



COLLECTION SERVICE BOARD
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243
615-741-3600

**Meeting Minutes for April 7, 2021
WebEx Teleconference
Davy Crockett Tower**

The Tennessee Collection Service Board met on April 7, 2021, via a WebEx Teleconference. The following business was transacted:

BOARD MEMBERS PRESENT: Josh Holden, Chip Hellmann, Tony Zikovich and Gregg Swersky

BOARD MEMBERS ABSENT: Jason Hill

STAFF MEMBERS PRESENT: Glenn Kopchak, Hugh Cross, Robert Hunter, and Angela Nelson

CALL TO ORDER/NOTICE OF MEETING

Director Kopchak called the meeting to order at 9:33 a.m. and read the notice of meeting into the record as follows: "Notice of the April 7, 2021 meeting of the Collection Service Board including date, time and location has been noticed on the website since January 13, 2021; additionally, this month's agenda has been posted on the website since March 31, 2021."

ROLL CALL/STATEMENT OF NECESSITY

Director Kopchak took roll and established that a quorum was present. Director Kopchak then read the Statement of Necessity into the record. Mr. Hellmann motioned to accept it as written. This was seconded by Mr. Swersky. The motion carried by unanimous roll call vote.

AGENDA

Mr. Hellmann motioned to adopt the agenda. This was seconded by Mr. Swersky. The motion carried by unanimous roll call vote.

JANUARY MINUTES

Upon review of the minutes from January's meeting, Mr. Hellmann motioned to accept them. This was seconded by Mr. Holden. The motion carried by unanimous roll call vote.

DIRECTOR'S REPORT

Budget Report

Director Kopchak provided a brief overview of the budget for the months of November 2020 through January 2021. He highlighted that revenues were up due to the renewal cycle that took place in December. Director Kopchak also explained that there would be upcoming changes to the budget due to the

discontinuation of solicitor cards and reallocation of administrative costs across the combined boards. Director Kopchak concluded that the budget is currently healthy and trending normally.

Election of Officers

Mr. Holden nominated Mr. Hellmann to serve as Chair. Mr. Hellmann nominated Mr. Swerksy to serve as Vice Chair and Mr. Holden to serve as Secretary. Mr. Holden motioned to accept these nominations. This was seconded by Mr. Swerksy. The motion carried by unanimous roll call vote.

NMLS Redline Rules

Director Kopchak informed the board that the implementation of NMLS would be achieved through the submission of a departmental bill to change the statute, which would then prompt a change in the rules to support the usage of NLMS. Mr. Hellmann asked what effect this path change would have on the timeline and Director Kopchak stated that it would most likely result in the change being effective next year at the earliest.

LEGAL

Legal Report (Presented by Hugh Cross)

NEW CASES

1. 2020089861

Respondent:

Unlicensed

Disciplinary History: None

Summary: This complaint involves an unlicensed, out-of-state respondent. This appears to be a debt dispute that would be outside board jurisdiction. However, based on the complaint there was also an attempt to collect by an unlicensed collection service.

Recommendation: Consent Order for \$250.00 and authorization for formal hearing for violation of T.C.A. 62-20-105(a) (unlicensed activity).

BOARD DECISION: CONCUR

2. 2020090891

Respondent:

License Status: - ACTIVE

First Licensed: 3/14/2006

License Expiration: 3/13/2021

Disciplinary History: 2018 Letter of Warning; 2018 Letter of Warning

Summary: This complaint alleges that the Respondent called to collect on a debt that was already paid. The Respondent stated that records indicate the Complainant's account has been paid in full and closed. Further, the Respondent has made a request to the consumer reporting agencies to have this account deleted from reporting.

Recommendation: Close.

BOARD DECISION: CONCUR

3. 2021002831

Respondent:

License Status: - ACTIVE

First Licensed: 9/1/2005

License Expiration: 12/31/2022

Disciplinary History: None

Summary: This complaint alleges that the Respondent attempted to collect on a fraudulent account that was opened in the Complainant's name. The complaint also alleges incorrect information was reported to the credit bureaus based on activity by this fraudulent account. The Respondent stated the account has since been terminated as fraudulent, and that all collection on the account has ceased. Further, the Respondent requested deletion of the account to the credit bureaus.

Recommendation: Close.

BOARD DECISION: CONCUR

4. 2021011381

Respondent:

License Status: - ACTIVE

First Licensed: 10/28/2019

License Expiration: 10/27/2021

Disciplinary History: None

Summary: This complaint was opened by a member of the Board's full-time staff. The staff member received a notice of cancellation from the Respondent's bond issuer which expired on October 7, 2020. The Respondent was contacted via email multiple times to provide information relating to the replacement bond as is required by statute (T.C.A. 62-20-110(a)). There has still been no response from the Respondent.

Recommendation: Letter of warning if proof of a renewed bond is provided within 30 days. Otherwise, Consent Order with a \$250.00 civil penalty, proof of bond, and authorization for formal hearing.

BOARD DECISION: CONCUR

5. 2021012571

Respondent:

License Status: - ACTIVE

First Licensed: 12/20/2019

License Expiration: 12/19/2021

Disciplinary History: None

Summary: This complaint alleges that the Respondent repeatedly called the Complainant and family members in effort to collect. The Respondent denied the allegation and stated that an initial validation letter was mailed to the consumer. The Respondent also stated that following the validation letter, telephone calls were placed to the Complainant with no answer. However, the only communication with

the Complainant was a phone call in which the Complainant stated they wanted no further communication. The Respondent placed the account into cease communication status and requested additional information from the initial creditor. The Respondent stated that the Complainant's account will remain in a cease communication status while the dispute is investigated, and information is collected from the initial creditor.

Recommendation: Close.

BOARD DECISION: CONCUR

6. 2021012031

Respondent:

License Status: - ACTIVE

First Licensed: 10/14/2019

License Expiration: 10/13/2021

Disciplinary History: None

Summary: This complaint alleges that the Respondent purchased accounts for collection, repeatedly mailed collection notices to the incorrect address, and refused to take payments from the Complainant according to the scheduled payment plan. The Respondent denied the allegations stating they mailed notice to the address the Complainant provided to the initial creditor. The Respondent also stated the Complainant contacted the Respondent to schedule a payment plan to make payments towards the balance owed. However, the Complainant's payment was returned for insufficient funds which required the payment plan to be suspended. The Complainant has since arranged for a revised payment plan. Overall, there does not appear to be a violation.

Recommendation: Close.

BOARD DECISION: CONCUR

7. 2021002761

Respondent:

License Status: - ACTIVE

First Licensed: 3/14/2006

License Expiration: 3/13/2023

Disciplinary History: 2006 Letter of Warning; 2018 Letter of Warning

Summary: The Complainant alleges that the Respondent continues collection activity on the Complainant's business account after being told to stop collecting on those accounts. The Respondent has not responded to the allegations. The prior letter of warnings sent were for unrelated violations.

Recommendation: Letter of Instruction for Respondent to discontinue collection activity based on the Complainant's request.

BOARD DECISION: CONCUR

8. 2021017991

Respondent:

License Status: - ACTIVE

First Licensed: 1/27/2005

License Expiration: 12/31/2022

Disciplinary History: 2008 Letter of Warning; 2013 Letter of Warning

Summary: This complaint alleges that the Respondent reported incorrect information to the credit bureaus. The Respondent stated the account has since been terminated as fraudulent, and that all collection on the account has ceased. Further, the Respondent requested deletion of the account to the credit bureaus.

Recommendation: Close.

BOARD DECISION: CONCUR

9. 2021011391

Respondent:

License Status: - ACTIVE

First Licensed: 3/3/2016

License Expiration: 3/2/2022

Disciplinary History: None

Summary: This complaint was opened by a member of the Board's full-time staff. The staff member received a notice of cancellation from the Respondent's bond issuer. The Respondent was contacted via email multiple times to provide information relating to the replacement bond as is required by statute (T.C.A. 62-20-110(a)). The Respondent has since notified the program and provided proof of a renewed bond.

Recommendation: Close.

BOARD DECISION: CONCUR

CASES TO BE REPRESENTED

10. 2020075871

Respondent:

License Status: - ACTIVE

First Licensed: 3/27/2007

License Expiration: 11/17/2021

Disciplinary History: None

Summary: This complaint was opened by a member of the Board's full-time staff. The staff member received a notice of cancellation from the Respondent's bond issuer which expired on March 28, 2020. The Respondent was contacted via email multiple times in order to provide information relating to the

replacement bond as is required by statute (T.C.A. 62-20-110(a)). There has still been no response from the Respondent.

Recommendation: Letter of warning if proof of a renewed bond is provided within 30 days. Otherwise, Consent Order with a \$250.00 civil penalty, proof of bond, and authorization for formal hearing.

NEW INFORMATION: Since this matter was presented, legal has determined that this business appears closed. This complaint involves a licensed, out-of-state Respondent. Counsel has not been able to contact the Respondent through correspondence or consent orders mailed to the last known address. The company website and relevant email addresses are all invalid or no longer exist. Respondent's license has also expired without being renewed. A CLEAR report was also conducted multiple times using various iterations of the Respondent's business name in effort to determine a valid business address for mailing any future correspondence. To date, the Respondent has not provided a response.

NEW RECOMMENDATION: Close.

NEW BOARD DECISION: CONCUR

ADJOURNMENT

There being no other new business, Mr. Holden made a motion to adjourn. This was seconded by Mr. Swersky. The motion carried by unanimous roll call vote. The meeting adjourned at 9:57 a.m.