



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

**Meeting Minutes for April 12, 2023  
Davy Crockett Tower  
Conference Room 1-B**

The Tennessee Collection Service Board met on April 12, 2023, in the first-floor conference room of the Davy Crockett Tower in Nashville, Tennessee. The following business was transacted:

**BOARD MEMBERS PRESENT:** Chip Hellmann, Tony Zikovich, Gregg Swersky, and Laurie Hadwyn.

**BOARD MEMBERS ABSENT:** Jason Hill

**STAFF MEMBERS PRESENT:** Roxana Gumucio, Hugh Cross, and Robert Hunter

**CALL TO ORDER/ROLL CALL**

Director Gumucio called the meeting to order at 9:30 a.m. and took roll, establishing that a physical quorum was present.

**NOTICE OF MEETING**

Director Gumucio read the notice of the meeting as follows: "Notice of the April 12, 2023, meeting of the Collection Service Board including date, time, and location has been noticed on the website since August 3, 2022; additionally, this month's agenda has been posted on the website since April 5th, 2023."

**AGENDA**

Mr. Hellman motioned to adopt the agenda as amended. This was seconded by Mr. Swersky. The motion passed unanimously.

**ROBERT'S RULES OF ORDER**

Mr. Swersky motioned to agree and adhere to Robert's Rules of Order to conduct meetings. This was seconded by Mr. Hellman. The motion passed unanimously.

**OCTOBER MINUTES**

Upon review of the minutes from October's meeting, Mr. Zikovich motioned to accept them. This was seconded by Mr. Swersky. The motion passed unanimously.

## DIRECTOR'S REPORT

### ***Budget Report***

Director Gumucio provided the budget closing numbers for FY showing a surplus of \$928,288. The net deficit from July through January is \$1,199 leaving the balance at \$927,090.

### ***Election of Officers***

The Board decided the officers to remain the same as the previous year.

Motion by Mr. Swersky seconded by Mr. Zikovich for Mr. Hellman to remain as Chair. Motion by Mr. Hellman and a second by Ms. Hadwyn for Mr. Swersky to remain as Vice Chair, Motion by Mr. Hellman and a second by Ms. Hadwyn for Mr. Zikovich to remain as Secretary.

## LEGAL

### ***Legal Report (Presented by Hugh Cross)***

1. **2022041451**

**Respondent:**

**License Status: Expired Grace**

**First Licensed: 03/18/2019**

**License Expiration: 03/17/2023**

**Disciplinary History: None**

**Summary:** This complaint was opened by a member of the Board's full-time staff alleging Respondent's bond expired. Staff contacted Respondent multiple times to provide information relating to the replacement bond as is required by statute (T.C.A. 62-20-110(a)). Respondent has since renewed their bond.

**Recommendation:** Close.

**BOARD DECISION:** The Board accepted the counsel's recommendations

2. **2023000361**

**Respondent:**

**License Status: Active**

**First Licensed: 10/28/2019**

**License Expiration: 10/27/2023**

**Disciplinary History: None**

**Summary:** This complaint was opened by a member of the Board's full-time staff alleging Respondent's bond expired. Staff contacted Respondent multiple times to provide information relating to the replacement bond as is required by statute (T.C.A. 62-20-110(a)). Respondent has since renewed their bond.

**Recommendation:** Close.

**BOARD DECISION:** The Board accepted the counsel's recommendations

3. **2022042311**

**Respondent:**

**License Status: Active**

**First Licensed: 11/23/2021**

**License Expiration: 11/22/2023**

**Disciplinary History: None**

**Summary:** This consumer complaint alleges not providing validation of debt. Complainant also sent a letter with additional requests such as proof that the Statute of Limitations has expired. Collection efforts are not prohibited on time-barred accounts, although the statute of limitations would prohibit the filing of a lawsuit. Further, Respondent provided documentation of account summaries which provide verification of debt including the amount owed and name of the creditor to whom the debt is owed. Respondent also provided copies of account statements dating back years prior showing the debt owed. Respondent also provided documentation of the underlying cardholder agreement. There does not appear to be a violation.

**Recommendation:** Close.

**BOARD DECISION:** The Board accepted the counsel's recommendations

4. 2022050451

**Respondent:**

**License Status:** Active

**First Licensed:** 10/4/2019

**License Expiration:** 10/3/2023

**Disciplinary History:** None

**Summary:** This consumer complaint alleges unlicensed activity. Respondent is licensed.

**Recommendation:** Close.

**BOARD DECISION:** The Board accepted the counsel's recommendations

5. 2022051071

**Respondent:**

**License Status:** Unlicensed

**Disciplinary History:** None.

**Summary:** This consumer complaint alleges Respondent left a threatening voicemail. The individual on this voicemail made multiple threats including a threat to track Respondent's cell phone and to contact Respondent's employer. The information provided in the complaint tends to show the telephone calls and resulting voicemail were likely from a scam debt collection service. Research suggests that other individuals nationwide have also reported scam telephone calls from the number provided in the complaint.

**Recommendation:** Close.

**BOARD DECISION:** The Board accepted the counsel's recommendations

6. 2023000081

**Respondent:**

**License Status:** Active

**First Licensed:** 10/22/2003

**License Expiration:** 12/31/2024

**Disciplinary History:** None

**Summary:** This consumer complaint alleges Respondent violated the Fair Debt Collection Practices Act (FDCPA). Complainant states the Respondent did not provide debt verification, as required under the FDCPA—such verification is also required under Tennessee law. Respondent provided documentation showing debt verification was provided. Further, Complainant disputes the debt owed stating the attempt to collect is for an unpaid utility bill for services obtained fraudulently. However, no documentation was provided to substantiate the account was opened fraudulently. Respondent provided documentation showing the debt is owed. Respondent also states they sent Complainant a Federal Trade Commission (FTC) approved fraud package with instructions regarding how to dispute debts due to fraud and identification theft. However, Respondent states Complainant has not returned the fraud package for processing. There does not appear to be a violation.

**Recommendation:** Close.

**BOARD DECISION:** The Board accepted the counsel's recommendations

7. **2023010431**

**Respondent:**

**License Status: Active**

**First Licensed: 10/20/2021**

**License Expiration: 10/19/2023**

**Disciplinary History: None**

**Summary:** This complaint alleges that Respondent attempted to collect on a fraudulent account opened in Complainant's name. No documentation was provided to substantiate the account was opened fraudulently which may include a police report or fraud package completed by the debtor. The proof submitted is debtor's statement that they were not the one who made the charges on the underlying account. While this statement functions as a dispute to the underlying debt, it does not substantiate a fraud claim to the extent that Respondent's actions rise to the level of a violation. This complaint also alleges harassment. The harassment alleged is that multiple collection agencies have attempted to collect on the underlying debt. While the debt collector must cease collection of the debt once the debt is disputed, collection may resume once the debt collector sends the debtor the name and address of the creditor. Respondent provided documentation showing the name/address of the creditor, as well as documentation showing the debt is owed with the debtor's name/address. The allegations do not appear to rise to the level of harassment. However, Respondent states they have since closed the file and returned it to their client. Further, it also appears a passive debt collector hired Respondent to collect which may have contributed to Complainant's concern that multiple agencies have made attempts to collect. Contact information for both the collection agency and passive debt collector appear on the correspondence sent to Complainant which may have contributed to the confusion. However, using a passive debt collector is not a violation. Passive debt collectors may engage in collection activity through use of a licensed collection service. *See* T.C.A. 62-20-103(a)(9) (Passive debt collectors are exempt from licensure). *See* Rules of Tennessee Collection Service Board § 0320-05-.04(1). Complainant also disputes the debt owed to the creditor. This board lacks jurisdiction over debt disputes. There does not appear to be a violation.

**Recommendation:** Close.

**BOARD DECISION: The Board accepted the counsel's recommendations**

8. **2023010351**

**Respondent:**

**License Status: Active**

**First Licensed: 05/13/2021**

**License Expiration: 05/12/2023**

**Disciplinary History: None**

**Summary:** This consumer complaint includes various legal and ethical demands for settlement of a disputed debt. The board cannot assist Complainant with legal action to obtain settlement. There appears to be a billing dispute at issue. This complaint alleges Respondent continues to collect on an account that is no longer due and owing. Complainant's position is that the account was settled in prior agreement with the creditor. Complainant was dissatisfied with services provided by the creditor, a telecommunications/cellular service provider. Complainant closed their account. The creditor mailed Complainant a final bill with the amount due and owing. Complainant made a single payment, then made no further payments on the account. The payment made was for less than the amount owed. The creditor deposited the payment so Complainant's position is that cashing the check payment should be considered a final settlement offer where no further payments are required. However, the creditor stated the account remained due and owing since the payment deposited was for less than the amount due on the final bill. The account eventually went to collections. Complainant now presents the payment to Respondent as proof of final settlement with the creditor. No documentation was presented to show there is an actual settlement offer between the parties, only the check payment which was for less than the amount owed. The board should not decide whether this payment constitutes final payment. The issue appears to be with the creditor, not with Respondent as a collection service. The board cannot assist Complainant with further action in seeking settlement. There does not appear to be a violation.

**Recommendation:** Close.

**BOARD DECISION:** The Board accepted the counsel's recommendations

**9. 2023009371**

**Respondent:**

**License Status:** Active

**First Licensed:** 11/14/2019

**License Expiration:** 11/13/2023

**Disciplinary History:** None

**Summary:** This complaint alleges that Respondent attempted to collect on a fraudulent account opened in Complainant's name. No documentation was provided to substantiate the account was opened fraudulently which may include a police report or fraud package completed by the debtor. The complaint also alleges Respondent uses deceptive practices to collect on the debt. However, Complainant does not specify what deceptive practices Respondent uses. Respondent provided documentation showing the name/address of the creditor, as well as documentation showing the debt is owed with the debtor's name/address. Respondent also states they discussed the debt with Complainant. However, Complainant did not dispute the debt during those conversations, only stated failure to pay due to financial hardship. Complainant also alleges Respondent furnished incorrect information to credit reporting agencies. Respondent stated they cannot disassociate the account from Complainant based on the information available. Complainant also disputes the debt owed to the creditor. This board lacks jurisdiction over debt disputes. There does not appear to be a violation.

**Recommendation:** Close.

**BOARD DECISION:** The Board accepted the counsel's recommendations

Motion by Mr. Swersky and a second by Ms. Hadwyn to accept Counsels recommendations. The motion passed unanimously.

**NEW BUSINESS/ADJOURNMENT**

Director Gumucio shared the success of the NACARA conference held in Nashville on October 12 through the 14, 2022. Board members Chip Hellman and Greg Swersky explained the industry concerns and topics covered during the conference.

There being no new business, Ms. Hadwyn made a motion to adjourn. This was seconded by Mr. Zikovich. The motion passed unanimously. The meeting adjourned at 9:55 a.m.