



State Board of Collection Agencies Department of Labor and Licensing

Asa Hutchinson
Governor

Daryl E Bassett
Secretary

BEFORE THE ARKANSAS STATE BOARD OF COLLECTION AGENCIES

IN THE MATTER OF:

Hillcrest Davidson and Associates
715 North Glenville Drive, #450
Richardson, Texas

CASE# 2021-001

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

A hearing on the above-referenced matter was held before the Arkansas State Board of Collection Agencies (“Board”) on Wednesday, August 18, 2021 at 10:00AM in the Fourth Floor Board Room at the Arkansas Department of Labor and Licensing, 900 West Capitol Avenue, Little Rock, Arkansas. Due to the ongoing covid-19 pandemic, the hearing was also held remotely via Microsoft Teams. Chairman Orville “Rusty” Guinn and Board member Edward Vance attended in person. Board members Warner Smith and Tyler Steele participated remotely. Executive Director Boyd Maher and Licensing Manager Rhonda Hetland attended in person. Assistant Attorney General Lacie Kirchner attended in person and represented the Board. Assistant Attorney General Jason Johnson attended in person and presided as Hearing Officer.

Hillcrest Davidson and Associates (“Respondent”) was not represented and did not appear virtually nor in person. The record shows that the Respondent’s Vice President, Sean Atwood, was properly notified of the hearing by regular and certified mail on July 14, 2021. The certified mail receipt was returned to the Board showing it was received on July 20, 2021. The regular mail was not returned. Agency records show Mr. Atwood received additional courtesy notifications by telephone and email on July 13, 2021.

The Board, based on the evidence presented, voted unanimously (4-0) to make the following Findings of Fact, Conclusions of Law, and Order:

FINDINGS OF FACT:

1. Beginning in October 2020, Ken Williams, an employee of the Respondent, repeatedly contacted Daniel Ingram to collect a debt owed by Ingram’s client.
 - a. Beginning no later than July 20, 2020, Williams had also contacted the debtor directly.
 - b. These collection efforts continued through June 30, 2021.
2. During the period in which Williams was attempting to collect a debt as an agent of the Respondent, neither Williams nor Respondent were licensed by the State Board of Collection Agencies to practice debt collection in Arkansas.
 - a. Respondent believes licensure was not required because the debt in question arose from a commercial transaction.

3. While attempting to collect the debt, Williams:
 - a. Having previously contacted Ingram at the number listed for Ingram's law practice, then contacted Ingram on his personal, unlisted mobile phone;
 - b. Contacted Ingram's spouse on her personal, unlisted mobile phone; and
 - c. Threatened to file a complaint against Ingram's law license.
4. The debtor, Beef Cattle Company, LLC is a business based in Washington County, Arkansas.
 - a. The registered agent for the businesses is a resident of Washington County.
 - b. Ingram, counsel for the debtor, is a resident of Washington County.
5. Unless licensed by the State Board of Collection Agencies, it is unlawful to engage in the collection of delinquent accounts, bills, or other forms of indebtedness (Ark. Code Ann. § 17-24-301).
 - a. Arkansas law does not exempt from licensure the collection of commercial debts.
6. The State Board of Collection Agencies may:
 - a. Assess a civil fine of \$50 to \$500 for each day of unlicensed debt collection activity (ACA §17-24-301 (a) and ASBCA Rules, XVI (a5)), as well as for harassment or abuse (Rules, XVI, (a1));
 - b. Refuse to issue a license upon receipt of evidence of unethical practices (ACA §17-24-307 (9)); and
 - c. Petition the circuit court of the jurisdiction wherein unlicensed debt collection occurred for an injunction to prohibit further collection activity by the agency in question (ACA §17-24-105).

CONCLUSIONS OF LAW:

1. Respondent's unlicensed debt collection activities, continuing from no later than July 20, 2020 though no earlier than June 30, 2021, constitute a violation of Arkansas law and the Board's rules.
2. Contacting Ingram and his spouse on their personal, unlisted numbers, after already having contacted Ingram at his office, constitutes harassment, an unethical collection practice, as does threatening Ingram's law license in an attempt to collect a debt.

ORDER:

1. Respondent shall pay a civil penalty of \$172,500, representing \$500 per day for 345 days of unlicensed debt collection activity.
2. Board staff shall not accept an application for licensure from Respondent until the amount above is paid in full.

APPEAL:

Pursuant to the Arkansas Administrative Procedure Act (ACA §25-15-212), Respondent may petition for judicial review of this decision by filing a petition in the Circuit Court in the Arkansas county in which they reside or do business or in the Circuit Court of Pulaski County within thirty (30) days after service of this order.

It is so ordered, this 24th day of August, 2021.


Orville Guinn, Chair


Boyd Maher, Director