

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

Date: February 8, 2022

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, Arlene Williams, Dana Allen, Kelly Mack, Cindy McCauley, Jedd Bellman, Clifford Charland (each attended via conference call)

Acknowledgements	Mr. Salazar stated that the notice of the February 8, 2022, meeting was posted on the Dept. of Labor/Board website on January 13, 2022, and the agenda was posted on the Dept. of Labor/Board website on February 3, 2022. In addition, he stated that the February 8, 2022, meeting notice was published in the Maryland Register on January 28, 2022.
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Approval of Minutes	
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Mr. Salazar	
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Discussion	Mr. Salazar noted minutes of the 1.11.22 Board meeting had previously 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.
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Recognition of Public Comments	
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Mr. Salazar	
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Discussion	Mr. Salazar introduced one member of the public which was present by the name of Nathan Wilner. No other members of the public were present.
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1. Non-Depository Licensing Unit Report	
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Ms. Yates	
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Discussion	<p>Ms. Yates advised that there were eighteen license 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 1671578 Patrick Scanlon P.A. 2. NMLS ID 2268275 First Portfolio Ventures II, LLC 3. NMLS ID 1697898 Possible Financial, Inc. 4. NMLS ID 1766971 Fellner Legal Services, LLC 5. NMLS ID 1671711 Protas, Spivok & Collins, LLC 6. NMLS ID 1678951 Cornerstone Equity Partners, LLC 7. NMLS ID 1404618 Maury Cobb, Attorney at Law, LLC
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8. NMLS ID 1138329 G.L.A. Collection Company, Incorporated
9. NMLS ID 2236852 The Bluchip Financial Group, LLC
10. NMLS ID 1660477 Greenwood Towing and Driveaway Services, Inc.
11. NMLS ID 2301306 Greenwood Towing and Driveaway Services, Inc. (Branch)
12. NMLS ID 2301488 Greenwood Towing and Driveaway Services, Inc. (Branch)
13. NMLS ID 440317 Freedom Financial Asset Management, LLC (Branch)
14. NMLS ID 2295066 Credit Management, LP (Branch)
15. NMLS ID 2273428 Concentrix Daksh Services India Private Limited (Branch)
16. NMLS ID 2228887 ARS National Services, Inc. (Branch)
17. NMLS ID 2226656 Sourcepoint, Inc. (Branch)
18. NMLS ID 2289690 Valor Intelligent Processing, LLC (Branch)

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

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

- 1.) Card Asset Sales LLC: [NMLS ID 2150276](#) - **Company** - The entity never did any business in Maryland and the company has been dissolved.
- 2.) Activate Financial, LLC - NMLS ID 1088017 - **Company** - The business closed on November 30, 2021.
- 3.) Activate Financial, LLC - NMLS ID 1832477 - **Branch** - The business closed on November 30, 2021.
- 4.) Account Resolution Group, LLC - NMLS ID 936497 - **Company** - The company made the decision to exit the debt collection industry and voluntarily surrender all of its collection agency licenses.
- 5.) Encore Advantage LLC - NMLS ID 2062337 - **Company** - The managers of "EA" decided to wind down its business operations and surrender their licenses.
- 6.) Encore Advantage LLC - NMLS ID 2169252 - **Branch** - The managers of "EA" decided to wind down its business operations and surrender their licenses.
- 7.) National Recoveries, Inc. - NMLS ID 931905- **Company** - The company is no longer performing third-party collection activities.
- 8.) National Recoveries, Inc. - NMLS ID 1507191 - **Branch** - The company is no longer performing third-party collection activities.
- 9.) Poole Law Group Limited - NMLS ID 1670525 - **Company** - The company's business model has changed, license no longer needed.
- 10.) Transworld Systems Inc. - NMLS ID 1130585 - **Branch Closure** - The branch office has ceased operations.

There are twenty-three changes in control approvals for note at the February 8, 2022.

- 1.) American Recovery Service Incorporated (933103)
- 2.) Bridgecrest Credit Company, LLC (1494821)
- 3.) Bridger Investment Partners LLC (2067025)
- 4.) CACH, LLC (1120944)
- 5.) CACV of Colorado, LLC (1120945)
- 6.) Capital Management Services, LP (954074)
- 7.) Cleargage, LLC (2040182)
- 8.) Credit Control, LLC (870875)
- 9.) EGS Financial Care, Inc. (950415)
- 10.) First Investors Servicing Corporation (219045)
- 11.) Kinum, Inc (1011841)
- 12.) Liberty Lending, LLC (1438357)
- 13.) LVNV Funding LLC (322503)
- 14.) Modernizing Medicine Billing Services, LLC (1821162)
- 15.) Pinnacle Credit Services, LLC (1125285)
- 16.) PYOD, LLC (855442)
- 17.) Resurgent Acquisitions LLC (1871785)
- 18.) Resurgent Capital Services, L.P. (2301)
- 19.) Resurgent Receivables LLC (1860877)
- 20.) Rosenthal Gormly, LLC (1674604)
- 21.) Silverman Theologou, LLP (1678919)
- 22.) Universal Account Servicing, LLC (1060516)
- 23.) US Asset Management, Inc (1747287)

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

2.) Consumer Services Unit Report	
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 107 total debt collection complaints were received in FY 22. There are 33 that are currently open and 75 currently closed which represents an 18 increase over the last period and they are continuously increasing.</p> <p>Mrs. Holland informed the Board that within her agency many clients have been filing complaints about the impersonation of her collection agency. Mrs. Holland has been encouraging consumers to report this issue with a completion of a fraud form on the OCFR's website so that OCFR staff could further investigate the matter and attempt to resolve the misrepresentation of her collection agency.</p>

3.) Enforcement Unit Report	
Ms. Allen	
Discussion	<p>Ms. Allen presented the Enforcement Unit report. She reported that there are three (3) collection agency cases in pre-charge status.</p>

4) Legislative Session	
Mr. Salazar	
Discussion	<p>Mr. Salazar informed the Board that there are two bills that will be of interest to the Board. First, House Bill 111 prohibits private education lenders and private education loan collectors from initiating certain actions to collect except under certain circumstances.</p> <p>Secondly, House Bill 128 requires any person registered as a provider of debt settlement services that is engaged in student education loan debt relief, which is defined in the bill, to make a certain disclosure statement in its agreement as well as in all advertisements.</p> <p>Mr. Salazar noted approximately 900 bills have been introduced to date in each body in the General Assembly. This number will increase and historically totals over 1000 bills in each body. Mr. Salazar advised the Board that updates will be provided on an ongoing basis.</p>

5.) Medical Bill Implementation	
Mr. Bellman	
Discussion	<p>Mr. Bellman advised the Board that OCFR staff continues to work with colleagues at the Health Care Cost Review Commission on implementing the medical debt bill. The Commission has convened a working group to discuss their initial payment plan. In addition, the Commission and OCFR are developing FAQ's. Once documents are ready for circulation. OCFR will provide such to the Board for feedback. OCFR will continue to monitor this situation and advise the Board as OCFR finalizes some of the deliverables.</p> <p>Mr. Salazar noted to the Board his appreciation to Mr. Bellman and Mr. Krach in their participation and dedication to the working group with the Commission.</p>
6.) CFPB & NACARA Update	
Mr. Bellman	
Discussion	<p>Mr. Bellman informed the Board it is their goal to create a more consistent coordination with the CFPB and a better opportunity for states both from an examination and investigation side to be able to regularly interact with them. In addition, Mrs. Mack informed the Board the conference is scheduled on October 12th - 14th 2022 that is taking place in Nashville, Tennessee.</p> <p>Mr. Bellman discussed the CFPB's newly issued regulations and their impact on State and Federal law. He also discussed the Carrington decision and a concern lenders could stop accepting certain forms of convenience payments which impose an actual cost on creditors and that this could result in Maryland residents paying more late fees. Mr. Bellman noted an additional concern that Carrington allows lenders to include fees for payments in their loan documents. OCFR has a bill to address convenience fees and will work with the Attorney General's office to address any concerns they may have with the bill. Also, in addition to the Carrington case and the pending legislation, the CFPB has announced a focus on fees. CFPB is not doing anything formal but discussing reduction in overdraft charges. He said the CFPB continues to move forward with implementation and continues to collaborate and coordinate on multi-state examinations.</p> <p>Mrs. Mack informed the Board the NACARA conference is scheduled on October 12th - 14th 2022 in Nashville, Tennessee.</p>

	<p>Mr. Wilner mentioned to the Board that the Senate Bill, SB 156, was heard at a hearing this week, industry submitted quite a few letters of opposition. This bill says if the judgments good for 12 years, the consumer should benefit from a 12-year limit to sue the creditor. The outcome of the hearing was there were no other co-sponsors and no House bill.</p>
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Adjournment	<p>Mr. Salazar concluded with miscellaneous comments. He informed the Board of the next scheduled meeting on Tuesday, March 8, 2022, which will take place virtually until further notice.</p> <p>On an unanimously approved motion, the meeting adjourned at 2:30 p.m.</p>
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