

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

Date: November 23, 2021

2:00 p.m.

Maryland Dept. of Labor

Meeting called to order at
2:01 p.m. by

Antonio P. Salazar, Chairman (attended via video conference call)

Administrator

Cindy McCauley (attended via video conference call)

Attendees

Members: Sandra Holland and Eric Friedman (each attended via video conference call)

Counsel: Kenneth Krach, Esq. (attended via video conference call)

Staff: Deputy Betty Yates, Dana Allen, Kelly Mack, Cindy McCauley, Jedd Bellman, Clifford Charland, Meredith Merchant (each attended via conference call)

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| Acknowledgements | Mr. Salazar stated that the notice of the November 23, 2021 meeting was posted on the Dept. of Labor/Board website on October 14, 2021 and the agenda was posted on the Dept. of Labor/Board website on November 11, 2021. In addition, he stated that the November 23, 2021, meeting notice was published in the Maryland Register on November 5, 2021. |
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| Approval of Minutes | |
| Mr. Salazar | |
| Discussion | Mr. Salazar noted minutes of the 10.13.21 Board meeting had been circulated for review and asked for questions or comments. There were no questions or comments and on a Holland/ Friedman motion, the Board unanimously approved the minutes. He advised the Board that staff had developed a more automated and advanced system so that missed publication of meeting notices in the MD Register shouldn't happen going forward. He apologized to the Board for the publication which required cancellation of the September, 2021 Board meeting. |
| Recognition of Public Comments | |
| Mr. Salazar | |
| Discussion | No members of the public were present. |
| 1. Non-Depository Licensing Unit Report | |
| Ms. Yates | |

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| <p>Discussion</p> | <p>Ms. Yates advised there were eight applications received. Ms. Yates told the Board that each entity’s application and supporting materials for licensure had been reviewed and found to satisfy the licensing qualifications. Ms. Yates proceeded to recommend that the Board issue collection agency licenses to:</p> <ol style="list-style-type: none"> 1. NMLS ID 2001109 Constar LATAM, LLC 2. NMLS ID 1766839 Launch Servicing, LLC 3. NMLS ID 1491400 All Debt Solutions, Inc 4. NMLS ID 2021417 Insight Financial, LLC 5. NMLS ID 2233223 Black Creek Asset Management Group, LLC 6. NMLS ID 2118008 Jefferson Capital Systems, LLC (Branch) 7. NMLS ID 2266152 Advanced Call Center Technologies, LLC (Branch) 8. NMLS ID 1776356 Launch Servicing, LLC (Branch) <p>On a Friedman/Holland motion, which was unanimously approved, the Board voted to issue licenses to the eight recommended applicants.</p> <p>Ms. Yates reported that the following seven collection agency licensees surrendered their license in the past 30 days.</p> <ol style="list-style-type: none"> 1.) Recovery Partners, LLC - NMLS ID 1117957 – Company - No Response 2.) RevSolve, Inc - NMLS ID 1611696 - Company - Merged with company USCB 3.) Ocwen USVI Services, LLC - NMLS ID 1849337 - Company - No Response 4.) Reverse Mortgage Solutions, Inc - NMLS ID 107636 - Company - No Response 5.) Portfolio Recovery Associates, LLC - NMLS ID 1121854 - Branch Closure 6.) Revco Solutions, Inc - NMLS ID 951103 - Branch - LL Sold Building 7.) Brown & Joseph, LLC - NMLS ID 2078091 - Branch Closure <p>There are no MOU's this month, so no Closed session is required.</p> <p>There were 11 Change in Control approvals since the last Board meeting:</p> <ol style="list-style-type: none"> 1.) Exl Service.com (India) Private Limited (1082262) 2.) Pallida, LLC (1310880) 3.) Watercress Financial Group LLC (2109219) |
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| | <p>4.) First Investors Servicing Corporation (219045) 5.) North American Credit Services, Inc (1661688) 6.) Revco Solutions, Inc (237755) 7.) US Asset Management, Inc (1747287) 8.) AIS Recovery Solutions, LLC (921364) 9.) Turnstile Capital Management, LLC (986335) 10. eAssist, Inc (2161983) 11. Todd, Bremer & Lawson, Inc (373899)</p> <p>There were no questions or comments about the change in control approvals.</p> |
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2.) Consumer Services Unit Report

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| Mrs. Mack | |
| Discussion | <p>Mrs. Mack presented the Consumer Services Unit report. She noted that the report had been previously sent to the Board members and advised that 67 total debt collection complaints were received in FY 22. There are 23 that are currently open and 45 currently closed which was a 7.87% increase over the last fiscal year. From the last period they had 44 and are at an increase of 23.</p> |

3.) Enforcement Unit Report

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| Ms. Allen | |
| Discussion | <p>Ms. Allen presented the Enforcement Unit report. She reported that there are four (4) collection agency cases in pre-charge status.</p> |

4) Medical Debt Bill Implementation

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| Mr. Bellman | |
| Discussion | <p>Mr. Bellman advised the Board that OCFR staff is continuing to work with the stakeholders and the Hospital Services Cost Review “Commission” to resolve implementation challenges for the hospital medical debt protection law, both from the Commission’s perspective as well as those of consumers and debt collectors. OCFR’s goal is to coordinate with the other government agencies to make sure appropriate impact and effects are considered and to develop workable approaches for implementation. Mr. Bellman said that OCFR will continue the efforts and that he will report back to the Board on the progress. All stakeholders are working through different bureaucracies and trying to reconcile the expectations of the sponsors/advocates with industry input to develop a workable implementation.</p> |
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| 5.) CFBP & NACARA Update | |
| Mr. Bellman | |
| Discussion | <p>Mr. Bellman discussed the CFPB’s newly issued regulations and their impact on State and Federal law. He said the CFPB continues to move forward with implementation and continues to collaborate and coordinate on multi-state examinations. Mr., Bellman informed the Board they have a new Chair and they are still in the process of strategic planning for the upcoming year. Mrs. Mack informed the Board the NACARA conference is scheduled for October 9th through October 12th 2022 in Nashville, Tennessee. Mr. Bellman extended an invitation to anyone on the Board that would like to attend.</p> |
| 6.) Hun stein Case | |
| Mr. Salazar | |
| Discussion | <p>Mr. Salazar advised the Board the 11th Circuit recently issued an order to re-hear the case en banc, which effectively vacates the prior order. Details will be provided as they become available.</p> |

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| 7.) OCFR Collection Agency Symposium | |
| Ms. Merchant | |
| Discussion | <p>Mr. Salazar introduced Meredith Merchant, OCFR’s Director of Outreach who presented information about the outcome of OCFR virtual information session for collection agencies.</p> <p>Ms. Merchant informed the Board that OCFR staff hosted the webinar on October 26, 2021 and thanked all the speakers. It included speakers from the CFPB and industry trade associations, in addition there were presentations from OCFR’s licensing, compliance, consumer services, and enforcement units. The webinar had 198 attendees. There targeted audience were collection agencies. The agenda included a variety of topics such as Regulatory efforts to help smaller businesses, State updates, purchasing standards and medical debt law with numerous other topics.</p> |
| Adjournment | <p>Mr. Salazar concluded with miscellaneous comments.</p> <p>Mr. Salazar informed the Board that due to the resignation of Ms. Hayes he is still working on getting new members and encouraged existing members to make suggestions for new members. Also, December 14th will be the next meeting virtually and every upcoming meeting moving forward until further notice.</p> <p>On a unanimously approved motion, the meeting adjourned at 2:30 p.m.</p> |