

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

<u>Date: January 14, 2025</u>	2:00 p.m.	Maryland Dept. of Labor
Meeting called to order at 2:03 p.m. by	Antonio P. Salazar, Chairman	
Administrator	Ayanna Daugherty	
Attendees	<p>Members: Tracy Rezvani, Sandra Holland, Shawn Kennedy, and Eric Friedman</p> <p>Counsel: Emily Hanson and Kevin McGivern</p> <p>Staff: Cliff Charland, Amy Hennen, Kat Hyland, Shereefat Balogun, Dana Allen, Arlene Williams, and Monyette Johnson</p>	
Meeting Location	Google Meet	

Acknowledgements and Public Statement Regarding a Closed Session

Mr. Salazar	
Discussion	<p>Mr. Salazar stated that the notice of the January 14, 2025 meeting was: (i) posted on the Dept. of Labor/Board website on December 14, 2024; and (ii) published in the Maryland Register on December 13, 2024. Additionally, Mr. Salazar stated the agenda for the January 14, 2025 meeting was posted on the Dept. of Labor/Board website on January 3, 2025.</p> <p>Mr. Salazar also noted that there were no members of the public present in the Google Meeting. He then gave an overview of the board meeting and its processes.</p> <p>Mr. Salazar also 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. 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 the potential settlement of an 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. Kennedy moved to conduct a closed</p>

	<p>session for the purposes Mr. Salazar identified and Ms. Rezvani seconded the Motion. The Board unanimously voted to move to a closed session and thereupon adjourned to a closed session at 2:08 p.m.</p> <p>In accordance with General Provisions Article, §3-305, Annotated Code of Maryland, Mr. Salazar had prepared a written statement closing statement. Mr. Salazar's closing statement, together with the Closed Session Summary required by General Provisions Article, §3-306(c)(2), Annotated Code of Maryland, are attached to these minutes.</p> <p>Emily Hanson 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 2:30 p.m.</p>
--	---

Approval of Minutes	
Mr. Salazar	
Discussion	<p>Mr. Salazar noted the minutes for the December 10, 2024 Board meeting had previously been circulated for review and asked for questions or comments. On Ms. Holland's motion, with a second from Mr. Kennedy, the Board unanimously approved the December 10, 2024 minutes.</p>

1. Non-Depository Licensing Unit Report	
Ms. Williams	
Discussion	<p>Ms. Williams advised the Board that the Licensing Unit had reviewed four pending applications with all the supporting materials and determined the four applicants met the requirements for licensure. Accordingly, Ms. Williams recommended that the Board grant a collection agency license to the following entities:</p> <ol style="list-style-type: none"> 1. NMLS ID 2645256 Morgan Properties Management Company, LLC 2. NMLS ID 1108680 NCSPLUS INCORPORATED 3. NMLS ID 1086170 Prestige Financial Services, Inc. 4. NMLS ID 2040265 Paytient Technologies, Inc. <p>On Mr. Kennedy's motion and Ms. Holland's second, the Board voted unanimously to issue a license to the four recommended applicants.</p> <p>There were four collection agency licenses that surrendered their license in the past 30 days:</p>

	<ol style="list-style-type: none"> 1. Franklin Service, Inc. - NMLS ID 948786 - No longer conducting business in this state 2. Trojan Professional Services, Inc.- NMLS ID 1332194 - No longer engaging in business as it relates to consumer retail installment contracts 3. Apple Processing LLC - NMLS ID 2270445 - The consumer BNPL installment loan product that the company services was discontinued 4. Athene Annuity & Life - NMLS ID 1583050 - Merged with Athene Annuity and Life Company <p>Ms. Williams reported that there were no changes in control approvals in the past 30 days.</p> <p><u>The 2024 Collection Agency Renewal Update as of 12/31/2024:</u></p> <p>Licenses renewals approved - 978 Licenses pending renewal approval - 15 Licenses who voluntarily decided not to renew - 1 Licenses who were terminated due to failure to renew - 70</p> <p>Ms. Williams advised the Board that due to the Licensing Unit’s Assistant Director Ms. Betty Yates’ recent retirement, Ms. Monyette Johnson will now be serving as the acting Assistant Director. Ms. Johnson has been working in the OFR’s Licensing Unit for nineteen years and more recently a Lead person, who will now be assisting with the reports for the SCALB meeting.</p>
--	---

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 2025 showing that as of 12/31/2024, 48 complaints have been received, 27 are open and 21 were closed.

3. Enforcement Unit Report

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

4. Federal Activities

Mr. Salazar

Discussion

Medical Bill Implementation- There are no new updates to report.

CFPB – Mr. Charland advised the Board that the CFPB are finalizing their rule that medical debt should be removed from credit reports. This rule becomes effective after sixty days from publication in the Federal Register.

Also Mr. Charland advised the Board that there may be some major administrative changes forthcoming within the CFPB.

FTC- There are no new updates to report.

5. NACARA Update

Ms. Mack

Discussion

Ms. Mack advised the Board that planning is on the way for the 2025 NACARA Conference which will be held in Boise, Idaho from October 28th through October 30th, 2025. The first planning meeting will be held on January 29th and the planning group will begin working on the agenda for the conference.

6. Legislative Session and Current Issues

Ms. Hennen

Discussion

Ms. Hennen advised the Board that the Legislative Session began on January 8th, 2025 and will go through April 7, 2025. OFR's departmental bills will be presented during the Legislative session, and she noted that one of those bills (EWA) is being re-presented.

Ms. Hennen also advised the Board that if any Board members are planning on testifying on any bills at the legislative hearings, please let her know so she can notify the Legislative team as there is a process that needs to be completed prior to testifying.

7. Fee Discussion Update

Mr. Salazar	
Discussion	Mr. Salazar advised the Board that there will be no changes to the Collection Agency licensing fees this year but agencies, as with all non-depository entities, will be subjected to an assessment fee this year. The assessment notices are targeted to be sent out between May and June.

8. Additional Comments

Mr. Salazar	
Discussion	There were no additional comments.

Adjournment	<p>Mr. Salazar informed the Board that the next scheduled meeting will be held on Tuesday, February 11, 2025, and it will take place virtually via video conference call.</p> <p>On an unanimously approved motion, the meeting adjourned at 2:52 p.m.</p>
-------------	--

CLOSED-SESSION SUMMARY
(General Provisions Article § 3-306(c))

SUMMARY OF CLOSED SESSION HELD ON January 14, 2025

1. Statement of the time, place, and purpose of the closed session:

Time of closed session: 2:09 pm - 2:29 pm

Place (location) of closed session: The closed session took place during the Board's January 14, 2025, monthly meeting. The Board meets remotely so the closed session occurred in a separate Zoom session from the public session, following the vote to move to a closed session. At the conclusion of the closed session, the Board returned to the public session.

The purpose of the closed session was to discuss, seek legal analysis and advice, and consult with staff (including counsel) with respect to the December 2019 Consent Order and Settlement Agreement by and between: (i) the Maryland State Collection Licensing Board and Office of Financial Regulation and; (ii) Midland Credit Management Inc. and its subsidiaries, for the purposes of determining whether the Consent Order shall be amended, suspended, waived, or terminated.

2. Record of the vote of each member as to closing the session:

Names of members voting aye: Sandra Holland; Tracy Rezvani; Shawn Kennedy; Eric Friedman; Tony Salazar

Members opposed: ____

Abstaining: _____

3. Statutory authority to close session:

This meeting was closed under the following provisions of General Provisions Art. § 3-305(b):

→ Topic #1:

(7) consult with counsel to obtain legal advice;

(8) consult with staff, consultants, or other individuals about pending or potential litigation;

4. Listing of each topic actually discussed, persons present, and each action taken in the session:

Topic description	Persons present for discussion	Action Taken/Each Recorded Vote
#1: Enforcement Matters about Midland Credit Management Inc. and its subsidiaries, and Resondents' subsequent	Board Members: Tony Salazar, Sandra Holland, Tracy Rezvani, Shawn Kennedy, and Eric Friedman	The board voted 5-0 to agree with staff's recommendation NOT to amend, modify, or

<p>compliance with the parties' Settlement Agreement</p>	<p>OFR Staff: Kat Hyland, Dana Allen, Shereefat Balogun, and Clifford Charland</p> <p>Counsel: Kevin McGivern, Esq.</p>	<p>terminate the terms and provisions of the Settlement Agreement and to perform a truncated version of the compliance review again in one year to ensure compliance with the outstanding issues.</p>
--	---	---