

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

<b><u>Date: November 14, 2023</u></b>	2:00 p.m.	Maryland Dept. of Labor
Meeting called to order at 2:06 p.m. by	Antonio P. Salazar, Chairman	
Administrator	Ayanna Daugherty	
Attendees	<p>Members: Eric Friedman, Tracy Rezvani, and Shawn Kennedy</p> <p>Counsel: Kenneth Krach</p> <p>Staff: Amy Hennen, Shereefat Balogun, Dana Allen, Betty Yates, and Kelly Mack</p>	
Meeting Location	<p>Klima, Peters &amp; Daly, P.A.</p> <p>8028 Ritchie Hwy #300, Pasadena, MD 21122</p>	

<b>Acknowledgements</b>	
Mr. Salazar	
Discussion	<p>Mr. Salazar stated that the notice of the November 14, 2023, meeting was: (i) posted on the Dept. of Labor/Board website on October 17, 2023; and (ii) published in the Maryland Register on October 20, 2023. Additionally, Mr. Salazar stated the agenda for the November 14, 2023, meeting was posted on the Dept. of Labor/Board website on October 30, 2023.</p>

<b>Approval of Minutes</b>	
Mr. Salazar	
Discussion	<p>Mr. Salazar noted the minutes for the October 10, 2023, Board meeting had previously been circulated for review and asked for questions or comments. On Mr. Kennedy's motion, with a second from Ms. Rezvani, the Board unanimously approved the October 10, 2023 minutes.</p>

## Recognition of Public Comments

Mr. Salazar

Discussion

No members of the public were present.

## 1. Non-Depository Licensing Unit Report

Ms. Yates

Discussion

Ms. Yates advised the Board that the Licensing Unit has reviewed nine pending applications, together with all supporting materials, and determined the nine 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 2536343 Summerfield Investment Group LLC
2. NMLS ID 2534571 Summerfield Investment Property Management L.L.C.
3. NMLS ID 2499576 Measured Financial, Inc.
4. NMLS ID 2517954 Absolute Investigative Services, Inc.
5. NMLS ID 2456385 Truvion
6. NMLS ID 2402456 Community Association Services Inc.
7. NMLS ID 2539834 Vertucci Holding, Inc.
8. NMLS ID 2488423 Healthcare Associates, Inc.
9. NMLS ID 2297754 Zendable, LLC

On Mr. Kennedy's motion and Ms. Rezvani second the Board voted unanimously to issue licenses to the nine recommended applicants.

There are four collection agency licensees that surrendered their license in the past 30 days:

1. NMLS ID 1796472 - Recovery Remedies Corporation - We are closing the business in general.

2. NMLS ID 1419345 - LRMS - No activity in Maryland, so we decided to surrender the license.

3. NMLS ID 2158612 - Heartland Resolution Group - Heartland stopped operating in Maryland as a collection agency in January 2023.

4. NMLS ID 2067025 - Bridger Investment Partners LLC - Our investors decided to use a national bank title trust to own the mortgage loans we purchase. Originally, we thought Bridger would hold the loans directly, but we never moved forward with that structure.

Ms. Yates reported the following twelve change in control approvals in the past 30 days:

1. Spring Oaks Capital SPV, LLC (2114614)
2. Williams & Fudge, Inc. (952151)
3. Systems & Services Technologies, Inc. (950746)
4. EGS Financial Care, Inc. (950415)
5. Healthcare Collections-I, LLC (1390180)
6. FDR USA LLC (2104207)
7. Brown & Joseph, LLC (1716869)
8. Professional Account Management, LLC (995554)
9. Foursight Capital LLC (1458842)
10. Perch Community Solar, LLC (1908478)
11. Amalgamated Credit Bureau, Inc. (1592890)
12. FDR Alliance LLC (2103788)

**As of 11/2/2023, the Board licensed 1,489 collection agencies. On 11/2/2022, the Board licensed 1,594 collection agencies.**

## 2. Consumer Services Unit Report

Ms. Mack

Discussion

Ms. Mack advised the Board that the Consumer Services Unit circulated its current report for Fiscal Year 2024 showing that as of 10/31/2023, 42 complaints have been received, 21 are open and 21 were closed.

## 3. Enforcement Unit Report

Ms. Allen

Discussion

Ms. Allen advised the Board that there are two current/on-going collection agency cases in a pre-charge status.

#### 4. Legislative Session and Current Issues

Ms. Hennen	
Discussion	<p>Ms. Hennen advised the Board that the OFR’s proposed legislative concepts have been reviewed and approved by the Governor’s office and corresponding bills will be presented during the upcoming Legislative session. These bills will address/represent:</p> <ol style="list-style-type: none"><li>1) Earned Wage Access Products</li><li>2) True Lender Act Legislation</li><li>3) Foreclosure Law revisions (including Zombie Mortgage foreclosures)</li><li>4) Third Party Examinations for Banks, Credit Unions, and Non-Depository Financial Institutions who use third parties (Currently thirty-eight states have the ability to do these examinations.)</li></ol> <p>Ms. Hennen also advised the Board that there are pending issues within the student loan industry involving servicing company, Mohela. The Education Department has withheld payments due to be made to Mohela beginning in October due to Mohela’s failures to provide certain notices to borrowers.</p> <p>Ms. Rezvani made a comment about a press release that was published by FlexWage, an earned wage access provider, in late September. FlexWage commended the OFR’s recent guidance on Earned Wage Access products. Among other things, the guidance requests persons offering earned wage access to submit their business models to OFR for review to help determine whether that person requires a license. The legislation discussed above will provide more guardrails on these products. Mr. Salazar advised the Board that there have been several discussions among the states around this topic, so we will see how things unfold.</p>

#### 5. Medical Bill Implementation and CFPB

Mr. Salazar	
Discussion	<p><b>Medical Bill Implementation-</b> The regulations have been internally revised, reviewed by the internal Board, and were approved for publication. Due to substantive changes from the initial publication, the regulations must be republished for comments. The Health Department anticipates the proposed regulations will be republished in early December. If there are no comments requiring additional substantive changes within the comment period, the regulations can be implemented shortly thereafter.</p> <p><b>CFPB</b> –Mr. Charland was absent and Mr. Salazar advised the Board that there was nothing to report at this time from the CFPB.</p>

## 6. NACARA Update

Ms. Mack	
Discussion	<p>Ms. Mack advised the Board that the 2023 NACARA Conference was held from September 17-20, 2023, in Denver, Colorado. She provided an overview of this year's conference budget and actual conference costs. A 2024 survey was distributed after the Conference. It has now been decided that the next NACARA conference will be held in Sacramento, CA from September 30<sup>th</sup> through October 2<sup>nd</sup>, 2024 and will be hosted by the California Department of Financial Protection and Innovation. Planning for the conference will begin next month. Ms Mack asked if anyone believed certain topics should be addressed at the 2024 conference, they should be submitted to her.</p>

## 7. Additional Comments

Mr. Salazar	
Discussion	<p>Ms. Hennen advised the Board that Baltimore City has recently enacted a new UDAP Statute for companies that do business with Baltimore City residents, and that OFR intends to issue guidance notifying industry and advocates of the ordinance and referring persons who have questions about the ordinance to the Baltimore City Law Department for further guidance. Mr. Friedman advised the Baltimore City will now be the third jurisdiction to have its own local Consumer Protection office, along with Montgomery and Howard Counties. Ms. Rezvani briefly discussed the support and services that their offices can provide to local residents within their counties, and extended assistance to OFR.</p>
Adjournment	<p>Mr. Salazar informed the Board that the next scheduled meeting will be held on Tuesday, December 12, 2023, and it will take place virtually via video conference call.</p> <p>On an unanimously approved motion, the meeting adjourned at 2:40 p.m.</p>