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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. )  
 )  
THOMAS G. LANDIS, dba LAW )  
OFFICE OF THOMAS LANDIS, )  
 )  
Respondent. )

Docket No. 2010-9-02

CONSENT ORDER

The State of Idaho, Department of Finance, Consumer Finance Bureau (Department) has conducted a review of the Idaho collection activities of Thomas G. Landis, dba Law Office of Thomas Landis (the Respondent). Pursuant to said review, it appears to the Department that the Respondent has violated provisions of the Idaho Collection Agency Act, Idaho Code § 26-2221 *et seq.* (the Act) and other applicable law. The Department and the Respondent have agreed to resolve this matter through this Consent Order rather than through a formal administrative or civil action. 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 law firm doing business as a collection agency. Such business includes the Respondent collecting or receiving payment for others of any account, bill, claim or other indebtedness. The Respondent conducts its collection agency business from Four Greenwood Square, 3325 Street Road, Suite 220, Bensalem, Pennsylvania 19020. On June 23, 2008, the name "Law Office of Thomas Landis" was registered as a fictitious name with the Pennsylvania Department of State Corporation Bureau. Such registration represents that the business purpose to be carried on under or through such fictitious name is "law office and debt collection."

### FACTS

2. Mr. Landis is licensed to practice law in the state of Pennsylvania. He does not hold a license to practice law in the state of Idaho. The Respondent has never been issued a collection agency license under the Act. Mr. Landis's Pennsylvania law license was suspended for a period of time during 1997 and later reinstated.

3. On August 31, 2009, the Department received a complaint from M.G., a resident of Middleton, Idaho. M.G. reported that the Respondent had repeatedly contacted her and her mother-in-law over the time period between August 12, 2009 through at least August 31, 2009, in an attempt to collect on a debt allegedly owed by M.G.'s husband.

4. After being contacted by the Respondent for collection purposes, M.G. requested that the Respondent provide her written information concerning the debt being collected on. The Respondent failed to provide M.G. with such information.

5. In connection with its collection efforts against M.G., the Respondent requested that M.G. provide the Respondent with information by which the Respondent could access funds

from M.G.'s bank account, upon the representation that such information was strictly for the purpose of "showing good faith," and not to access funds without M.G.'s permission. After receiving such information, the Respondent threatened to access funds from M.G.'s bank account. M.G. had to close her bank account to avoid such result.

6. After receiving M.G.'s complaint and noting that the Department had never issued to the Respondent a collection agency license under the Act, the Department began an investigation of the Respondent's collection activities in Idaho. The Department's investigation included communicating with the Respondent regarding the matters being investigated.

7. On September 21, 2009, the Department received a letter from Mr. Landis representing that the Respondent began its collection agency business in March of 2008. Mr. Landis also represented in that letter that the Respondent was "licensed to collect debt in all states except [Idaho]." The Department has learned through its investigation that the Respondent's representation that it is licensed to collect debt in all states except Idaho is false.

8. In response to a request by the Department for such information, on October 23, 2009, the Department received from the Respondent documents showing that the Respondent had engaged in approximately 3,047 instances of collecting against Idaho residents during the time period between March of 2008 and September 30, 2009, while it failed to hold a license under the Act.

9. Through its investigation, the Department learned that the Respondent is or has been named as a defendant in several lawsuits alleging violations of the Fair Debt Collection Practices Act (FDCPA). At least two of such lawsuits are currently pending.

10. On November 9, 2009, the Department received documents from the Respondent in application for a collection agency license under the Act. Such documents included FORM

CA1 (License Application Form), FORM CA2 (Biographical Statement Form), and FORM CA4 (Individual Agent Information Form).

11. The Respondent falsely answered Questions 9(F)(1) and 9(F)(2) of the License Application Form, by responding "No" to questions inquiring whether the Respondent was named in any pending lawsuit that could result in a finding that the Respondent had violated the FDCPA, or other collection-related laws.

12. The Respondent falsely answered Question 8(I) on the Biographical Statement Form, in responding "No" to the question inquiring whether Mr. Landis had ever had an attorney license revoked or suspended.

#### FINDINGS OF VIOLATION

##### *COUNT ONE: UNLICENSED COLLECTION AGENCY ACTIVITY*

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

14. From 2002 until it was amended in 2008, Idaho Code § 26-2223 provided 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 permit from the director:

(1) Operate as a collection agency, collection bureau, collection office, debt counselor, or credit counselor 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.

...

15. Beginning on July 1, 2008, Idaho Code § 26-2223 provided as follows, in pertinent part:

**26-2223. Collection agency, debt counselor, credit counselor, or credit repair organization – License required.** – 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.

16. The Respondent's 3,042 acts of engaging in debt collection activity in Idaho while it failed to maintain a license under the Act, as referenced in paragraph 8 above, constitute violations of Idaho Code § 26-2223(1) and -(2), in both its pre- and post-July 1, 2008 forms as set forth in paragraphs 14 and 15 above. Each act of unlicensed collection in Idaho constitutes a separate violation.

*COUNTS TWO AND THREE: VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT*

17. Idaho Code § 26-2223A(2) provides that the Director may enforce the provisions of the FDCPA against collection agencies licensed or required to be licensed under the Act.

18. 15 U.S.C. 1692f of the FDCPA provides that a debt collector may not use unfair or unconscionable means to collect or attempt to collect any debt.

19. The Respondent's misrepresentation to Idaho resident M.G. that it required her bank account information as a "showing of good faith" as referenced in paragraph 5 above, when in reality the Respondent intended to use such information to withdraw funds from M.G.'s bank account, constitutes an unfair or unconscionable act in violation of 15 U.S.C. 1692f of the FDCPA.

20. 15 U.S.C. 1692g(a)(1) and -(2) provide that within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector

shall send the consumer a written notice containing the amount of the debt and the name of the creditor to whom the debt is owed.

21. The Respondent's failure to provide M.G. with information concerning the debt it was collecting on against her, as referenced in paragraph 4 above, constitutes a violation of 15 U.S.C. 1692g(a)(1) and -(2).

*COUNTS FOUR THROUGH SIX: MATERIAL MISSTATEMENTS IN THE  
APPLICATION FOR A LICENSE UNDER THE ACT*

22. Idaho Code § 26-2227(1)(f) provides that an application for a license under the Act may be denied due to a material misstatement in the application for such license.

23. The Respondent's false responses on the License Application Form and the Biographical Statement Form, as referenced in paragraphs 11 and 12 above, constitute material misstatements in a license application within the meaning of Idaho Code § 26-2227(1)(f). Each constitutes a separate material misstatement.

24. Mr. Landis's false representation to the Department that the Respondent is licensed in all states except Idaho also constitutes a material misstatement relating to the Respondent's license application, within the meaning of Idaho Code § 26-2227(1)(f).

**REMEDIES**

25. The Respondent admits to the allegations contained in this Consent Order, with the exception of the allegations set forth in Counts Two and Three above, as to which the Respondent neither admits nor denies engaging in any violation of law. The Respondent asserts that it has addressed the concerns of Idaho resident M.G. as referenced in paragraphs 3 through 5 above.

26. The Respondent agrees to pay to the Department the sum of fifteen thousand dollars (\$15,000) as an administrative penalty in settlement of the violations contained herein,

and an additional amount of one thousand dollars (\$1,000) constituting investigative expenses and attorney fees incurred by the Department in pursuing this matter, for a total amount payable to the Department of sixteen thousand dollars (\$16,000). The Respondent agrees to pay such sum in monthly payments of \$3,200 due by no later than the 30th day of each month, with the first payment to begin on April 30, 2010. Such \$3,200 payments shall continue each and every month until the sum of \$16,000 is paid in full. Should the Respondent timely fail to pay any monthly payment due pursuant to this Consent Order, the Department reserves the right to reopen this matter and pursue whatever sanctions it deems appropriate under the circumstances.

27. When the Respondent has executed this Consent Order, the Department agrees to consider the licensing application submitted by the Respondent, and that it will not consider this Consent Order the basis for denial of the Respondent's licensing application.

28. The Respondent agrees to abide by all provisions of the Idaho Collection Agency Act and rules promulgated thereunder at all times in the future.

29. The Respondent agrees that the findings of fact and violations contained herein may be used in any subsequent proceeding resulting from any breach of the terms of this Consent Order or future violations of the Act, rules promulgated thereunder, or relevant federal laws and rules by the Respondent.

30. The Department agrees not to seek further penalties or fees for the violations identified in this Consent Order other than as set forth above, as long as the Respondent fully complies with the terms of this Consent Order.

31. The 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.

DATED this 30<sup>th</sup> day of MARCH, 2010.

THOMAS G. LANDIS, dba LAW OFFICE OF  
THOMAS LANDIS

By: Thomas G. Landis  
ATTORNEY  
Title

DATED this 6<sup>th</sup> day of APRIL, 2010.

STATE OF IDAHO  
DEPARTMENT OF FINANCE

Michael Larsen  
MICHAEL LARSEN  
Consumer Finance Bureau Chief

IT IS SO ORDERED.

DATED this 6<sup>th</sup> day of APRIL, 2010.

STATE OF IDAHO  
DEPARTMENT OF FINANCE

Gavin M. Gee  
GAVIN M. GEE, Director





CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 7<sup>th</sup> day of April, 2010,  
I caused a true and correct copy of the foregoing fully-executed CONSENT ORDER to be  
served on the following by the designated means:

Thomas G. Landis, dba  
Law Office of Thomas Landis  
Four Greenwood Square  
3325 Street Road, Ste. 220  
Bensalem, PA 19020

- U.S. mail, postage prepaid
- certified mail
- facsimile \_\_\_\_\_

*R. J. Jemman*  
Paralegal