

**Collection Agency**

**Special Board**

**Meeting**

**Tab 1**

**Call to Order**

October 8, 2020

9:15 AM



STATE OF WASHINGTON  
**DEPARTMENT OF LICENSING**

PO Box 9012

Olympia, Washington 98507-9027

**WASHINGTON STATE  
COLLECTION AGENCY BOARD  
SPECIAL BOARD MEETING AGENDA**

**DATE:** Special Board Meeting- Thursday, October 8, 2020

**TIME:** 9:15 a.m.

**LOCATION:** Zoom

**LINK:** <https://dol-wa.zoom.us/j/93820685544?pwd=RWIVTjZFQnRheFhXMFBhN2ljOE4ydz09>

**PHONE:** (253) 215-8782

**MEETING ID:** 938 2068 5544

**PASSCODE:** 685575

**ATTENTION:** Board meetings are open to the public except when business calls for an Executive Session. During Executive Session all guests will be excused. Start times are subject to change by the Board Chair.

**1. Call to Order**

- 1.1. Introductions
- 1.2. Order Of Agenda
- 1.3. Approval Of Minutes: September 17, 2020

**2. New Business**

- 2.1. Emergency Rule Extension – WAC 308-29-010(2), 308-29-085 - 120 day extension

**3. Adjourn Meeting**



STATE OF WASHINGTON

**DEPARTMENT OF LICENSING**

**COLLECTION AGENCY BOARD  
MEETING MINUTES  
REGULAR BOARD MEETING**

**DATE:** September 17, 2020

**TIME:** 10:00 a.m.

**LOCATION:** Teleconference

**MEMBERS PRESENT:** Fred Wade, Chair  
Scott Kinkley, Member  
Mari Neubauer, Member  
Mark Case, Member  
Dirk Bunker, Member

**STAFF PRESENT:** Rick Storvick, Administrator  
Kimberly Hall, Administrative Assistant  
Grace Hamilton, Investigator  
Julie Konnersman, Management Analysis  
Elizabeth Lagerberg, Advising AAG  
Geoffrey Allen, Prosecuting AAG

**GUESTS PRESENT:** None

**OPEN SESSION**

**1. Call to Order 10:06 a.m.**

1.1 Introductions

Kim Hall conducted a roll call and all Board members and listed staff were present.

1.2 Order Of Agenda

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MOTION: Mr. Bunker made a MOTION to accept the agenda as presented. Mr. Case seconded the MOTION and it passed.

1.3 Approval of Draft Minutes: September 24, 2019, March 20, 2020 & June 18, 2020.

MOTION: Mr. Kinkley made a MOTION to accept the minutes as presented. Mr. Bunker seconded the motion and it passed.

1.4 Review Communication  
None

## **2. New Business**

### **2.1 Welcome New Board member**

Mr. Storvick welcomed Mr. Wade the new Board Chair. Mr. Wade joined DOL in 2014 as the Director of Performance and Accountability. He leads the agency's functions of Data Management, Internal Audit, Research and Analysis, and Strategic Planning and Performance Management. He has served in the military and has previous experience working with boards in non-profit healthcare.

### **2.2 NACARA Annual Meeting Update**

Ms. Hamilton discussed the virtual NACARA Annual meeting. It will be virtual due to the pandemic. Any board member is welcome to attend. An agenda for the virtual meeting will be sent out soon. NACARA anticipates scheduling the 2021 annual meeting in Nashville on a date to be determined.

### **2.3 2021 Meeting Schedule**

Ms. Hall scheduled the upcoming year's meetings with the Board. April 15, 2020 and September 16, 2020 both starting at 10 a.m.

### **2.4 Permanent Rule Making**

Mr. Storvick updated the Board on the status of the permanent rule making. The committee is being formed with Board members and subject matter experts. The meetings will be open to the public to listen in on while the committee works on the rule language. Details regarding the rule making meetings will be posted to the program website prior to meetings. Once the committee completes drafting language it will be presented to the board at a special meeting prior to filing the CR102 which will establish details for a public hearing regarding the draft language.

## **3. Old Business**

### **4.1 Review Action Item List**

Ms. Hall discussed the action item list.

#### **4. Complaint Cases for Review**

##### 4.1 Administrative Closures Report

Ms. Hamilton discussed the closed cases. Due to the April meeting being cancelled because of Covid-19, the case breakdown of administratively closed cases was: 10 - no jurisdiction, 33 - no violation, 3 - reviewed by case managers and 10 - withdrawn/error for a total of 56 for the year. By next meeting a case closure report should be available for review.

#### **5. Legal Issues for Deliberation**

##### 5.1 Orders to Be Presented

###### 5.1.1 Case No. 2018-01-0904-00COL

###### Agreed Order- Accelerated Collection Service

Mr. Allen presented an agreed order for Case No. 2018-01-0904-00COL dealing with unprofessional conduct under RCW 18.235.130(8) and violations of RCW 19.16.250(11), for actions associated with sending a letter that a negative credit report may be submitted to a credit reporting agency if the Complainant failed to cooperate with the letter, and continued to pursue the collection activity after the Complainant provided documentation disputing the collection claim. Such unprofessional conduct is grounds for sanctions pursuant to RCW 18.235.110.

- Based on the preceding Procedural Agreements, Agreed Findings of Fact and Conclusions of Law, Respondents and the Program agree to entry of the following order:
- The collection agency license of the Accelerated Collection Service is hereby reprimanded.
- The Respondent is assessed a fine of \$2000 to be submitted to the Department within four (4) months.

Mr. Kinkley made a MOTION to accept the agreed order. Mr. Case seconded the MOTION and it passed.

#### **6. Disciplinary & Investigation Items**

None.

#### **7. Assistant Attorney General's report**

None.

#### **8. Board Administrator's Report**

None.

##### 8.1 Program Operations

Mr. Storvick reported staff have been working from home since the middle of March. Staff will continue to work from home until the middle of next year.

8.2 Licensing and application update

Mr. Storvick provided an update with the fee change. The fee change was set by the department. Any comments were submitted to Policy and Legislative Office of DOL.

8.3 Department of Licensing

Mr. Storvick updated on the new system, Polaris. The system is now completely rolled out. It has not impacted Collection licensing since that is done through DOR. The system does help with complaints, those are now able to be submitted online.

8.4 Other Items

None.

**9. Other Business**

9.1 Action Items from this meeting

- Review Governor Proclamation on garnished wages.
- Schedule Special board meeting

9.2 Agenda Items for Next Meeting

- Permanent rule making

**10. Public Comment Opportunity**

None.

**11. Adjournment: 10:48 a.m.**

Approved by:

\_\_\_\_\_  
Rick Storvick, Program Administrator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Fred Wade, Chair

\_\_\_\_\_  
Date

# **Board Meeting**

## **Tab 2**

### **New Business**

Topics for action or discussion by the board that were identified at or since the last board meeting.

Washington State Collection Agencies Board  
Regular Board Meeting  
October 8, 2020  
Teleconference

**Emergency Rule Extension – WAC 308-29-010(2), 308-29-085**

**Background:** The board adopted an emergency rule at the June 18, 2020 board meeting regarding Branch Offices and Remote Work Duties and Security Requirements.

On June 22, 2020 the emergency rule was filed under WSR 20-14-020 allowing the option for collection agency workers to work from home. The deadline for the emergency rule is October 20, 2020. Permanent rulemaking efforts have been started and an extension of the emergency rule is required to extend the deadline another 120 days, to February 17, 2021 to ensure adequate time to develop and codify this temporary rule into a permanent WAC. This includes language development, hearing(s) date and comment period as outlined in the Chapter 34.05 RCW Administrative Procedure Act.

**Recommendation:** Direct staff to file a CR-103E to extend the current emergency rule regarding Branch Offices and Remote Work Duties and Security Requirements through February 17, 2021, while the board continues work on a permanent rule to replace the emergency rule.

Submitted by Board Staff  
October 5, 2020



# RULE-MAKING ORDER EMERGENCY RULE ONLY

## CR-103E (December 2017) (Implements RCW 34.05.350 and 34.05.360)

**Agency:** Department of Licensing

**Effective date of rule:**

**Emergency Rules**

- Immediately upon filing.  
 Later (specify) \_\_\_\_\_

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

- Yes  No If Yes, explain:

**Purpose:** The Department of Licensing is re-filing this emergency rule allowing employees of collection agencies the option to work remotely, and does not alter any requirements of the Collection Agency Act in regards to collection activity while permanent rulemaking is currently being done. The Department of Licensing will file the CR-102 to propose the permanent adoption of these rules after final language has been drafted. Anticipated date is November 16, 2020. Once the CR102 is filed, the comment period will begin. The Department originally filed notice of permanent rulemaking within the emergency rulemaking order under WSR 20-14-020.

**Citation of rules affected by this order:**

New: 308-29-085  
Repealed:  
Amended: 308-29-010  
Suspended:

**Statutory authority for adoption:** RCW 19.16.351

**Other authority:**

**EMERGENCY RULE**

Under RCW 34.05.350 the agency for good cause finds:

- That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.  
 That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

**Reasons for this finding:** As per the Governor's proclamations to keep Washington residents safe and healthy during the Covid-19 Pandemic and consistent with other business and professions in this State that are able to perform work from home this emergency rule is proposed with the intent to offer licensees the ability to take precautions deemed necessary to avoid the risk of exposure and support the return of commerce in all business sectors.

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

Federal statute:	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
Federal rules or standards:	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
Recently enacted state statutes:	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>

**The number of sections adopted at the request of a nongovernmental entity:**

New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
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**The number of sections adopted on the agency's own initiative:**

New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
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**The number of sections adopted using:**

Negotiated rule making:	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
Pilot rule making:	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
Other alternative rule making:	New	<u>1</u>	Amended	<u>1</u>	Repealed	<u>0</u>

<b>Date Adopted:</b>	<b>Signature:</b>  Place signature here
<b>Name:</b>	
<b>Title:</b>	

# **Board Meeting**

## **Tab 3**

### **Adjournment**