

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

<u>Date: November 12, 2024</u>	2:00 p.m.	Maryland Dept. of Labor
Meeting called to order at 2:02 p.m. by	Antonio P. Salazar, Chairman	
Administrator	Ayanna Daugherty	
Attendees	<p>Members: Tracy Rezvani and Shawn Kennedy Absent: Sandra Holland and Eric Friedman</p> <p>Counsel: Emily Hanson</p> <p>Staff: Cliff Charland, Shereefat Balogun, Amy Hennen, Heidi Boyd, Arlene Williams and Kat Hyland</p>	
Meeting Location	Google Meet	

Acknowledgements	
Mr. Salazar	
Discussion	Mr. Salazar stated that the notice of the November 12, 2024 meeting was: (i) posted on the Dept. of Labor/Board website on October 15, 2024; and (ii) published in the Maryland Register on November 1, 2024. Additionally, Mr. Salazar stated the agenda for the November 12, 2024 meeting was posted on the Dept. of Labor/Board website on October 30, 2024.

Approval of Minutes	
Mr. Salazar	
Discussion	Mr. Salazar noted the minutes for the October 8, 2024 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 8, 2024 minutes.

Recognition of Public Comments

Mr. Salazar

Discussion

There was one member of the public present, who did not have any questions nor comments.

1. Non-Depository Licensing Unit Report

Ms. Williams

Discussion

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

1. NMLS ID 1697807 Recovery Solutions Group LLC
2. NMLS ID 2559612 Figure Markets Credit LLC
3. NMLS ID 2641243 Mutual Management Services, LLC
4. NMLS ID 2634663 Recuvery LLC

On Mr. Kennedy's motion and Ms. Revzani's second, the Board voted unanimously to issue a license to the four recommended applicants.

There are two collection agency licensees that surrendered their licenses in the past 30 days:

1. First Financial Investment Fund V LLC - NMLS ID 1414378 - No accounts in Maryland
2. First Financial Investment Fund VI LLC - NMLS ID 1414386 - No accounts in Maryland

Ms. Williams reported the following seven change in control approvals for the November 12, 2024 Board meeting:

1. Arcadia Recovery Bureau, LLC (1194760)
2. Westlake Portfolio Management, LLC (1745247)
3. Aqua Finance, Inc (1082164)
4. Exeter Finance LLC (967404)
5. Astra Business Services Private Limited (922886)
6. Chambers Management, Inc (1678625)
7. Nationwide Credit Corporation (944152)

As of 11/4/2024 the Maryland collection agency company count was 1,069. 11/4/2023 fell on a Saturday, the collection agency license count for 11/3/2023 was 1,096.

Pharmacy Benefit Manager Update

Mr. Charland reminded the Board that effective January 1st, 2025, pharmacy benefit providers who provide coverage under Medicare Part D will be required to offer consumers the option to make payments for their prescription bills over time. OFR will now be requiring these pharmacy benefit managers to obtain a collection agency license. An advisory on that topic will be issued and published on the OFR website in the coming weeks.

2. Consumer Services Unit Report

Ms. Mack

Discussion

In Ms. Mack’s absence, Ms. Daugherty advised the Board that the Consumer Services Unit circulated its current report for Fiscal Year 2025 showing that as of 10/31/2024, 37 complaints have been received, 29 are open and 8 were closed.

3. Enforcement Unit Report

Ms. Boyd

Discussion

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

Ms. Hyland updated the Board regarding the Midland case and review of its process. She indicated that the team working on this matter has concluded their initial review of the information received. The next step is to make recommendations for follow-up questions.

Ms. Hyland advised the Board that OFR will be begin using an eDiscovery and case preparation tool for litigation called Everlaw. This software will assist with investigating and reviewing information more efficiently. Mr. Salazar also mentioned that OFR will begin implementing a new internet security product called Security Scorecard, mainly for use in monitoring the Office’s regulated depository institutions, as well as some non-depository institutions. This software monitors companies’ cyber footprints and then issues a score. A decision has not been made yet on whether our collection agency licensees will be monitored, but Mr. Salazar advised the Board that he will keep them informed.

4. Federal Activities

Mr. Salazar	
Discussion	<p>Medical Bill Implementation- Ms. Hanson advised the Board that there were no new updates to report at this time.</p> <p>CFPB – Mr. Charland advised the Board that the CFPB issued a statement jointly with Centers for Medicare & Medicaid Services (CMS) regarding the collection of medical bills from people living at or below the poverty line. They want to make sure that these consumers are not subjected to illegal debt collection on improper medical bills. They are addressing all parties involved including medical providers and the debt collectors on this issue.</p> <p>FTC- There were no new updates to report at this time.</p>

5. NACARA Update

Ms. Mack	
Discussion	<p>In Ms. Mack’s absence, Ms. Daugherty advised the Board of some information from some of the presentations that were shared at the 2024 NARACA Annual Conference during September 30th-October 2nd, 2024. Mr. Salazar made remarks about the benefits of attending the Conference with the opportunity to meet other regulators in the United States and Canada. He also extended the invitation to the Board Members to attend the Conference next year.</p>

6. Legislative Session and Current Issues

Ms. Hennen	
Discussion	<p>In Ms. Hennen advised the Board that the pre-filing deadline for the Legislation Session is imminent. Some of the topics of bills submitted last year, may be revisited. OFR is still awaiting feedback from the Governor’s office.</p> <p>Ms. Hennen also advised the Board that as the Legislative session is rapidly approaching, if any member plans on testifying or potentially lobbying, please let her know so we can notify the Department of Labor if necessary.</p>

7. Additional Comments

Mr. Salazar

Discussion

There were no additional comments.

Adjournment

Mr. Salazar informed the Board that the next regular meeting is scheduled to be held on Tuesday, December 10, 2024 virtually, via video conference call.

On an unanimously approved motion, the meeting adjourned at 2:28 p.m.