

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

<b><u>Date: October 11, 2022</u></b>	9:00 a.m.	Maryland Dept. of Labor
Meeting called to order at 9:15 a.m. by	Antonio P. Salazar, Chairman (attended via video conference call)	
Administrator	Ayanna Daugherty (attended via video conference call)	
Attendees	<p>Members: Sandra Holland (attended via telephone) and Eric Friedman (attended via video conference call)</p> <p>Counsel: Kenneth Krach, Esq. and Emily Hanson, Esq. (attended via video conference call)</p> <p>Staff: Clifford Charland, Dana Allen, Arlene Williams and Kelly Mack (each attended via video conference call)</p>	
Recognition of Public Comments	There was one member of the public present named Michelle Williams who attended via telephone. She stated that she had no comments and was simply listening to the meeting.	

**Acknowledgements and Public Statement Regarding a Closed Session**

Mr. Salazar	
Discussion	<p><i>(Note—one Board member experienced issues which delayed that member joining the meeting and resulted in the 9:15 start)</i></p> <p>Mr. Salazar stated that the notice of the October 11, 2022 meeting was: (i) posted on the Dept. of Labor/Board website on September 27, 2022; and (ii) published in the Maryland Register on September 23, 2022. Additionally, Mr. Salazar stated the agenda for the October 11, 2022 meeting was posted on the Dept. of Labor/Board website on October 4, 2022.</p> <p>Mr. Salazar advised the Board in open session of the need for a closed session. Mr. Salazar described the topics to be discussed in the closed session and identified the statutory authority for recommending a closed session.</p>

	<p>Specifically, Mr. Salazar read a closing statement which cited General Provisions Article, § 3-305 (b)(7) and (b)(8), Annotated Code of Maryland as the basis for a closed session and identified the topic for discussion as a potential informal Enforcement Action (MOU). Mr. Salazar’s statement included advising the Board that discussion in the closed session must be limited to the topics Mr. Salazar identified. Mr. Salazar then opened the floor to questions/discussion. There were no questions or discussions. Mr. Friedman moved to conduct a closed session for the purposes Mr. Salazar identified and Ms. Holland seconded the Motion. The Board unanimously voted to move to a closed session and thereupon adjourned to a closed session at 9:28 a.m.</p> <p>In accordance with General Provisions Article, §3-305, Annotated Code of Maryland, Mr. Salazar prepared a written statement closing statement which is attached to these minutes.</p> <p>Emily Hansen, Esquire remained in the public session while the Board met in private session in the event any member of the public joined the meeting after the Board moved to private session.</p> <p>The Board resumed its public session at 9:43 a.m..</p>
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Approval of Minutes	
Mr. Salazar	
	<p>Mr. Salazar noted the minutes for the August 9, 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 August 9, 2022 minutes.</p>

1. Non-Depository Licensing Unit Report	
Ms. Mack	
Discussion	<p>Ms. Williams advised the Board that in the past 60 days, the Licensing Unit had reviewed 23 pending applications together with all supporting materials. Ms. Williams indicated that all 23 applicants met the requirements for licensure and recommended that the Board grant a collection agency license to the following entities:</p> <ol style="list-style-type: none"> <li>1. NMLS ID 1883829 Dominion Management LLC (<b>Reapplication</b>)</li> <li>2. NMLS ID 1199135 ABC Fitness Solutions, LLC</li> <li>3. NMLS ID 1220783 Capital One Services, LLC</li> <li>4. NMLS ID 2262971 Cherrywood Enterprises, LLC</li> <li>5. NMLS ID 2393960 Collection Attorneys USA LLC</li> <li>6. NMLS ID 1740574 Data Search NY, Inc</li> </ol>

7. NMLS ID 2103788 FDR Alliance LLC
8. NMLS ID 2383450 Judgment Recovery Partners LLC
9. NMLS ID 2368512 Monitronics International, Inc
10. NMLS ID 2390070 One Touch Direct, LLC
11. NMLS ID 2331710 Pendrick Capital Partners Asset Management, LLC
12. NMLS ID 2327448 Pointcard Operations Inc
13. NMLS ID 1028236 Remitly, Inc
14. NMLS ID 2378739 Reveal Real Estate Management LLC
15. NMLS ID 2216583 Sa-Vit Enterprises, Inc
16. NMLS ID 1855440 Titan Asset Purchasing, LLC
17. NMLS ID 1905666 Viva Finance Inc
18. NMLS ID 1906414 AllianceOne Receivables Management, Inc (Branch)
19. NMLS ID 2402475 American Recovery Service Incorporated (Branch)
20. NMLS ID 2414388 Commonwealth Financial Systems, Inc (Branch)
21. NMLS ID 2913253 EGS Financial Care, Inc (Branch)
22. NMLS ID 2320440 ibex Receivable Solutions, Inc (Branch)
23. NMLS ID 2364937 Sourcepoint, Inc (Branch)

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

Ms. Williams reported that the following eleven collection agency licensees surrendered their license in the past 60 days.

1. AllianceOne Receivables Management, Inc - [NMLS ID 1940284](#) - **Branch** - no longer acting as a debt collector for this specific location.
2. BANCfee LLC - [NMLS ID 169822](#) - The company is in the process of going out of business, and they have no current clients in Maryland.
3. Constar International, LLC - [NMLS ID 2006978](#) - **Branch** - The company had planned on opening this branch location and began the licensing process but decided not to open the location.
4. GC Business Services LP - [NMLS ID 1141487](#) - **Branch** - This location has closed for business.
5. Helvey & Associates, Inc - [NMLS ID 1725401](#) - Most employees are working from home, no need for the space.
6. Immediate Credit Recovery, Inc - [NMLS ID 1804329](#) - **Branch** - This office was exclusively set up for the division that worked The U.S. Department of Education contract.
7. Immediate Credit Recovery, Inc - [NMLS ID 943134](#) - **Branch** - COVID-19 & The U.S. Department of Education halt on student loan payments.
8. Receivables Outsourcing, LLC - [NMLS ID 1684901](#) - **Branch** - The company is no longer or does not intend to conduct collections out of the Worcester, MA and the Philippines branch offices.

9. Receivables Outsourcing, LLC - [NMLS ID 2112464](#) - **Branch** - The company is no longer or does not intend to conduct collections out of the Worcester, MA and the Philippines branch offices.
10. University Accounting Service, LLC - [NMLS ID 2316132](#) - **Branch** - Location is no longer needed.
11. Waypoint Resource Group - [NMLS ID 2362001](#) - No response from the licensee as to why they are surrendering the license.

Ms. Williams reported the following eleven change in control approvals:

1. Capital Link Management, LLC (1846267)
2. CMD Account Management, Inc (1658824)
3. Concentrix Daksh Services India Private Limited (1000538)
4. DNF Associates LLC (1399535)
5. Estate Information Services, LLC (934565)
6. Moder Solutions LLC (1186374)
7. Splash Financial, Inc (1630038)
8. Solar Service Experts, LLC (1734138)
9. Spruce Lending, Inc (376223)
10. Stevens Business Service, Inc (944171)
11. US Asset Management, Inc (1747287)

There were no questions or comments about the change in control approvals.

## 2. Consumer Services Unit Report

Ms. Mack

Discussion

Mrs. Mack advised the Board that we are now in Fiscal Year 2023 and the Consumer Services Unit circulated its report to the Board prior to the meeting. As of 8/31/2022, 30 cases have been filed, 14 were open and 16 were closed. As of 9/30/2022, 37 cases have been filed, 10 were open and 27 were closed.

## 3. Enforcement Unit Report

Mr. Salazar

Discussion

Mrs. Allen reported to the Board that there are five (5) current/on-going collection agency cases in pre-charge status.

## 4. Legislative Session

Mr. Salazar

Discussion

Mr. Salazar reported to the Board there is no activity from the past Legislative Session.

## 5. Medical Bill Implementation and CFPB

Mr. Charland	
Discussion	<p><b>Medical Bill Implementation-</b> Mr. Charland advised the Board that they have published the regulations and then received a moderate number of comments, which will be reviewed as a part of the standard rulemaking process. If there are any substance of changes based on the comments received, the regulations will have to be repropose, otherwise the regulations will be finalized.</p> <p>Mr. Krach said they hope that the regulations will be finalized over the next few weeks, after going through the review panel process.</p> <p><b>CFPB</b> – Mr. Charland advised the Board of two recent CFPB announcements:</p> <ol style="list-style-type: none"><li>1) The CFPB is reviewing w Data security and whether failing to protect consumer data may be a violation of federal laws; and</li><li>2) Nursing home collections: There have been some nursing homes who have been signing contracts and binding family members to the financial responsibility of the patients, which is not legal. Mr. Charland and Mr. Krach mentioned that the CFPB has publicly identified this issue and will be addressing nursing homes and the collection agencies who have been involved in such acts.</li></ol>

## 6. Other Business

Mr. Salazar	
Discussion	<p>Mr. Salazar provided the Board with a general overview of the policies and procedures concerning investigations and enforcement actions for collection agencies.</p>

## 7. NACARA Update

Mrs. Mack	
Discussion	<p>Mrs. Mack said that the 2022 NACARA conference will be held this week October 12-14, 2022, in Nashville, Tennessee and she announced that some of the Board members and staff will be in attendance. She also mentioned that Jedd Bellman, Kenneth Krach, Melissa Meggison and Leslie Bender will be on a panel and speaking at the conference.</p>

Adjournment

Mr. Salazar concluded by informing the Board that due to the State offices being closed on November 8, 2022, for Election Day, the next scheduled meeting will be held on Thursday, November 10, 2022, and it will take place virtually.

On an unanimously approved motion, the meeting adjourned at 9:57 a.m.

**PRESIDING OFFICER'S WRITTEN STATEMENT FOR CLOSING A MEETING  
("CLOSING STATEMENT")  
UNDER THE OPEN MEETINGS ACT  
(General Provisions Article § 3-305)**

**READ DURING OPEN SESSION:**

1. The Board needs to discuss a potential enforcement action. For the reasons outlined herein, this discussion must occur in a session closed to the public. Closing of this Session requires compliance with Md. Code Ann., General Provisions Article §3-305. Specifically, before a public body may meet in closed session, the presiding officer must conduct a recorded vote on the closing of the session and make a written statement of the reason for the for closing the meeting, including a citation of the authority under §3-305 and a listing of the topics to be discussed. After outlining the reasons for closing the meeting and the topics to be discussed, I will ask for a Motion to close the meeting for the limited purpose of discussing those topics. If the Motion is made, seconded and approved by a majority of the members of this Board, the Board will go into a closed session for the limited purpose of discussing the identified topics.
2. This meeting is being closed under Md. Code Ann., General Provisions Article §3-305(b)(7) and §3-305(b)(8). Specifically, under §3-305(b)(7) SCALB may request and receive legal analysis and advice concerning enforcement actions. The need for confidentiality surrounding legal advice is well established and recognized by §3-305. Counsel will be in the closed session for the purpose of providing any legal analysis or advice concerning the topic discussed. Similarly, under §3-305(b)(8) SCALB may consult with staff, consultants, or other individuals about pending or threatened litigation, including potential enforcement actions. The need for confidentiality surrounding pending or threatened litigation is also well established and recognized by §3-305. Staff will be in the closed session for the purpose of providing information concerning the topic discussed.
3. The topic to be discussed in closed session pursuant to Sections 3-305(b)(7) and 3-305(b)(8) is a potential informal Enforcement Action (MOU).

4. As a reminder to the Board members, only the topics I have identified may be discussed during the closed session. To discuss any additional topics, the Board must reopen the public session, and repeat this process of identifying topics to be discussed in closed session followed by a second vote to close this meeting."

5. May I have a motion for a vote to close this Board Meeting?

Motion to close meeting made by: Eric Friedman;

Motion Seconded by: Sandra Holland;

Members in favor: Eric Friedman, Sandra Holland, Antonio Salazar;

Members Opposed: None;

Abstaining: None;

Members Absent: None.

6. **I, Antonio P. Salazar, Commissioner of Financial Regulation, Chairman of the State Collection Agency Licensing Board, certify that I made the above statement at the October 11, 2022, meeting of the State Collection Agency Licensing Board.**

*Antonio P. Salazar*

Antonio P. Salazar

10/11/22

Date