensees who may do business in Washington, DC to make them aware of the new provisions in their law. Also, Mr. Salazar stated that he wanted to continue discussions about potential changes that could be made to the Maryland law and if the Board has any suggestions, they should raise them. He followed by noting that the Board should wait and see what changes there will be coming from the new Moore Administration. He noted that the new Governor will be sworn in on January 18, 2023, and afterwards they will release guidance to the agency about legislation etc., and there should be some updates in February.</p>
Adjournment	<p>Mr. Salazar concluded by informing the Board that the next scheduled meeting will be held on Tuesday, February 14, 2023, and it will take place again virtually via video conference call.</p> <p>On an unanimously approved motion, the meeting adjourned at 2:30 p.m.</p>