

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

<u>10.13.2020</u>	2:02 p.m.	Maryland Dept. of Labor
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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: 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, Arlene Williams, 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 September 25, 2020, on the Board’s website on September 17, 2020, and the Agenda was posted on the Dept. of Labor/Board’s website on October 7, 2020.

Approval of Minutes

Mr. Salazar	
Discussion	After reviewing the minutes of the September 14, 2020 meeting, on a Hayes/Hannan motion, which was unanimously approved, the Board approved the minutes.

Recognition of Public Comments

Mr. Salazar	
Discussion	No members of the public were present.

1. Non-Depository Licensing Unit Report

Ms. Yates	
Discussion	<p>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: SLK Global Philippines, Inc., National Medical Administrators, Inc., Stillman, P.C., ARC Select Services, LLC, DigniFi Tech Inc., Liquid Global Company, LLC, Revco Solutions, Inc., and Alliant Capital Management, LLC.</p> <p>On a Hannan/Hayes motion, which was unanimously approved, the Board voted to issue licenses to all recommended applicants.</p> <p>Ms. Yates also informed the Board that there were no change in control requests from any entities. Ms. Yates also informed that there was only one collection agency licensee that surrendered its license in the past 30 days. That entity's name was Alltran Education, Inc. and its license surrender was not related to COVID-19.</p>

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 49. 33 complaints are currently open (which includes some carried over from FY20) and 47 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. Ms. Mack provided previous year's complaints numbers from 2007 to 2012 as per Ms. Hayes' request from the last Board meeting and a discussion ensued about the changing complaint volume.</p>

3. Enforcement Unit Report

Ms. Allen	
Discussion	<p>Ms. Allen presented the Enforcement Unit report. She reported that there are 8 collection agency cases in pre-charge status.</p>

4. NACARAA Report

Ms. Mack

Discussion

Ms. Mack made a presentation on the recently completed NACARA annual meeting. Ms. Mack stated that the 2020 NACARA Conference and Annual Meeting was held as a virtual webinar from October 5th-7th. She said it was an informative presentation and state-counterpart networking opportunity. The Annual Conference was scheduled to be held in Nashville, TN; however, the NACARA Board made the decision in April, 2020 to not have the in-person meeting and to conduct it virtually.

Ms. Mack stated that Mr. Carter and Ms. LeJeune presented on behalf of the Federal Trade Commission agency and reported that there were 3.2 million complaints filed in 2019, 1.7 million in fraud reports (23% reported a loss) and 1.9 billion in total fraud losses.

Ms. Mack stated that the Regulator Roundtable Moderated by Mr. Johnson led discussions and yielded a robust networking opportunity for all members to discuss hot topics/trends surfacing in the industry. Ms. Mack stated that issues discussed included collection agency employee challenges related to COVID-19, including a discussion of the State of Washington indicating their Mortgage Lender Licensees could work from home subject to appropriate data security requirements etc.

Ms. Mack stated that the CFPB Update provided by Mr. McNamara reported a 44% spike in complaints from March – July 2019 to March – July 2020, a massive drop in payday loans during the pandemic, a drop in auto delinquency cases, and a decline in credit card debt during this period.

Ms. Mack stated that the State Examination System (SES) is being used by 30 states now. Maryland is one of the states engaged in the SES trials and is expected to adopt the system early next year. Ms. Mack stated that Ms. Madden and Mr. Reid co-presented on changes since COVID-19 and noted that emergency orders in Nevada, Washington, DC and Louisiana halted debt collection activity. Ms. Hayes advised the Board that DC had extended its prohibition on collection activity until 1/1/21.

Ms. Mack noted that Assistant Commissioner Bellman has been voted NACARA President for the upcoming year. There will be a new VP and the Treasurer carried over from the previous term. Ms. Mack stated that she will remain as Chair of the NACARA 2020 conference and annual meeting planning committee. The plan is to hopefully have an in-person meeting in 2021.

Adjournment

Mr. Salazar announced that the next meeting would held be on November 16, 2020.

On a Hannah/Hayes motion, which was unanimously approved, the meeting adjourned at 2:25 p.m.