

State Collection Agency Licensing Board

Open Session Minutes

<u>7.13.2020</u>	2:02 p.m.	Maryland Dept. of Labor
Meeting called to order at 2:02 p.m. by	Antonio P. Salazar, Chairman (attended via video conference call)	
Administrator	Devki Dave (attended via video conference call)	
Attendees	<p>Members: Susan Hayes and Eric Friedman each attended via video conference call. Steve Hannan did not participate due to an excused absence.</p> <p>Counsel: Kimberly Ward, Esq. (attended via video conference call)</p> <p>Staff: Arlene Williams, Betty Yates, Clifford Charland, Kelly Mack, and Dana Allen (each attended via conference call).</p>	
Acknowledgements	<p>Mr. Salazar mentioned that Mr. Hannan could not attend the board meeting as he had another meeting at the same time. Mr. Salazar informed the Board that Ms. Young has been retired as a board member effective June 30, 2020. In response to a request from Ms. Hayes, Mr. Salazar stated that he would seek to obtain a Secretary's certificate to recognize Ms. Young's service to the Board and the State.</p> <p>Mr. Salazar acknowledged that the meeting notice was published in the Maryland Register on June 19, 2020, and on the Board's website on June 12, 2020, and that the Agenda was posted on the Dept. of Labor/Board's website on July 9, 2020.</p>	
Approval of Minutes		
Mr. Salazar		
Discussion	After reviewing the minutes of the June 8, 2020 meeting, on a Hayes/Friedman motion, which was unanimously approved, the Board approved the minutes.	
Recognition of Public Comments		
Mr. Salazar		
Discussion	No members of the public were present in person or on the call.	

1. Non-Depository Licensing Unit Report

Ms. Williams

Discussion

Ms. Yates presented the Non-Depository Licensing Unit's report. Ms. Yates advised the Board that each entity's application and supporting materials for licensure had been reviewed and found to have satisfied the licensing qualifications as set forth in Ms. Yates' Memo. Ms. Yates recommended that the Board issue collection agency licenses to the following entities: Holiday Inn Club Vacations Incorporated, Lentegrity, LLC, Fidelity Capital Holdings, Inc., Red Target LLC, MetaCorp LLC, EdAid Limited WP&M Real Estate Group, LLC dba WPM Real Estate Management, D&R Group, Inc., TCMG Management, Inc., Arcon Credit Solutions LLC, HS Financial Group, LLC (branch), and Sitel ARM Corp, Inc. (branch).

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

Ms. Yates also informed the Board that there were six change in control requests: Freedom Financial Asset Management, LLC, Orion Portfolio Purchasing, LLC, Ceteris Asset Solutions, LLC, Global Credit and Collection Corporation, Collection Bureau of America, LTD, and McCarthy, Burgess & Wolff, Inc.

Ms. Hayes questioned whether the Non-Depository Licensing Unit keeps a record of surrendered collection agency licensees as she wanted to see how the collection agency businesses are doing during the Covid-19 period. Ms. Williams responded that her staff have started collecting the list of entities who surrendered their licenses and while they do not yet track the reasons for the surrenders or license withdrawals, they have started to do so.

Mr. Salazar advised that in Fiscal Year 2020, ending June 30, 2020, there had been 184 voluntary license surrenders/withdrawals of which 94 had occurred in calendar year 2020. Mr. Salazar also concurred with Ms. Hayes' expectation that going forward, the Non-Depository Licensing Unit's report will include information about entities that have surrendered their licenses.

2. Consumer Services Unit Report

Ms. Mack

Discussion

Ms. Mack presented the Consumer Services Unit Complaint Report. Ms. Mack advised that the Unit had received 127 total complaints during the fiscal year that ended June 30, 2020; 23 of which are open and 115 of which are closed. Further, Ms. Mack compared complaints by fiscal year, noting a declining trend from 2013 through 2019 from 615, 504, 375, 261, 205 and 181, respectively, and an increase of 24.5% (from the prior year) for fiscal year 2020 which ended June 30, 2020. Mr. Salazar mentioned that Consumer Services Unit expects to see more consumer complaints in coming months as COVID-19 related forbearances expire and collection activity increases.

3. Enforcement Unit Report

Ms. Allen

Discussion

Ms. Allen presented the Enforcement Unit report. She reported that there are 7 collection agency cases in pre-charge status. She compared that figure to last year when there were 5 cases in pre-charge status.

Adjournment

Prior to adjournment, Mr. Friedman advised the Board that he was a member of the Attorney General's social justice initiative and that the members of that initiative were looking into a number of topics. Mr. Salazar noted that he had neither been informed of nor asked to join that initiative but that he was aware of its existence because Fin. Reg. was providing information in response to requests from some members. Mr. Salazar announced that the next meeting would held be on August 10, 2020.