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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE  
OF THE STATE OF IDAHO**

STATE OF IDAHO, DEPARTMENT OF  
FINANCE, CONSUMER FINANCE BUREAU,

Complainant,

vs.

EMPIRE COLLECTION AUTHORITIES, INC.,

Respondent.

Docket No. 2012-9-07

**CONSENT ORDER**

The Director of the State of Idaho, Department of Finance (Director) has conducted a review of the Idaho collection activities of EMPIRE COLLECTION AUTHORITIES, INC. (Respondent). Pursuant to said review, it appears to the Director that Respondent has violated provisions of the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act). The Director and Respondent have agreed to resolve this matter through this Consent Order rather than through a formal administrative or civil action. Therefore, the Director deems it appropriate and in the public interest that this Consent Order be entered. Respondent consents to the entry of this Consent Order.

### FACTS

(1) Respondent was formed as a Washington corporation on February 3, 2009, and filed a Certificate of Authority with the Idaho Secretary of State on December 16, 2010. Respondent conducts a third party collection agency business from 110 West Market Street, Suite 101, Aberdeen, Washington. It has branches located at 42072 Fifth Street, Suite 200D, Temecula, California, and at 1798 Montreal Circle, Atlanta, Georgia.

(2) Respondent has never held an Idaho collection agency license.

(3) On November 17, 2011, Clearwater Health Care LLC filed a complaint with the Idaho Attorney General's Office contending that Respondent was attempting to collect a debt on behalf of a third party. Clearwater disputes that it owes this debt. The Idaho Attorney General's Office forwarded the complaint to the State of Idaho, Department of Finance, Consumer Finance Bureau (Bureau).

(4) Bureau staff reviewed the complaint and determined that Respondent was unlicensed. On December 2, 2011, Bureau staff sent a request for information requiring that Respondent provide a listing of all Idaho debtors from which Respondent has collected debts. On December 7, 2011, a representative of Respondent contacted Bureau staff and indicated that Respondent would provide the requested information and that it intended to apply for a license to conduct collection activities in Idaho.

(5) On January 9, 2012, the Bureau received an application for a collection agency license from Respondent. Respondent's application included information regarding its collection activities in Idaho, which showed that Respondent conducted unlicensed collection activities on at least 517 delinquent accounts belonging to Idaho residents.

### CONCLUSIONS OF LAW AND VIOLATIONS

(6) The allegations set forth in paragraphs 1 through 5 above are fully incorporated herein by this reference.

(7) Idaho Code § 26-2223 provides as follows, in pertinent part:

**26-2223. Collection agency, debt counselor, credit counselor, or credit repair organization—License required.--** . No person shall with complying with the terms of this act and obtaining a license from the director:

(1) Operate as a collection agency, debt counselor, credit counselor, or credit repair organization in this state.

(2) Engage, either directly or indirectly, in this state in the business of collecting or receiving payment for others of any account, bill, claim or other indebtedness.

(8) Respondent's act of attempting to operate as a collection agency without a license, as referenced above, constitutes a violation of Idaho Code § 26-2223(1), as set forth in paragraph 7 above.

(9) Respondent's act of engaging in this state of collecting payments for others without a license, as referenced above, constitutes a violation of Idaho Code § 26-2223(2), as set forth in paragraph 7 above.

### REMEDIES

(10) Respondent admits to the allegations contained in this Consent Order.

(11) Respondent admits to violations of Idaho Code § 26-2223(1) and (2) by failing to obtain to a license from the Director, as referenced above.

(12) Respondent agrees to pay to the Department the sum of two thousand five hundred dollars (\$3,000) as an administrative penalty in settlement of the violations contained herein, and an additional amount of five hundred dollars (\$500) constituting investigative expenses and attorney fees incurred by the Department in pursuing this matter, for a total

payment to the Department of three thousand dollars (\$3,500), by no later than September 7, 2012.

(13) Respondent agrees to comply with all provisions of the Idaho Collection Agency Act, rules promulgated thereunder, and relevant federal law and regulations at all times in the future.

(14) When Respondent has executed this Consent Order and timely paid to the Department the three thousand dollar (\$3,500) payment referenced in paragraph 12 above, the Department agrees to accept and consider the license application already submitted by Respondent. Further, the Department agrees that it will not consider this Consent Order as the basis for denial of Respondent's license application.

(15) The Department agrees not to seek further penalties or fees from Respondent for the violations addressed in this Consent Order, other than as set forth in paragraph 12 above, if Respondent timely and fully complies with all provisions of this Consent Order.

(16) Respondent acknowledges and understands that this Consent Order is an administrative action that must be disclosed to the Department on future licensing and renewal forms. The disclosure requirements of other states may also require disclosure of the same.

(17) Respondent acknowledges and understands that should the Department learn of additional violations by Respondent of the Act, rules promulgated under the Act, or applicable federal laws and regulations relating to Respondent's collection activities in Idaho, the Department may pursue further legal action and seek additional remedies.

DATED this 2 day of September, 2012.

EMPIRE COLLECTION AUTHORITIES, INC.

By: Alonzo B. Cole

Title: President/CEO

DATED this 2 day of September, 2012.

STATE OF IDAHO  
DEPARTMENT OF FINANCE

Michael Larsen / 10-2-2012  
MICHAEL LARSEN  
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 2<sup>nd</sup> day of October, 2012.

STATE OF IDAHO  
DEPARTMENT OF FINANCE



Michael Larsen / for  
GAVIN-M. GEE, Director

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 2 day of OCTOBER, 2012, I caused a true and correct copy of the foregoing fully-executed CONSENT ORDER to be served on the following by the designated means:

Empire Collection Authorities, Inc.  
Attn: Alonzo Cole, CEO  
PO Box 1196  
Aberdeen, WA 98520

- U.S. mail, postage prepaid
- certified mail
- facsimile: (360) 532-3003
- email:

  
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Paralegal