STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of	**Case No. CA-22-0046**
LAKESIDE RECOVERY SOLUTION, INC.	**FINAL ORDER TO CEASE AND DESIST AND ORDER ASSESSING CIVIL PENALTIES, ENTERED BY DEFAULT**
Respondent.	

On April 28, 2022, the Division of Financial Regulation (the "Division"), acting on behalf of the Director of the Department of Consumer and Business Services for the State of Oregon (the "Director"), served an Order to Cease and Desist, Proposed Order Assessing Civil Penalties, and Notice of Right to an Administrative Hearing ("Notice") on Lakeside Recovery Solution, Inc. ("Respondent")

The Notice offered Respondent an opportunity for a hearing if requested within 20 days of the Notice. The Notice further informed Respondent that if a hearing was not conducted because Respondent did not timely request a hearing or otherwise defaulted, that the designated portion of the Division's file and all materials submitted by Respondent in this case would automatically become part of the contested case record for the purpose of proving a prima facie case.

The Director did not receive a request for a hearing from Respondent and did not conduct a hearing.

The Director finds that the record of this proceeding proves a prima facie case.

Now, therefore, after considering the relevant portions of the Division's file relating to this matter, the Director finds and orders as follows.

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Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a business corporation organized under the laws of the state of New York with its principal place of business located at 5815 South Park Avenue, Hamburg, NY 14075.

2. At all times material, Respondent was only licensed as a Collection Agency with the Indiana Secretary of State, NMLS 2159041.

3. Respondent has never been registered with the Oregon Secretary of State to do business in Oregon, nor has Respondent been registered with the Division as a Collection Agency.

4. On or about August 2021, an employee of Respondent contacted an Oregon resident, identified herein as JY, and left two voicemail messages, both of which threatened legal action for the collection of debts alleged to be owed or due to another person. After receiving the two voicemail messages, JY filed a complaint with the Oregon Department of Justice, which was forwarded to the Division in October 2021.

5. The Division began an investigation based upon JY's complaint and, in the course of the investigation, the Division learned that Respondent was not registered with the Oregon Secretary of State's Office to do business in Oregon, and was not registered with the Division as a collection agency in Oregon.

6. In October 2021, as a part of the investigation, the Division also submitted a pipeline request to Respondent informing Respondent of the investigation and requiring Respondent to provide a list of all Oregon Consumers, their contact information, and any monies received as a result of Respondent's collection agency activities in Oregon, if any. To date, Respondent has not provided the information requested by the Division.

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CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. ORS 697.015 forbids a person from doing business as a collections agency in Oregon unless that person "registers with the Department of Consumer and Business Services under ORS 697.031 and maintains the registration in accordance with that section."

8. Under ORS 697.005(1)(a)(A), "Collection agency" means a person directly or indirectly engaged in soliciting a claim for collection, or collecting or attempting to collect a claim that is owed, due, or asserted to be owed or due to another person or to a public body at the time the person solicits, collects or attempts to collect the claim.

9. By contacting JY and attempting to collect on a claim that is owed, due, or asserted to be owed or due to another person, Respondent operated as a collection agency without being registered with the Division, in violation of under ORS 697.015.

10. Under ORS 697.095(1), the Director may impose a civil penalty not to exceed $1,000 against any person "who violates any provision of ORS 697.015 or 697.058 or any rule adopted under ORS 697.031, 697.085 or 697.086."

11. Under OAR 441-810-0140, civil penalties shall be $400 for the first offense and $1,000 for each subsequent offense.

12. Because Respondent has violated ORS 697.015, Respondent is subject to a civil penalty of $400.

13. Under ORS 697.093(1)(d)(A), because the Director has reason to believe that Respondent has violated, is violating, or is about to violate ORS 697.015, the Director may issue an order to Respondent to cease and desist from violations of the Oregon Collection Agency Law.

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ORDERS

The Director ISSUES the following ORDERS:

Order to Cease and Desist

14. Pursuant to ORS 697.093(1)(d)(A), the Director hereby ORDERS Respondent, and all entities owned or controlled by Respondent, its successors and assignees, to CEASE AND DESIST from operating as a collection agency in Oregon without being registered with the Division and from violating any other provision of the Oregon Collection Agency Law, ORS 697.005 to 697.115, or any administrative rule adopted by the Director under those statute.

Order Assessing Civil Penalties

15. Pursuant to the authority of ORS 697.095(1) and OAR 441-810-0140, the Director hereby assesses CIVIL PENALTIES against Respondent in the amount of $400 for operating as a collection agency without registering with the Department, in violation of ORS 697.015 and the rules adopted thereunder.

16. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

IT IS SO ORDERED.

Dated this 26th day of May, 2022.

Andrew Stolfi, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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NOTICE OF RIGHT TO JUDICIAL APPEAL

Except as provided in ORS 697.825(2)(e), you may be entitled to judicial review of this Order under ORS 183.482. You may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date of this Order is served.

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