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

In Re:

AR & ASSOCIATES, LLC dba ADVANCED
CREDIT SOLUTIONS

Applicant

Docket No. 2019-9-09

CONSENT ORDER

The Director of the State of Idaho, Department of Finance (Director) has conducted a review of the Idaho collection activities of AR & ASSOCIATES, LLC dba ADVANCED CREDIT SOLUTIONS (the Applicant). Pursuant to said review, it appears to the Director that the Applicant has violated provisions of the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act). The Director and the Applicant 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.

The Applicant voluntarily consents to the entry of this Consent Order.

THE APPLICANT & FINDINGS OF FACT

1. The Applicant was converted from an Idaho corporation to an Idaho limited liability company on September 22, 2008, and has operated under the assumed business name Advanced Credit Solutions. The Applicant has conducted business as a credit repair agency from 1003 7th Street South, Nampa, Idaho 83651. Lucio Granados is the owner and managing member of the Applicant.

2. The Applicant held a collection agency license for credit repair activity under the Act from December 21, 2007, to March 15, 2019. Prior to March 15, 2019, the Applicant had successfully renewed its license annually prior to the statutory March 15th license renewal deadline.

3. On April 23, 2019, the Department received a request for renewal of the collection agency license from the Applicant. On that same date, the Department notified the Applicant via email that its license had terminated for failure to renew pursuant to Idaho Code § 26-2231 and that a new application would be required.

4. The Applicant subsequently submitted a new application for an Idaho collection agency license on April 25, 2019. The Department provided a notification of additional items required to complete the application including a pipeline report representing the Applicant's credit repair activity for 2019. A pipeline report with supplemental information was received by the Department on May 21, 2019.

5. The pipeline report shows fees collected from March 16, 2019, through April 25, 2019, while the Applicant was unlicensed on nineteen (19) separate accounts with fees totaling seven thousand fifty-eight dollars and 99/100s (\$7,058.99).

6. The Applicant has paid the requisite licensing fee of one hundred dollars (\$100), and the application is complete.

ALLEGED VIOLATIONS

ENGAGING IN UNLICENSED COLLECTION AGENCY ACTIVITY IN IDAHO

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

8. Idaho Code § 26-2231 provides as follows:

26-2231. Renewal of license. – (1) On or before the fifteenth day of March of each year, each licensee shall pay to the director a nonrefundable license renewal fee of one hundred dollars (\$100) and shall file with the director a license renewal form providing complete information as required by the director.

(2) Failure to fully comply with the license renewal requirements of this section by the fifteenth day of March of each year shall result in automatic expiration of the license as of that date.

9. 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.

* * *

(8) Engage or offer to engage in this state in the business of selling, providing or performing services to improve any consumer's credit record, credit history or credit rating, or providing advice or assistance to

any consumer with regard to his credit record, credit history or credit rating.

10. As relevant here, the term “credit repair organization” means a person who engages in any of the activities enumerated in subsection(8) of Idaho Code § 26-2223, which are set forth in the previous paragraph. Idaho Code § 26-2222(5).

11. The Applicant’s acts of engaging in credit repair activity in Idaho without a collection agency license, as referenced above, constitute violations of Idaho Code § 26-2223(1) and (8). The director is authorized to deny an application for license based on a violation of the Act and is authorized to impose a civil penalty of not more than five thousand dollars (\$5,000) for each violation of the Act pursuant to Idaho Code § 26-2227.

REMEDIES

12. The Applicant admits to the allegations set forth above in this Consent Order.

13. The Applicant represents that it has and continues to agree to cease and desist from engaging in any and all collection activities in Idaho, to include providing credit repair services or otherwise conduct activity described in the Act until such time as it obtains a license under the Act authorizing it to do so.

14. The Applicant agrees to pay restitution to each of the consumers of the total fees collected during the period it was unlicensed totaling seven thousand fifty-eight dollars and 99/100s (\$7,058.99). The total restitution payments will be made by the Applicant directly to the consumers as follows:

- a. at least four thousand dollars of the total will be paid no later than July 26, 2019;

- b. the remaining three thousand fifty-eight dollars and 99/100s (\$3,058.99) will be paid to the affected consumers in approximately proportionate payments no later than the last Friday of the succeeding months;
- c. if the Applicant, presuming and once it becomes licensed again, maintains a future relationship with affected consumers who are owed restitution, it would be permissible for the Applicant to satisfy its restitution payment obligation to such consumer by offering a credit toward any fees that may become due in the future within the timeframes set forth above;
- d. the Applicant shall provide evidence to the Department of the completion of all such restitution payments no later than November 15, 2019, in the form of cancelled checks or an affidavit describing with specificity how each of the restitution payments were made.

15. The Applicant agrees to pay to the Department the sum of five hundred dollars (\$500) as an administrative penalty in settlement of the violations contained herein by no later than July 26, 2019.

16. Once the Applicant has executed this Consent Order and timely paid to the Department the five hundred dollars (\$500) referenced above, the Department agrees to accept and consider the license application of the Applicant, and further agrees that it will not use this Consent Order as the basis for denial of the Applicant's license application.

17. The Applicant 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.

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

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

DATED this 27 day of June, 2019.

AR & ASSOCIATES, LLC dba ADVANCED CREDIT SOLUTIONS

By: 

Owner
Title

DATED this 28th day of June, 2019.

STATE OF IDAHO
DEPARTMENT OF FINANCE

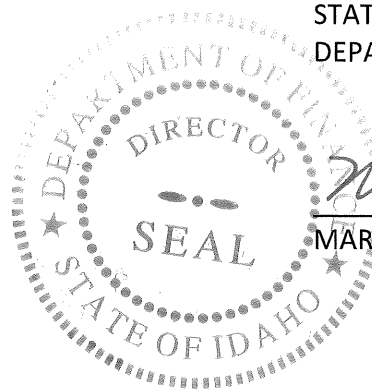


ANTHONY POLIDORI
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 28th day of June, 2019.

STATE OF IDAHO
DEPARTMENT OF FINANCE





MARY E. HUGHES, Acting Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 28th day of June, 2019, I caused a true and correct copy of the foregoing fully-executed CONSENT ORDER to be served on the following by the designated means:

AR & Associates, LLC
dba Advanced Credit Solutions
1003 7th Street South
Nampa, ID 83651

- U.S. mail, postage prepaid
- Certified mail
- Facsimile: _____
- Email: Idahoacs@gmail.com



Paralegal

