

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

<u>12.14.2020</u>	2:01 p.m.	Maryland Dept. of Labor
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Meeting called to order at 2:01 p.m. by	Antonio P. Salazar, Chairman (attended via video conference call)
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Administrator	Devki Dave (attended via video conference call)
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Attendees	Members: Steve Hannan, Susan Hayes, and Eric Friedman (each attended via video conference call) Staff: Jedd Bellman, Betty Yates, Dana Allen, and Kelly Mack (each attended via video conference call), Clifford Charland (attended via conference call)
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Acknowledgements	Mr. Salazar acknowledged that the meeting notice was published in the Maryland Register on December 04, 2020, on the Board's website on November 19, 2020, and the Agenda was posted on the Dept. of Labor/Board's website on December 08, 2020.
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Approval of Minutes

Mr. Salazar	
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Discussion	After reviewing the minutes of the November 16, 2020, meeting, on a Hayes/Hannan motion the Board unanimously approved the minutes.
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Recognition of Public Comments

Mr. Salazar	
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Discussion	No members of the public were present.
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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. Ms. Yates proceeded to recommend that the Board issue collection agency licenses to the following entities: Allied International Credit Corp, Foursight Capital LLC, Nations Client Resolution, LLC, and Gatestone & Company International Inc. (Branch).

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

Ms. Yates reported that there were five collection agency licensees that surrendered their license in the past 30 days: Anastasia Michaels, Attorney at Law, Gila LLC, GC Services Limited Partnership, Vervent Inc., and Genpact LLC. She stated that none were pandemic related.

Ms. Yates also informed the Board that there were change in control requests from the following ten entities: Allied International Credit Corp, American Community Management Inc., Investment Retrievers Inc., RockLoans Marketplace LLC, Maryland Rent Notices, LLC, MSW Capital, LLC, Stevens Business Service, Inc., Spring Oaks Capital, LLC, LoanCare, LLC, and Convergent Outsourcing, Inc.

Ms. Yates also presented a snapshot of the current renewal licensing reports from 2020 and 2021, and as per the reports, the number of renewal licenses were 1144 and 1145, respectively. Commissioner Salazar complimented Ms. Yates and staff for the new reports and for the pace of approvals. She explained that the staff's summer preparations coupled with the use of the auto-renew feature of the NMLS had significantly simplified the renewal process and boosted the rate of license issued this year.

2. Consumer Services Unit Report

Ms. Mack

Discussion

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 63. 19 complaints are currently open (which includes some carried over from FY20) and 75 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% Fiscal Year 2021.

3. 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> <p>Mr. Salazar and Ms. Allen advised the Board that the Enforcement Unit was monitoring Midland and compliance with the Agreement. Mr. Salazar also advised the Board that Assistant Attorney General Asike who had previously represented the Board had changed jobs and that the position was now vacant.</p>

4. NACARA Update

Mr. Bellman	
Discussion	<p>Mr. Bellman provided the Board with a brief NACARA update. Mr. Bellman explained that the NACARA Board had a meeting scheduled with the CFPB leadership to discuss a number of collection topics that were of mutual concern. He noted that the CFPB was expected to issue additional collection rules soon. Additionally, he informed the Board of recent decision holding that unlicensed collection activity constituted a violation of the Fair Debt Collection Act. Mr. Bellman also updated about NACARA membership and upcoming outreach events and concluded with thanking the Board and the State of Maryland for their support for NACARA.</p>

Adjournment

Prior to adjournment brief discussion ensued, as Ms. Hayes noted that loan delinquencies in late November were at 7.7% which level was the highest in eight (8) years.

Mr. Salazar reminded members that Maryland's legislative session will start in January 2021. He stated that once the session started, Assistant Commissioner McEvoy will provide updates to the Board members about new bills that may be of interest to the board members and relevant to the Board's mission.

Mr. Hannan stated that due to his current employment with the federal government, he could no longer continue his service on the Board and that as such; this would be his last board meeting. He expressed his appreciation at the opportunity to serve on the Board and for his fellow Board members. Ms. Hayes, Mr. Friedman, and Commissioner Salazar each expressed their gratitude for Mr. Hannan's contributions and service to the Board and wished him well in his future endeavors.

Mr. Salazar announced that the next meeting would held be on January 11, 2021.

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