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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.

GREENBERG, GRANT & RICHARDS, INC.,

Respondent.

Docket No. 2015-9-03

CONSENT ORDER

The Director of the State of Idaho, Department of Finance (Director) has conducted a review of the collection activities in Idaho of GREENBERG, GRANT & RICHARDS, INC. (the Respondent). Pursuant to such 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 proceeding or civil action. Therefore, the Director deems it

appropriate and in the public interest that this Consent Order be entered. The Respondent voluntarily consents to the entry of this Consent Order.

RESPONDENT

1. The Respondent is a Texas corporation that conducts a third party collection agency business in Idaho from its office located at 5858 Westheimer Road, #500, Houston, Texas 77057.

2. The Respondent previously held Idaho Collection Agency License No. CCA-8509 from June 2, 2012 until March 15, 2014, at which time the license was automatically terminated for failure to renew.

FACTS

3. Idaho Code § 26-2231(1) and -(2) provide that a collection agency licensee must file with the Director a license renewal form providing complete information as required by the Director, and pay a fee of \$100 on or before March 15 of each year in order for a license to be renewed. Failure to do so results in the automatic expiration of the license as of March 15 of the applicable year.

4. The Respondent failed to meet the requirements of the Act for renewing its Idaho collection agency license by March 15, 2014.

5. On January 7, 2015, the Respondent sent a collection letter to an Idaho business, HD, on behalf of a creditor, demanding full payment of \$1,508 within seven days from the date of the letter. In addition to the letter, HD indicated that the Respondent contacted the business by telephone on several occasions about the debt.

6. On January 20, 2015, HD filed a complaint with the State of Idaho, Department of Finance, Consumer Finance Bureau (Department), about the Respondent's collection activity

against the business. After it was determined that the Respondent was not licensed under the Act, the Department sent a letter to the Respondent on February 3, 2015, requesting information about its collection activities against HD and also requested a list of all Idaho citizens the Respondent had collected against from April 3, 2014 through the date of the request. The Department requested that the information be provided by February 24, 2015.

7. On March 3, 2015, the Respondent contacted a Department staff member and acknowledged its late response to the Department's February 3, 2015 letter regarding HD's complaint, but informed the staff member that it was sending the requested documents.

8. On March 5, 2015, the Department received an email response from the Respondent. The Respondent provided information relating to HD's complaint and included a listing of its nine Idaho client accounts for whom it was collecting between January 1, 2014 and December 31, 2014.

9. The response further indicated that the Respondent had filed an application for licensure with the Idaho Department of Finance on March 18, 2014, but because its employee in charge of the licensing process left the company, the Department's rejection letter¹ dated April 3, 2014, was not detected until later in the year.

10. The Respondent submitted a new licensure application and applicable fees to the Department on November 24, 2014. On March 17, 2015, a Department examiner emailed to the Respondent a Deficient Idaho Collection Agency Act Application Notice. The Respondent provided the deficient items via email on March 20, 2015, and the licensure application is currently pending.

¹ Because the Respondent's renewal application and fees were neither postmarked nor received by the Department until after March 15, 2014, the Department issued a Notice of Expiration of Idaho Collection Agency License to the Respondent on April 3, 2014. The notice further explained that a new application would need to be submitted with the applicable fees and supporting documents, and until properly licensed under the Act, the Respondent was prohibited from engaging in any collection activities in Idaho.

11. From the information provided to the Department by the Respondent, the Department concludes that while it failed to hold a license under the Act, the Respondent engaged in the business of collecting on accounts for at least nine Idaho businesses and engaged in debt collection activity against at least one Idaho consumer/company. The Department further concludes that during the period that it was unlicensed, the Respondent's collection efforts resulted in obtaining at least \$3,000 for its Idaho clients.

FINDINGS

ENGAGING IN UNLICENSED COLLECTION ACTIVITIES IN IDAHO

12. The allegations set forth in paragraphs 1 through 11 above are fully incorporated herein by this reference.

13. Idaho Code § 26-2223 provides as follows, in pertinent part:

26-2223. Collection agency, debt counselor, or credit counselor permits. – No person shall without 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.

14. "Collection agency" means a person who engages in any of the activities enumerated in Idaho Code § 26-2223 (1) and (2), which are set forth in the previous paragraph.

15. Respondent's acts of engaging in collection activities in Idaho without a license, as referenced above, constitute violations of Idaho Code § 26-2223(1) and (2), as set forth in paragraphs 14 and 15 above. Each act of collecting constitutes a separate violation.

REMEDIES

16. The Respondent admits to violations of Idaho Code § 26-2223(1) and (2), by engaging in collection activity in Idaho while not licensed under the Act, as referenced above.

17. The Respondent agrees to immediately cease and desist from engaging in any and all collection activities in Idaho, to include collecting or receiving payment for others of any account, bill, claim or other indebtedness; making telephone calls related to collection activities, including automated calls; and mailing, faxing, e-mailing, or otherwise delivering communications to Idaho residents in connection with collection activities until such time as it obtains a license under the Act authorizing it to do so.

18. The Respondent agrees to pay to the Department the sum of \$1,000 as an administrative penalty in settlement of the violations contained herein, and an additional amount of \$500 constituting investigative expenses and attorney fees incurred by the Department in pursuing this matter, for a total payment to the Department of \$1,500, by no later than May 21, 2015.

19. The 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.

20. 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 18 above, if the Respondent timely and fully complies with all provisions of this Consent Order.

21. 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.

22. 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 6TH day of MAY, 2015.

GREENBERG, GRANT & RICHARDS, INC.



By: [Signature]
Title: CEO/CFO

DATED this 7th day of May, 2015.

STATE OF IDAHO
DEPARTMENT OF FINANCE

[Signature]
MICHAEL LARSEN
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 27th day of MAY, 2015.



STATE OF IDAHO
DEPARTMENT OF FINANCE

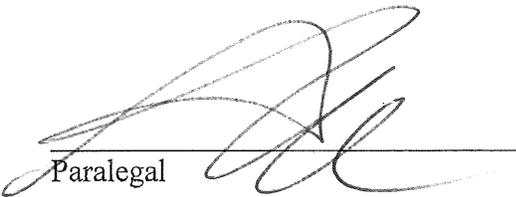
[Signature]
GAVIN M. GEE
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 7th day of May, 2015,
I served a true and correct copy of the foregoing CONSENT ORDER upon ~~the~~ following by the
designated means:

Greenberg, Grant & Richards, Inc.
5858 Westheimer, #500
Houston, TX 77057

U.S. mail, postage prepaid
 Certified mail
 Facsimile: 713-789-0137
 Email: jfahrlender@ggrinc.com



Paralegal