

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

<b><u>11.16.2020</u></b>	2:01 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	Devki Dave (attended via video conference call)	
Attendees	<p>Members: Steve Hannan, Susan Hayes, and Eric Friedman (each attended via video conference call)</p> <p>Counsel-Kenneth Krach, Esq. (attended via video conference call)</p> <p>Staff: Jedd Bellman, Betty Yates, Dana Allen, and Kelly Mack (each attended via video conference call), Clifford Charland (attended via conference call)</p>	
Acknowledgements	Mr. Salazar acknowledged that the meeting notice was published in the Maryland Register on October 23, 2020, on the Board’s website on October 19, 2020, and the Agenda was posted on the Dept. of Labor/Board’s website on November 10, 2020.	
<b>Approval of Minutes</b>		
Mr. Salazar		
Discussion	Mr. Salazar mentioned that the spelling of Mr.Hannan’s name on the last page of the minutes was wrong and would be corrected in the official minutes. After reviewing the minutes of the October 13, 2020 meeting, the Board unanimously approved the minutes.	
<b>Recognition of Public Comments</b>		
Mr. Salazar		
Discussion	No members of the public were present.	

## 1. Non-Depository Licensing Unit Report

Ms. Yates

Discussion

Ms. Yates presented the Non-Depository Licensing Unit 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 proceeded to recommend that the Board issue collection agency licenses to the following entities: Spot On Management Services LLC, Genpact Collections LLC, Schwartz Bays MD LLC, Toll Enforcement Services LLC, HTX Realty, Inc., Glass Mountain Capital LLC (Branch), Lynx Whole Loan Acquisition LLC, Liquid Global Company, LLC, Cawley & Bergmann, LLC (Branch), Financial Recovery Services, Inc. (Branch), and Pioneer Military Credit, LLC.

Ms. Yates reported that there were seven collection agency licensees that surrendered their license in the past 30 days: Gateway One Lending & Finance LLC, Emergency Planning Management, Inc., Client Services, Inc., Atlantic Credit & Finance, Inc., Atlantic Credit & Finance, Inc., Encore Receivable Management, Inc., and Midland Credit Management, Inc.

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

Ms. Yates also informed the Board that there were change in control requests from the following ten entities: Motion Soft, Inc., Client Services, Inc., Spruce Lending, Inc., Solar Service Experts, LLC, Activate Financial, LLC, BridgeCrest Credit Company, LLC, Stuart-Lippman and Associates, Inc., Rausch, Sturm, Israel, Enerson & Hornik LLP, Aspen National Financial, Inc., and PCA Acquisitions V, LLC.

Ms. Yates also presented a snapshot of the current renewal licensing reports from 2020 and 2021 and as per the reports, renewal licenses were 1144 and 1145, respectively.

## 2. Consumer Services Unit Report

Ms. Mack

Discussion	<p>Ms. Mack presented the Consumer Services Unit Complaint report. Ms. Mack advised that the total number of debt collection complaints received so far in FY21 is 55. Twenty-two complaints are currently open (which includes some carried over from FY20) and 62 have been closed (which includes those closed since July 1, 2020). 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 also noting that complaints are increasing by 24.5% from 2020.</p>
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3. NMLS Renewal Process	
Mr. Charland	
Discussion	<p>Mr. Charland stated that the Licensing unit has increased the use of automated processes for the handling of this years' license renewals. Mr. Charland stated that if the licensee has no outstanding issue, then they can submit their application and pay the applicable fees through NMLS and their license will be automatically renewed five days later. Mr. Charland stated that the Licensing staff has been working on different licensing applications since August 2020 and have tried to identify and resolve most of the issues they identified early so that the licensee's licensing renewal process will be smoother this year. He reported that, thanks to the preview work and the enhanced automation, most licensees do not need to contact the licensing unit staff since they can renew their licenses via NMLS system.</p> <p>Ms. Hayes complimented the staff for the revisions to the licensing process and informed the group that she renewed her license via NMLS system and made the payment by credit card. Mr. Salazar thanked the licensing unit staff for working very hard to improve the system so that all the licensing applications could be processed as quickly and efficiently as possible.</p>

4. Enforcement Unit Report	
Ms. Allen	
Discussion	<p>Ms. Allen presented the Enforcement Unit report. She reported that there are 7 collection agency cases in pre-charge status.</p>

## 5. New CFPB Regulations

Mr. Bellman

Discussion

Mr. Bellman stated that CFPB announced a final rule for FPCPA on October 30, 2020. He gave an overview of the significant areas of the new regulation and stated that the CFPB has not released regulations in a couple of areas. He stated that the Office, CSBS, NACARA and ACA would be monitoring future events around these regulations.

The Board members and Mr. Bellman discussed the new CFPB regulation. Ms. Hayes noted that only 16% of collection agencies are part of ACA and she complimented the Office on issuing the advisory on the CFPB final regulation for the industry.

## 6. NACARA Update

Mr. Bellman

Discussion

Mr. Bellman provided the Board with a brief NACARA update including his hopes for improving processes and operations and expanding outreach. A brief discussion between Mr. Bellman and Mr. Friedman followed Mr. Salazar's suggestion of NACARA outreach to local consumer agencies. Mr. Bellman also discussed the new outline of the NACARA conference from the collection industry perspective.

Adjournment

Before closing the meeting, Mr. Salazar reminded the Board that the Governor's moratorium on repossessions had been terminated. He also informed the Board that the Office was close to finalizing remote worker regulations and that he hoped to be able to discuss the topic further next month.