

**Collection Agency**

**Board Special**

**Meeting**

**Tab 1**

**Call to Order**

October 13, 2021

2:00 PM



STATE OF WASHINGTON  
**DEPARTMENT OF LICENSING**  
**WASHINGTON STATE**  
**COLLECTION AGENCY BOARD**  
**SPECIAL BOARD MEETING AGENDA**

**DATE:** Special Board Meeting- Wednesday, October 13, 2021

**TIME:** 2:00 p.m.

**LOCATION:** Zoom Video Conference

**LINK:** <https://dol-wa.zoom.us/j/84814118254?pwd=NDhNaINicmtJWmloNUItQlYzUWhmZz09>

**PARTICIPANT PIN CODE:** 823464

**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 16, 2021.

**2. Legal Issues for Deliberation\***

- 2.1. Orders to Be Presented
  - 2.1.1. 2016-11-0901-00COL

**3. Adjourn Meeting**



**STATE OF WASHINGTON  
DEPARTMENT OF LICENSING  
COLLECTION AGENCY BOARD  
MEETING MINUTES  
SPECIAL BOARD MEETING**

**DATE:** September 16, 2021

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

**LOCATION:** Zoom

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

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

**GUESTS PRESENT:** Virtual meeting

**OPEN SESSION**

**1. Call to Order 10:01 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

Reviewed agenda.

1.3. Approval of Minutes: April 15, 2021

MOTION: Ms. Neubauer made a MOTION to approve the minutes as presented. Mr. Bunker seconded the MOTION and it passed.

- 1.4. Review Communications  
None.

## **2. New Business**

### **2.1. 2022 Meeting Schedule/Teams**

Mr. Storvick advised the board that it was time to set the board meeting schedule for next year. The board will meet at 10:00 AM on April 14, 2022, and September 15, 2022.

### **2.2. Board Charter**

Mr. Storvick reported that since last meeting the committee has not been able to make much progress on the charter. Another board is working on a charter as well and have decided to use hyperlinks to shorten the document. It is something that all the boards may adopt for their charters.

### **2.3. 2021 NACARA Annual Meeting**

Ms. Hamilton discussed the virtual 2021 NACARA Annual meeting. All board members would be able to attend since its virtual. As of now Ms. Hamilton and board members Mr. Case and Mr. Kinkley are attending.

## **3. Old Business**

### **3.1. Remote Work Rule Implementation Update**

Mr. Storvick provided an update on the remote work rule. Additional questions were created for the requestors. No waivers have been given. No complaints associated with the remote work rule have been filed.

### **3.2. WAC Review and Update project**

Mr. Storvick updated the board on the remote work WAC that went into effect on February 14, 2021. One of the provisions of the new rule is an annual review of the WAC. The board decided to begin the first review in the spring of 2022 to allow the rule to be in effect for a full year. The board formed a committee to start the review, Mr. Kinkley and Mr. Case will be the committee to work with staff on the review.

### **3.3. Review Master Action Items List**

Ms. Hall discussed the action item list.

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

### **4.1. Administrative Closures Report**

Ms. Hamilton provided the report of closed cases.

**5. Legal Issues for Deliberation**

None

**6. Disciplinary & Investigation Items**

6.1. Closed Session Deliberation report

None

6.2. Disciplinary Cases Report

Mr. Storvick provided a verbal report of the disciplinary report.

**7. Assistant Attorney General's Report**

Ms. Lagerberg advised that she did not have anything to report but did mention a disciplinary hearing will occur this year and it is very important the entire board attend.

**8. Board Administrator's Report**

8.1. Program Operations

Mr. Storvick reported the Department of Licensing Business and Professions Division is reorganizing by functional work groups, but the Board should continue to have access to staff who are the subject matter experts with the Collection Agency Board program. He also provided licensee count and complaint status reports for the board to review.

8.2. Department of Licensing

Mr. Storvick informed the board that staff continues to work from home. The tentative end date will be in 2022, but the return is in the planning stages. For now, the board meetings will continue to be virtual. We have a new Assistant Administrator with the realignment, Deb Allen-Ba.

8.3. Other items

None.

**9. Other Business**

9.1. Action Items from this Meeting

- Schedule 2022 Board meetings
- Email Board delegations
- Schedule Committee review meetings

9.2. Agenda items for Next Meeting

- Committee Review
- Review Delegation
- NACARA Annual Meeting report out

**10. Public Comment**

None.

**11. Adjournment 10:40 a.m.**

Approved by:

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

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Date

DRAFT

# **Board Meeting**

## **Tab 2**

# **Legal Issues for Deliberation**

Negotiated settlement orders or default orders  
presented by the board's prosecution team.

Board action is required on each order.

**STATE OF WASHINGTON  
DEPARTMENT OF LICENSING  
BUSINESS AND PROFESSIONS DIVISION  
WASHINGTON STATE COLLECTION AGENCY BOARD**

In the Matter of the License to Practice as  
a Collection Agency of:

**Yakima County Credit Service**

Respondent.

Unified Business License: 600 283 721 001 0001

No. 2016-11-0901-00COL

**AGREED ORDER**

The Collection Agency Board (the "Board") of the Business and Professions Division of the Department of Licensing (the "Department") has initiated administrative proceedings against Respondent Yakima County Credit Services ("Respondent") under chapter 18.235, RCW, chapter 19.16, RCW and chapters 308-29 and 308-08 of the Washington Administrative Code.

Pursuant to RCW 18.235.110(4), Respondent, in the interests of compliance and resolution of the matter, consents to the issuance of this Agreed Order under the Consent terms provided below, where Respondent acknowledges that the evidence may be sufficient to justify one or more of the Board's charges.

**I. CONSENT**

Respondent agrees to the issuance of this Agreed Order, without admitting or denying any of the Board's findings of fact or conclusions of law, except Respondent admits the facts necessary to establish the Board's jurisdiction over Respondent and the subject matter of this action.

**II. THE BOARD'S FINDINGS AND CONCLUSIONS**

**A. The Board's findings of fact.**

1. Respondent is a licensed collection agency registered with the Board as a Collection Agency under certificate No. 600 283 721 001 0001.



2. Respondent previously used an Installment Payment Agreement that contained a statement that a “late payment penalty or delinquency charge of 5% (but not less than \$1.00) of the amount of the payment in arrears ten days or more, or \$5.00, whichever is less” would be collected from the debtor.

3. In some instances Respondent obtained unauthorized fees by contracting with a debtor to assess “late payment penalty or delinquency charge of 5% (but not less than \$1.00) of the amount of the payment in arrears ten days or more, or \$5.00, whichever is less” after the fee allowed by RCW 19.16.500 has already been assessed.

4. The Installment Payment Agreement also contains language suggesting that it is a financing agreement; however, the document is not a financing agreement, and the Installment Payment Agreement therefore contains statements that are false and misleading.

**B. The Board’s conclusions of law.**

1. Respondent’s prior use of the Installment Payment Agreement constituted unprofessional conduct according to RCW 18.235.130(4), because it was negligent for Respondent to use an Installment Payment Agreement that contained language that suggested it was a financing agreement when it was not, and contained a provision for a late fee when such was not permitted.

2. Respondent’s prior use of the Installment Payment Agreement with the language permitting late fees constituted unprofessional conduct according to RCW 18.235.130(8), because such sums are not authorized under RCW 19.16.500(b).

3. Respondent’s prior use of the Installment Payment Agreement constituted unprofessional conduct according to RCW 18.235.130(11), because the Installment Payment Agreement used by Respondent made misrepresentations, where it contained language that suggested it was a financing agreement when it was not, and contained a provision for a late fee when such was not permitted.

4. Such unprofessional conduct is grounds for sanctions pursuant to RCW 18.235.110(1).

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### III. AGREEMENT AND ORDER

Based upon the foregoing:

**A. Jurisdiction.** It is AGREED that the Board has jurisdiction over the subject matter of the activities discussed herein.

**B. Waiver of Hearing.** It is AGREED that Respondent hereby waives its right to a hearing and all administrative and judicial review of the issues raised in this matter or the resolution reached herein.

**C. Fine.** It is AGREED that Respondent shall pay to the Department a fine of \$15,000,

**D. Method of Payment.** It is AGREED that the Fine shall be paid in three payments of \$5,000. Any check shall be made out to "Department of Licensing," and shall be sent to:

Department of Licensing  
Julie Konnersman, Management Analyst  
PO Box 3907  
Seattle, WA 98124-3907

The first payment is due on or before November 1, 2021. The remaining two payments of \$5,000 each are due on or before December 1, 2021, and January 1, 2022.

**E. Authority to Execute Order.** It is AGREED that the undersigned has represented and warranted that they have the full power and right to execute this Agreed Order on behalf of the parties represented.

**F. Suspension and Stay.** Respondent's license to practice as a collection agency is hereby suspended for six months, but this suspension is immediately stayed. Respondent shall be in a period of probation for two years during which it must comply with the following requirements of probation. Only future conduct (i.e., that occurring after this agreement is fully executed) shall be considered in determining whether Respondent has complied with the requirements of probation.

**G. Requirements of Probation.** In order to comply with this Agreed Order, and not violate probation, Respondent must comply with the following during the two years following entry of this Agreed Order:

1. Respondent shall be responsible for any and all costs of complying with this Agreed Order.
2. Respondent shall not use an Installment Payment Agreement that misrepresents that it is a financing agreement, and shall not charge unauthorized late fees.
3. Respondent shall internally conduct a reasonable compliance review of current forms to identify issues with such forms, if any, and correct them, if necessary.
4. Respondent shall comply with the requirements of WAC 308-29-025 in regard to all investigations by the Department.
5. During the two-year probationary period, a representative of the Respondent shall attend a minimum of twelve (12) hours of continuing legal education ("CLE") courses with subjects relating to collection agencies, the Collection Agency Act, the Fair Debt Collection Practices Act, or other such subjects as relate to Respondent's business as a collection agency. Respondent shall notify the Board upon completion of this term of probation. Respondent shall not be penalized for not meeting this required hours if such courses are not available; however, probation may be extended past the two year provided until the required number of CLE hours have been met.

**H. Non-Compliance with Payment Provisions of the Order.** It is AGREED that Respondent understand that failure to abide by the terms and conditions of this Agreed Order may result in further legal action by the Department. In the event of such legal action, Respondents may be responsible to reimburse the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees. It is further AGREED that in the event that Respondents fail to comply with the terms set forth in Paragraphs C and D of this Agreed Order, which provide for payment of a fine, the Department may immediately refer this Agreed Order to

its contacted collection agency without further notice to Respondent. Respondent acknowledges that in pursuing amounts owed hereunder, the collection agency may require payment of additional costs related to collection efforts.

**I. Non-Compliance Regarding Other Terms.** If Respondent is found to have violated the terms of probation, then the Board may lift the probation and immediately impose upon Respondent the six-month suspension, pursuant to RCW 18.235.110(1)(b). Upon violation of probation, the Board may also enter a formal censure or reprimand of Respondent, pursuant to RCW 18.235.110(1)(f).

**J. Compliance and Completion.** If Respondent does not violate the terms of probation within two years of entry of this Agreed Order, then two years from the entry of this Agreed Order, probation shall be completed, the six-month suspension shall be rescinded, and this matter will be fully completed and concluded without further action by any party.


**K.** Respondent waives any objection to the participation of any of the members of the Board (other than Scott Kinkley, who is the reviewing board member and case manager in this proceeding) in a formal hearing in this matter if the Board rejects this Agreed Order

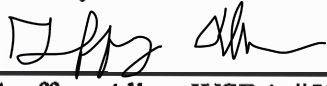
**L. Non-Retaliation.** The proceedings in this matter have been hotly contested. It is agreed that the Department and Board shall permit Respondent to complete the terms of this Consent Order without retaliation, and shall treat it as any other licensee would be treated.


**M. Acceptance and Service.** This Agreed Order may be submitted to the Board for approval and entry without further notice. If the Board accepts this Agreed Order, the Program will mail a signed copy to Respondent and the Department's attorney. This Agreed Order takes effect immediately upon Respondent being served by the Board. RCW 18.235.080.

**N. Voluntarily Entered.** It is AGREED that Respondent have voluntarily entered into this Agreed Order, which is effective when signed by the Board's designee.

O. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read this Agreed Order in its entirety and fully understand and agree to all of the same.

  
\_\_\_\_\_  
Yakima County Credit Service  
Date 10-5-21

Robert W. Ferguson  
Attorney General  
  
\_\_\_\_\_  
Geoffrey Allen, WSBA #53913  
Assistant Attorney General  
Date 10/5/21

  
\_\_\_\_\_  
Rick Storvick  
Program Administrator  
Date 10/05/2021

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**V. ORDER**


The Washington State Collection Agency Board accepts and enters this Agreed Findings of Fact, Conclusions of Law and Agreed Order. Nothing in this Agreed Order may be construed as a limitation on the enforcement authority of the Department or Washington State Collection Agency Board with respect to Respondent's duties and obligations under the laws governing collection agencies.

DATED this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

STATE OF WASHINGTON  
WASHINGTON STATE COLLECTION AGENCY BOARD

\_\_\_\_\_  
Presiding Officer

Presented by:



\_\_\_\_\_  
Geoffrey Allen, WSBA #53913  
Assistant Attorney General

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For information visit [dol.wa.gov/access](http://dol.wa.gov/access). (TDD/TTY call 711)

# **Board Meeting**

## **Tab 3**

### **Adjournment**