

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

<b><u>Date: September 10, 2024</u></b>		2:00 p.m.	Maryland Dept. of Labor
Meeting called to order at 2:04 p.m. by	Antonio P. Salazar, Chairman		
Administrator	Ayanna Daugherty		
Attendees	<p>Members: Tracy Rezvani, Sandra Holland and Eric Friedman</p> <p>Counsel: Emily Hanson and Kenneth Krach</p> <p>Staff: Cliff Charland, Shereefat Balogun, Kelly Mack, Kat Hyland, Dana Allen, and Betty Yates</p>		
Meeting Location	Google Meet		

<b>Acknowledgements</b>	
Mr. Salazar	
Discussion	Mr. Salazar stated that the notice of the September 10, 2024 meeting was: (i) posted on the Dept. of Labor/Board website on August 23, 2024; and (ii) published in the Maryland Register on August 23, 2024. Additionally, Mr. Salazar stated the agenda for the September 10, 2024 meeting was posted on the Dept. of Labor/Board website on August 28, 2024.

<b>Approval of Minutes</b>	
Mr. Salazar	
Discussion	Mr. Salazar noted the minutes for the August 22, 2024 Board meeting had previously been circulated for review and asked for questions or comments. On Ms. Rezvani’s motion, with a second from Ms. Holland, the Board unanimously approved the August 22, 2024 minutes.

## Recognition of Public Comments

Mr. Salazar

Discussion

There was one member of the public present who did not have any questions/comments.

## 1. Non-Depository Licensing Unit Report

Ms. Yates

Discussion

Ms. Yates advised the Board that the Licensing Unit had reviewed nine pending applications with all the supporting materials and determined that 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 2570848 Cityscape Management, LLC
2. NMLS ID 2522542 Fizz Technologies, Inc
3. NMLS ID 2565516 JGW Loan Servicing, LLC
4. NMLS ID 924263 Allsectech, Inc
5. NMLS ID 2609992 Solvent Plus LLC
6. NMLS ID 2589061 Pandd Enterprise Corporation
7. NMLS ID 954491 P&B Capital Group, LLC
8. NMLS ID 2614508 MCM, Inc
9. NMLS ID 932678 Gold Global, Inc

On Ms. Rezvani's motion and Ms. Holland's second, the Board voted unanimously to issue a license to the nine recommended applicants.

There were two collection agency licensees that surrendered their license in the past 30 days:

1. Scratch Services - NMLS ID 1495691 - Licensee is not servicing any loans under this license and does not have any foreseeable intention to resume such servicing and request to surrender the license.
2. Financial Business and Consumer Solutions, Inc - NMLS ID 210008 - They are a victim of an information security crime.

Ms. Yates reported the following eleven change in control approvals for the August 22, 2024 Board meeting:

1. Selene Finance, LP (6312)
2. DigniFi Tech, Inc (1274329)
3. Asset Acceptance, LLC (1085166)
4. Educational Computer Systems, Inc (1489841)
5. Financial Corporation of America (951408)

6. AllianceOne Receivables Management, Inc (441662)
7. Credit Control, LLC (870875)
8. AMCOL Systems, Inc (1151816)
9. Figure Lending LLC (1717824)
10. Paramount Capital Group, LLC (1114719)
11. Carrington Mortgage Services, LLC (2600)

As of 9/3/2024 the Maryland collection agency company count was 1,060. On 9/3/2023 that day fell on a Sunday, therefore the date of 9/1/2023 collection agency count was 1,095.

## 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 8/31/2024, 14 complaints have been received, 10 are open and 4 was closed.

Ms. Rezvani asked if there are other ways that the Board could be more of assistance to the Consumer Services Unit (CSU), based on our monthly reporting data. Mr. Salazar responded that these numbers are just to give us an idea of what our staff handles on a regular basis, and if further investigation is needed, the complaints are forwarded to the Enforcement Unit.

Mr. Salazar also stated that our Director of Trend Analysis and Reporting, Brendan Armbruster, provides to the Board a presentation on a quarterly basis, more detailed information about complaints coming into CSU and the CFPB.

## 3. Enforcement Unit Report

Ms. Allen

Discussion

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

She also advised the Board that regarding the Midland case, OFR and the Attorney General's office continue reviewing the information that was previously received.

#### 4. Federal Activities

Mr. Salazar

Discussion

**Medical Bill Implementation-** Ms. Hanson advised the Board that there were no new updates to report at this time.

**CFPB** – Mr. Charland advised the Board that the CFPB released a report last week regarding consumer protection issues with medical and rental debt collection. He reported that the CFPB found evidence that there have been instances where medical debt was the subject of collection attempts but the outstanding debt could have been covered through financial assistance or medical payment products. Further, the CFPB found that information regarding financial assistance or payment option may not be properly disclosed to the consumer during collection attempts. Also, the CFPB studied rental debt collection and the agency expressed concern that rent payments may have been inflated due to illegal price fixing and collectors who are collecting on those bills may be violating Fair Debt Collection Practices Act (FDCPA). CFPB is also concerned about potential junk fees that have been added to rental bills.

Mr. Charland also advised the Board that he was contacted by an attorney who posed an interesting question. They mentioned that effective January 1<sup>st</sup>, 2025, pharmacy benefit providers who provide coverage under Medicare Part D will be mandated to offer the consumers the option to pay for their prescription bills over time. The attorney’s question was whether the pharmacy benefit managers who handle these medical bills will then be required obtain a Maryland Collection Agency License. Mr. Charland then advised the Board that he had some recent discussions with the Maryland Insurance Administration about this matter and more information will be forthcoming as staff continues investigating these questions.

**FTC-** There were no new updates to report at this time.

#### 5. NACARA Update

Ms. Mack

Discussion

Ms. Mack’s advised the Board will be held in Sacramento, CA from September 30th through October 2nd, 2024 and we are still accepting registrations, if anyone is interested in attending. The final agenda was disseminated to the Board previously and Ms. Mack asked if anyone had any questions or comments.

The Executive Committee is also looking for nominations to fill open positions for president, vice president, secretary and treasurer. She also requested if anyone has any topics for discussion to be submitted at the workshop roundtables, please let her know.

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6. Legislative Session and Current Issues	
Ms. Hennen	
Discussion	In Ms. Hennen’s absence, Mr. Salazar advised the Board that OFR has submitted their concepts for the next Legislative session to the Governor’s office for review and consideration, and OFR is still awaiting feedback.

7. Additional Comments	
Mr. Salazar	
Discussion	There were no additional comments.

Adjournment	<p>Mr. Salazar informed the Board that the next regular meeting is scheduled to be held on Tuesday, October 8, 2024 virtually, via video conference call.</p> <p>On an unanimously approved motion, the meeting adjourned at 2:29 p.m.</p>
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