



STATE OF CALIFORNIA

## Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **Clothilde V. Hewlett**

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**Contact:**

**Mark Leyes**

[Mark.Leyes@dfpi.ca.gov](mailto:Mark.Leyes@dfpi.ca.gov)

### **DFPI Continues Crackdown on Debt Collection Scams**

SACRAMENTO – The California Department of Financial Protection and Innovation (DFPI) announced today that it has issued enforcement actions against multiple debt collectors for unlicensed activity under the [Debt Collection Licensing Act](#) (DCLA) and unlawful and deceptive acts or practices in violation of the [California Consumer Financial Protection Law](#) (CCFPL).

The subjects of today’s desist and refrain orders are:

- [Amherst and Associates](#)
- [Clayton Banner and Associates](#)
- [SARS Solutions](#)
- [Marvin, McCall and Associates](#)
- [Franklin, Moss & Associates](#)

The desist and refrain orders allege that the subjects engaged in a variety of different unlawful and deceptive practices, including:

- Engaging in debt collection in California without a license from the DFPI
- Attempting to collect a debt that a consumer did not owe
- Making unlawful threats to sue on debts
- Making false claims of pending lawsuits
- Failing to notify consumers of their right to request validation of debts
- Making false claims about the authority to collect a debt
- Unlawfully threatening to seize property
- Failing to provide a “validation notice” as required by federal law

Through these five separate enforcement actions, the DFPI has ordered the subjects to pay penalties totaling \$120,000 and to desist and refrain from violating these consumer protection laws.

“The DFPI has seen an increase in fake debt collector scams in recent months. We are committed to rigorous, ongoing enforcement efforts to protect Californians from these deceitful practices. We urge consumers to take great caution and always confirm the debt in writing,” said DFPI Commissioner Clothilde Hewlett.

#### **How Consumers Can Protect Themselves**

If you think you are being targeted, asking questions is the first line of defense. Debt collection scammers hope to be paid quickly, without asking any questions. [Learn more](#) about how to protect yourself from fake debt collectors.

File a complaint with the DFPI at [dfpi.ca.gov/file-a-complaint](https://dfpi.ca.gov/file-a-complaint) if you have experienced unfair, unlawful, deceptive, and abusive practices from a financial service provider. Sharing your story can help the DFPI protect Californians.

The DFPI began approving conditional licenses for debt collectors on January 1, 2023. Consumers can access a list of debt collectors with conditional licenses on the [debt collector lookup page](#).

### **About DFPI**

The Department of Financial Protection and Innovation protects consumers and fosters responsible innovation in California. The department administers the state's lending and banking laws, the California Consumer Financial Protection Law, and the state's securities laws, which govern broker-dealers, investment advisers, and commodities. Learn more at [dfpi.ca.gov](https://dfpi.ca.gov).

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