

Maryland Licensing Workgroup

Meeting Summary

December 5th 2025, 10:00 a.m.

All meetings of the Maryland Licensing Workgroup are recorded. The recording for this meeting is posted online and available to members of the public at <https://youtu.be/48f0UlqwPgY>.

NOTE: Under General Provisions Article, Annotated Code of Maryland §3-306, the recording constitutes the official minutes of the Maryland Licensing Workgroup meeting. This summary is prepared for ease of use by members and constitutes a public document under the Maryland Public Information Act. In the unlikely event the recording for the meeting summarized herein becomes unavailable for any reason, this summary shall constitute the official minutes for that meeting.

In Attendance

Workgroup Members

Tony Salazar, Chair (Commissioner of Financial Regulation); John Callahan, for Matthew Calhoun (M&T Bank); Ben Carney (Gordon, Wolf & Carney); Kevin Kesecker (SECU of Maryland); Milissa Murray (Member of the Public); Chris Rahl (Gordon Feinblatt); Emanuel Turnbull (Holland Law Firm); Nanci Weissgold (Alston & Bird); Marceline White (Economic Action Maryland)

Invited Guests

Liam O'Driscoll (North American Collection Agency Regulatory Association); Tracy Rezvani (State Collection Agency Licensing Board); Shawn Kennedy (State Collection Agency Licensing Board); Jedd Bellman (Orrick, Herrington & Sutcliffe); Nora Nichols (Office of the Attorney General)

Staff and Counsel, Office of Financial Regulation (OFR)

Kat Hyland (Deputy Commissioner); Amy Hennen (Assistant Commissioner); Clifford Charland (Assistant Commissioner); Arlene Williams (Licensing Director); Christine Brooks (Mortgage Supervision Director); Meredith Merchant (Operations Director); Ayanna Daugherty (Senior

Analyst); Emily Hanson (Assistant Attorney General); Gretchen Reimert (Assistant Attorney General).

Public Attendees

John Callahan; Adebola Daramola; Robert Enten; Aaron Greenfield; Evan Richards; Phillip Robinson; Steve Sakamoto-Wengel; Jason Weintraub; Keith Walmsley

Agenda

Opening Remarks and Meeting Recap

Tony Salazar (Chair), Commissioner of Financial Regulation

- Mr. Salazar welcomed the Workgroup members and public attendees and noted that the meeting is being recorded.
- Mr. Salazar provided an overview of the Workgroup's mission and activities, summarized the discussions and proposed recommendations from the November meeting, and led member and staff introductions.

Collection Agency Licensing/State Collection Agency Licensing Board

Clifford Charland, Assistant Commissioner, Financial Services Licensing & Supervision

Mr. Charland provided an overview of the Maryland laws governing collection agency licensing, including Business Regulation Article Title 7, and the structure and enforcement authority of the State Collection Agency Licensing Board.

- Licensing applies broadly to entities collecting consumer claims for others, or collecting delinquent debt they acquired, which can include property managers, billing services, and similar businesses. Several exemptions apply, including banks, credit unions, licensed mortgage lenders, certain real estate brokers, and attorneys.
- Licenses are issued by the State Collection Agency Licensing Board (SCALB) within OFR. The Board includes industry and consumer members and meets monthly in compliance with the Open Meetings Act. Applications are reviewed by OFR staff, but monthly SCALB approval may cause licensing delays. The annual license fee is \$350, and applicants must meet character and fitness standards and maintain a \$50,000 surety bond.
- Enforcement authority is divided. SCALB may conduct hearings and issue orders but generally cannot impose monetary penalties unless an order is violated. The

Commissioner retains separate enforcement authority through OFR, resulting in a split enforcement structure.

Liam O'Driscoll, Board Member, North American Collection Agency Regulatory Association

Mr. O'Driscoll provided a national perspective of collection agency licensing, as a board member of the North American Collection Agency Regulatory Association (NACARA).

- Debt collection regulation varies by state and is not universal. NACARA includes 18-member regulatory agencies and promotes fair enforcement through information sharing, training, and multi-state coordination. Approximately 24–25 states regulate or register debt collection activity, with 16 states using NMLS. The five states with a collection agency licensing board are Maryland, Nebraska, Tennessee, Wyoming, and Arkansas.
- Supervision of debt collection has expanded gradually, with states increasingly using NMLS to manage licensing. Recent additions include California, Nevada, Maryland, Maine, and Wisconsin. States are also expanding regulation of related activities, such as student loan servicing, debt settlement, and debt management. Several states have updated regulations to align with federal standards.
- NACARA coordinates joint examinations and investigations across states, including past collaboration with the CFPB. Licensing board structures can complicate multistate cooperation, due to confidentiality and independence limits, compared to single-agency models.

Tracy Rezvani, Consumer Member, State Collection Agency Licensing Board

Ms. Rezvani provided her perspective as a consumer member of the Board.

- Ms. Rezvani described the Board as largely advisory and that most licensing and enforcement work is completed by OFR staff.
- Her suggestions included expanding eligibility for consumer board seats and reviewing whether licensing and enforcement responsibilities should remain separate.

Shawn Kennedy, Industry Member, State Collection Agency Licensing Board

Mr. Kennedy provided his perspective as an industry member of the Board.

- Mr. Kennedy stated that the Board's role is often ceremonial because applications are fully reviewed by OFR staff before reaching them.
- He recommended reviewing whether the Board approval is necessary when it causes licensing delays and uncertainty for businesses.

Discussion and Q&A

Mr. Salazar facilitated discussion and Q&A between the Workgroup members and guest speakers.

Consumer Loan and Installment Loan Lender Licenses

Jedd Bellman, Partner, Orrick Herrington & Sutcliffe

Mr. Bellman provided his perspective on Maryland's consumer loan and installment loan licensing laws, as an industry attorney representing national clients and as a former OFR Assistant Commissioner and Assistant Attorney General.

- Mr. Bellman stated that Maryland has a technically sound system for non-mortgage consumer lending, but it is complex due to multiple licensing regimes, overlapping credit provisions, and regulatory conflicts. The duplicative nature of the consumer loan and installment loan licenses adds confusion. Some exemptions, such as those for out-of-state state-chartered banks, may be outdated.
- Mr. Bellman suggested harmonizing licensing rules and credit provisions, clarifying exemptions, and reviewing punitive elements to make compliance more straightforward without weakening consumer protections.

Discussion and Q&A

Mr. Salazar facilitated discussion and Q&A between the Workgroup members and Mr. Bellman.

Motor Vehicle Financing and Auto Dealers

Ben Carney (Workgroup Member), Gordon Wolf & Carney

Mr. Carney shared his proposal to recommend licensing auto dealers for indirect motor vehicle financing.

- Mr. Carney explained that auto dealers are often named as creditors in indirect financing transactions. Dealers increase interest rates before assigning loans to lenders and receive compensation from markups. These practices have raised discrimination concerns and led to lawsuits.
- Mr. Carney cited a 2018 report by the Maryland Financial Consumer Protection Commission that recommended licensing auto dealers due to these concerns. Legislation was proposed in the Maryland General Assembly in 2019 and 2020 that included provisions for licensing auto dealers involved in lending as credit services businesses. The Motor Vehicle Administration licenses auto dealers for vehicle sales, not financing.

- Mr. Carney suggested further Workgroup discussion on a potential recommendation requiring dealers engaged in transactions as a creditor to be licensed under the Financial Institutions Article, as an installment loan or consumer loan lender.

Discussion and Q&A

Mr. Salazar facilitated discussion and Q&A between Mr. Carney and the other Workgroup members.

Recommendations, Next Steps, and Adjournment

Tony Salazar (Chair), Commissioner of Financial Regulation

Kat Hyland, Deputy Commissioner, Financial Services Licensing & Supervision

Amy Hennen, Assistant Commissioner, Policy & Engagement

Mr. Salazar, assisted by Ms. Hyland and Ms. Hennen, discussed the Workgroup's December report, identified next steps and topics for future meetings, and responded to member questions.

- The Workgroup's first (interim) report is due to the General Assembly by December 31, however it must be submitted to Departmental leadership in advance of that date. The three proposed recommendations for inclusion in the report were formally presented to the Workgroup members on a slide. There were no objections to the recommendations. In summary, the recommendations are:
 1. Continuance of Workgroup meetings in the first half of 2026, with the goal of producing a supplemental report by the end of June.
 2. Maryland's continued use of the Nationwide Multistate Licensing System (NMLS) for licensing or registration of financial services; and
 3. Support for OFR's continued use of the State Examination System component of NMLS.
- Workgroup staff will prepare a draft report with the recommendations and distribute for member review. Members may submit non-substantive comments. No formal vote or discussion of substantive comments can be held outside of Workgroup meetings, due to Open Meetings Act requirements.
- Future Workgroup meetings will continue discussions on the licensing of collection agencies and structure of SCALB, consumer loan and installment loan lending licenses, and licensing auto dealer-creditors. Future meetings will also include discussions of licensing "zombie mortgage" entities and the Workgroup's process for developing report recommendations.

- Workgroup members are encouraged to email staff with their proposals or recommendations, speaker suggestions, and any supporting research or data requests for inclusion in future meetings.
- The meeting adjourned at 12:22 p.m.

Next Meeting and Contact Info

Date and Time

January 16, 2026; 10:00 a.m. – 12:00 p.m.; virtual (Google Meet)

Participation Options

Join by Video: <https://meet.google.com/mco-cjpg-daj>

Join by Phone: 1-262-885-7022 (PIN 550 367 512#)

More phone numbers: <https://tel.meet/mco-cjpg-daj?pin=1299343031366>

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