

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

<u>Date: October 10, 2023</u>	2:00 p.m.	Maryland Dept. of Labor
--------------------------------------	-----------	-------------------------

Meeting called to order at 2:03 p.m. by	Antonio P. Salazar, Chairman (attended via video conference call)
Administrator	Ayanna Daugherty (attended via video conference call)
Attendees	Members: Eric Friedman, Tracy Rezvani, and Sandra Holland (each attended via video conference call) Counsel: Emily Hanson (attended via video conference call) Staff: Shereefat Balogun, Clifford Charland, Dana Allen, Betty Yates, and Kelly Mack (each attended via video conference call)

Acknowledgements

Mr. Salazar	
Discussion	Mr. Salazar stated that the notice of the October 10, 2023 meeting was: (i) posted on the Dept. of Labor/Board website on September 19, 2023; and (ii) published in the Maryland Register on September 22, 2023. Additionally, Mr. Salazar stated the agenda for the October 10, 2023 meeting was posted on the Dept. of Labor/Board website on September 29, 2023.

Approval of Minutes

Mr. Salazar	
Discussion	Mr. Salazar noted the minutes for the September 12, 2023 Board meeting were previously circulated for review and asked for questions or comments. There were none, and, on a Rezvani/Friedman motion, the Board unanimously approved the August 8, 2023 minutes.

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 three pending applications together with all supporting materials and determined the 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 2521561 Home Trust Management LLC
2. NMLS ID 1082247 Revenue Enterprises, LLC
3. NMLS ID 2490252 Southwood Financial LLC

On Ms. Rezvani's motion and Mr. Friedman second, the Board voted unanimously to issue licenses to the three recommended applicants.

Ms. Yates reported that there were no collection agency licensees who surrendered in the past 30 days.

Ms. Yates reported the following six change in control approvals:

1. Associates Asset Management LLC (1094155)
2. CAM1, LLC (1110273)
3. Equabli, Inc. (2280646)
4. JNR Adjustment Company Inc. (935646)
5. Systems & Services Technologies, Inc. (950746)
6. Titan Asset Purchasing, LLC (1855440)

As of 10/3/2023 the Maryland collection agency company count was 1,097 compared to the same time last year (10/3/2022) which was 1,116.

2. Consumer Services Unit Report

Ms. Mack

Discussion

Ms. Mack advised the Board that the Consumer Services Unit circulated its report to the Board prior to the meeting showing that as of as of 9/30/2023, 30 complaints have been received, 14 are open and 16 were closed, within Fiscal Year 2024.

3. Enforcement Unit Report

Ms. Allen

Discussion

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

4. Legislative Session

Mr. Salazar

Discussion

Due to Ms. Hennen's absence, Mr. Salazar advised the Board that the proposed legislation concepts have been submitted to the Governor's office. OFR received some questions about them and provided feedback to the office. Currently, OFR is awaiting direction from the Governor's office regarding the proposals.

5. Medical Bill Implementation and CFPB

Mr. Salazar

Discussion

Medical Bill Implementation- Ms. Hanson advised the Board that OFR is waiting to hear back about the last meeting held that the Health Department held with stakeholders to review certain new proposals. The goal as told to OFR is to hopefully republish regulations during early fall.

CFPB – Mr. Charland advised the Board that the Supreme Court heard oral arguments in the case challenging the CFPB's funding and existence. All the reports are that the justices were very skeptical of the arguments suggesting that the funding was illegal. Mr. Charland stated that at this point, it is generally expected that the Court is going to preserve is the current structure and keep the CFPB.

Mr. Charland also advised that the CFPB is starting to report on the effects of eliminating medical debt collection reporting. Some prior guidelines and thresholds have been set in regards to what can be reported.

Mr. Salazar advised the Board that he is participating in a working group meeting

with the Chair Chopra, and the staff of the CFPB, and CSBS Executive Committee in the coming weeks.

6. NACARA Update

Ms. Mack

Ms. Mack advised the Board that the 2023 NACARA Conference was held from September 17-20, 2023, in Denver, Colorado and there were 66 participants in attendance. She provided an overview during the meeting and then circulated some NACARA Highlights documentation afterwards.

Below is the link to the Conference's Agenda and a list of the panels and their presenters:

<https://nacaraweb.org/wp-content/uploads/nacara-agenda-2023.docx>

2023 NACARA Conference Panels and Presenters

1. FEDERAL TRADE COMMISSION UPDATE

KELLE SLAUGHTER, FTC SOUTHWEST REGION INVESTIGATOR

2. MEDICAL BILLING PROBLEMS: FINDINGS FROM THE CFPB OFFICE FOR OLDER AMERICANS

BEVERLY YANG, OLDER AMERICANS POLICY ANALYST, CFPB

3. REGULATOR ROUNDTABLE

NICHOLAS BRECHUN, COMPLIANCE SUPERVISOR – CONSUMER CREDIT UNIT, ATTORNEY GENERAL OFFICE, DEPARTMENT OF LAW – MODERATOR

KEVIN BURNS- CO-PRESENTER, SR. ATTORNEY
COLORADO ATTORNEY GENERAL/CONSUMER CREDIT ENFORCEMENT UNIT, CP (OPENING TOPIC FOR DISCUSSION – ATTORNEY EXEMPTIONS IN YOUR STATE)

Discussion

**4. EXAMINATION TRAINING (PART 1) DEVELOPING
TRAINING NEEDS OVERVIEW- WHAT TO EXPECT ON A
MULTI-STATE EXAM**

JILLIAN LAINE, SUPERVISORY EXAMINER, IDAHO DEPT. OF
FINANCE

MATTHEW KINGSLEY, CONSUMER CREDIT EXAMINER
WISCONSIN DEPARTMENT OF FINANCE SANDY GIBBONS

**5. EXAMINATION TRAINING (PART 2) DEVELOPING
TRAINING NEEDS TRANSACTION TRACING & TESTING**

JILLIAN LAINE, SUPERVISORY EXAMINER, IDAHO DEPT. OF
FINANCE

MATTHEW KINGSLEY, CONSUMER CREDIT EXAMINER
WISCONSIN DEPARTMENT OF FINANCE

SANDY GIBBONS

**6. EXAMINATION TRAINING (PART 3) DEVELOPING
TRAINING NEEDS FEEDBACK AND Q & A DISCUSSION**

JILLIAN LAINE, SUPERVISORY EXAMINER, IDAHO DEPT. OF
FINANCE

MATTHEW KINGSLEY, CONSUMER CREDIT EXAMINER
WISCONSIN DEPARTMENT OF FINANCE

SANDY GIBBONS

**7. HOW MEDICAL DEBT PROTECTION LAWS ARE CHANGING
DEBT COLLECTION COMPLIANCE MANAGEMENT
SYSTEMS**

LESLIE BENDER, EVERSHEDES, SUTHERLAND, LLP

KEVIN CROCKER, BARRON & NEWBURGER

GEORGE BUCK, HEALTHCARE COLLECTION CONSULTANT
HEATH MORGAN, MARTIN LYONS, WATTS, MORGAN, PLLC

**8. TELEWORKING – THE NEW NORM PANEL IT’S EFFECT ON
STATE GOVERNMENT BUSINESS LICENSEES WHAT
DEFINES A BRANCH?**

SCOTT KINKLEY, WA COLLECTION AGENCY BOARD MEMBER

ARLENE WILLIAMS, MD DIRECTOR OF LICENSING

JARI BINDER, CA ENFORCEMENT DIVISION

9. REGULATOR/INDUSTRY OPEN ROUNDTABLE DISCUSSION

HERB THOMPSON (CA)

10. STUDENT LOAN DEBT PANEL

CELINA DAMIAN, CALIFORNIA OMBUDSPERSON

KELSEY LESKO, COLORADO OMBUDSPERSON

AMY HENNEN, MARYLAND OMBUDSPERSON

**11. NEW RULES AND HOW THEY MAY AFFECT EXAMINATION,
ENFORCEMENT, AND THE SURVIVAL OF COLLECTION
BUSINESSES**

MANNY NEWBURGER, VP BARRON & NEWBURGER, PC

**12. BANK PARTNERSHIPS/EMERGING ISSUES AND NEW
EMERGING PRODUCTS**

JEDD BELLMAN, SENIOR COUNSEL, ORRICK, HERRINGTON,
SUTCLIFFE, LLP

KEISHA WHITEHALL-WOLFE, COUNSEL, ORRICK, HERRINGTON,
SUTCLIFFE, LLP

LEANA LARES, LEGAL OPS/LICENSING MANAGER, TRUE
ACCORD

13. DEBT COLLECTION UPDATE

ANDY MADDEN, ACA INTERNATIONAL

DAVID REID, RECEIVABLES MANAGEMENT ASSOCIATION INTERNATIONAL

14. WHAT'S NEW AT THE CFPB

JOHN MCNAMARA, CONSUMER FINANCIAL PROTECTION BUREAU

15. DO YOU KNOW WHERE YOUR DATA IS ? WHERE IT CAME FROM AND WHERE IT CAN GO? – DATA USE AND DISCLOSURE

LESLIE BENDER, EVERSHEDS SUTHERLAND, LLP (PANEL HOST)

BRYAN ALBERTSON, HARRIS & HARRIS

MICHAEL WRIGHT, NEL NET

JIM BECK, QUANTA

7. Additional Comments

Mr. Salazar

Discussion

Mr. Salazar asked the Board if they had any questions or comments. Mr. Friedman asked if anyone has heard about a particular company (Rent Plus out of Utah) and was inquiring about what their business model is. This company allegedly works for rental companies with their tenants; it reports to the credit bureaus about tenant payments, and landlords provide that tenants are automatically signed up for this programs when signing their lease. Ms. Rezvani made some suggestions on who may know more about this company. OFR staff stated that they were not aware of this company at this time but would investigate.

Adjournment	<p>Mr. Salazar informed the Board that the next scheduled meeting will be held on Tuesday, November 14, 2023 at 2:00pm at the location below:</p> <p>Klima, Peters & Daly, P.A. 8028 Ritchie Hwy #300 Pasadena, MD 21122</p> <p>On an unanimously approved motion, the meeting adjourned at 2:28 p.m.</p>
-------------	---