



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

**Meeting Minutes for January 13, 2021
WebEx Teleconference
Davy Crockett Tower**

The Tennessee Collection Service Board met on January 13, 2021, via a WebEx Teleconference. The following business was transacted:

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

BOARD MEMBERS ABSENT: None

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 9:31 a.m. and read the notice of meeting into the record as follows: "Notice of the January 13, 2021 meeting of the Collection Service Board including date, time and location has been noticed on the website since May 13, 2020; additionally, this month's agenda has been posted on the website since December 23, 2020."

ROLL CALL/STATEMENT OF NECESSITY

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

NOVEMBER MINUTES

Upon review of the minutes from November'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

Prior to presenting the Director's Report, Director Kopchak took a moment to introduce Mr. Tony Zikovich, the newest member of the Board.

Budget Report

Director Kopchak provided a brief breakdown and description of the items included in the budget for the benefit of the new Board members. Director Kopchak also pointed out that in July of 2020 some legal costbacks were incorrectly allocated to the Board. This error was corrected in September of 2020, and that is why those costs appear lower than usual. Director Kopchak concluded that the budget is currently healthy and trending normally.

Meeting Reschedule

Director Kopchak informed the Board of a scheduling conflict with the next meeting taking place on April 14th. Director Kopchak asked the Board if they could reschedule the meeting to April 7th or April 21st. The Board discussed the dates and Mr. Holden motioned to move the meeting to April 7th. This was seconded by Mr. Hellmann. The motion carried by unanimous roll call vote.

Election of Officers

Director Kopchak reminded the Board that they would need to hold an election of officers at the next meeting.

Renewal Applications with Bankruptcy

Director Kopchak stated that per T.C.A. § 62-20-107, all licensees seeking license renewal must be financially responsible and have not filed a petition under federal bankruptcy laws or state insolvency laws within the past seven (7) years. Director Kopchak explained that if an agency, or their parent company, has filed Chapter 11 bankruptcy and there is no solution or restructure plan, the Board administrative office is of the opinion that license denial at that time is adequate until the situation has been resolved. Director Kopchak then asked the Board if they agreed with this conclusion for future applications and the Board concurred.

LEGAL

Director Kopchak let the Board know that the Nationwide Multistate Licensing System (NMLS) redline rules will be presented at the next meeting in April.

Legal Report (Presented by Hugh Cross)

NEW CASES

1. 2020075831

Respondent:

License Status: - ACTIVE

First Licensed: 4/1/2008

License Expiration: 3/31/2021

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 January 23, 2018. 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.

BOARD DECISION: CONCUR

2. 2020075851

Respondent:

License Status: - ACTIVE

First Licensed: 3/5/2013

License Expiration: 3/4/2021

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 December 31, 2019. 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.

BOARD DECISION: CONCUR

3. 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.

BOARD DECISION: CONCUR

4. 2020077121

Respondent:

License Status: - ACTIVE

First Licensed: 2/22/2016

License Expiration: 2/21/2022

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 in order 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

5. 2020077911

Respondent:

License Status: - ACTIVE

First Licensed: 10/5/2012

License Expiration: 10/4/2022

Disciplinary History: None

Summary: This consumer 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 based on activity from this fraudulent account was reported to the credit bureaus. The Respondent stated the account has since been terminated as fraudulent, and that all collection on the account has ceased, the balance of the account has been zeroed out, and the account will not be sold or transferred. Further, the Respondent requested deletion of the account to the credit bureaus.

Recommendation: Close.

BOARD DECISION: CONCUR

6. 2020087451

Respondent:

License Status: - ACTIVE

First Licensed: 11/13/2017

License Expiration: 11/12/2021

Disciplinary History: None

Summary: This consumer complaint alleges that the Respondent failed to provide validation of debt and repeatedly called the Complainant and family members in effort to collect. The complaint also alleges the Respondent refused to provide personal information concerning the Complainant to a third party. The Respondent denies the allegations. The Respondent provided documentation showing that correspondence was sent to the Complainant stating that the Respondent was a collection agency, and the Complainant could dispute the validity of the debt. Further, the Respondent cannot provide personal information to third parties unless a special relationship exists to allow disclosure, such as an attorney-client relationship. Overall, there does not appear to be a violation based on the information presented in the complaint and response.

Recommendation: Close.

BOARD DECISION: CONCUR

7. 2020084671

Respondent:

License Status: - ACTIVE

First Licensed: 10/4/2019

License Expiration: 10/3/2021

Disciplinary History: None

Summary: This consumer complaint alleges that the Respondent continues to erroneously mail collection letters to the Complainant's address. The letters appear to be addressed to an individual whom no longer resides at the Complainant's address. There does not appear to be a violation, however.

Recommendation: Close.

BOARD DECISION: CONCUR

8. 2020085391

Respondent:

Unlicensed

Disciplinary History: None

Summary: This consumer complaint involves an unlicensed, out-of-state Respondent. Counsel has not been able to contact the Respondent through correspondence based on the scarce information provided in the complaint. Research suggests this is an individual or an entity attempting to scam unsuspecting individuals posing as a collection agency. A CLEAR report was conducted. However, the CLEAR report was returned without a sufficient address or additional contact information for the Respondent. To date, there has been no response by the Respondent. Legal has received no additional information from the Complainant as would be necessary to go forward with litigation.

Recommendation: Close and flag.

BOARD DECISION: CONCUR

9. 2020091711

Respondent:

License Status: - ACTIVE

First Licensed: 1/14/1993

License Expiration: 12/31/2022

Disciplinary History: 2003 Letter of Warning

Summary: This consumer complaint alleges that the Respondent attempted to collect on an account for cable and internet for which the balance was already paid and incorrectly reported to the credit bureaus.

The complaint also alleges that the Respondent did not attempt to contact the Complainant. The Respondent stated that there were two accounts which were being collected on. The Complainant paid the first account. The Complainant did not pay the second account for which lack of payment there was reported to the credit bureaus. The Respondent provided documentation showing that the Complainant was contacted regarding both accounts via telephone and written correspondence on multiple occasions.

Recommendation: Close.

BOARD DECISION: CONCUR

10. 2020088671

Respondent:

License Status: - ACTIVE

First Licensed: 3/17/2014

License Expiration: 3/16/2022

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 which expired on August 1, 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)). The Respondent has since notified the program and provided proof of a renewed bond.

Recommendation: Close.

BOARD DECISION: CONCUR

Prior to adjournment, the Board discussed the parameters for permissible collection charges and notice within TCA 62-20-102, TCA 62-20-124, Rule 0320-05-.06, and Rule 0320-05-.07. The Board requested further research regarding the utilization of convenience fees.

ADJOURNMENT

There being no other new business, Mr. Hellmann made a motion to adjourn. This was seconded by Mr. Holden. The motion carried by unanimous roll call vote. The meeting adjourned at 10:25 a.m.