

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE DEPARTMENT OF COMMERCE

In the Matter of Data Line Credit
Corporation

**NOTICE OF AND ORDER FOR HEARING,
ORDER FOR PREHEARING CONFERENCE,
AND STATEMENT OF CHARGES**

TO: Data Line Credit Corporation
18652 Florida Street, Suite 105
Huntington Beach, CA 92648

NOTICE OF HEARING

Respondent Data Line Credit Corp ("Respondent") is hereby notified that the Minnesota Department of Commerce ("Department") has initiated this action to determine whether Respondent has committed the violations alleged below, subjecting it to disciplinary action and sanctions, including the imposition of civil penalties.

ORDER FOR PREHEARING CONFERENCE

IT IS HEREBY ORDERED that, pursuant to Minn. Rules 1400.5600 and 1400.6500 (2005), a prehearing conference will be held on December 11, 2006 at 3:30 p.m. at the Office of Administrative Hearings, 100 Washington Avenue South, Suite 1700, Minneapolis, Minnesota.

ORDER FOR HEARING

IT IS FURTHER ORDERED that, under Minn. Stat. §§ 45.024, 45.027, subd. 1(3), 332.33, and 332.395 (2004), a contested case hearing will be held at the Office of Administrative Hearings, 100 Washington Avenue South, Suite 1700, Minneapolis, Minnesota, on a date to be scheduled at the prehearing conference.

The Chief Administrative Law Judge, Office of Administrative Hearings, has assigned this matter to Administrative Law Judge Eric Lipman, Office of Administrative Hearings, 100

Washington Avenue South, Suite 1700, Minneapolis, Minnesota 55401-2138, telephone (612) 341-7601.

The hearing will be conducted under the contested case procedures set out in Chapters 14 and 45 of Minnesota Statutes (2004) and the Rules of the Office of Administrative Hearings, Minnesota Rules Chapter 1400 (2005). A copy of these materials may be purchased from the Minnesota Book Store, telephone (651) 297-3000, or are available at www.revisor.leg.state.mn.us. Copies of the rules are also available at www.oah.state.mn.us.

The attorney handling this case for the Department is Assistant Attorney General Christopher M. Kaisershot, 1200 Bremer Tower, 445 Minnesota Street, St. Paul, Minnesota 55101-2130, (651) 282-9992. Mr. Kaisershot may be contacted to discuss discovery or informal disposition of this matter.

STATEMENT OF CHARGES

ALLEGATIONS

1. Respondent is not licensed by the Department in any capacity.
2. On February 2, 2006, Eden Prairie resident M.H.N. applied for a loan at his credit union. The lender informed M.H.N. that his credit report listed a pending collection matter.
3. M.H.N. obtained his credit report and discovered that Respondent had filed a collection notice on behalf of J & R Towing in Santa Ana, California. M.H.N. disputes the purported debt, as he never lived at the address listed on the bill or owned the vehicle that was towed.
4. On February 7, 2006, Respondent sent M.H.N. a dunning letter requesting payment in the amount of \$1,340.64. Respondent's letter indicates "this is an attempt to collect a debt any information obtained will be used for that purpose."

5. On February 24, 2006, Respondent sent M.H.N. a second dunning letter requesting payment in the amount of \$1,345.32. Respondent's letter indicates that "this is an attempt to collect a debt any information obtained will be used for that purpose."

6. On March 9, 2006, the Department sent Respondent an information request regarding Respondent's collection activities in the State of Minnesota. The Department indicated that Respondent's answer was due within ten days of its receipt of the letter. To date, however, Respondent has failed to comply with the information request.

7. This Order is in the public interest.

VIOLATIONS

Count I

By conducting business within the State as a collection agency and/or by engaging within the State in the business of collecting claims for others without having first applied for and obtained a collection agency license, Respondent has engaged in unlicensed collection agency and/or collector activities in violation of Minn. Stat. § 332.33, subd. 1 (2004).

Count II

Respondent failed to respond to the Department's information request in violation of Minn. Stat. § 45.027, subds. 1a and 7(a)(3) (2004).

ADDITIONAL NOTICE

1. Respondent's failure to appear at the prehearing conference or hearing may result in a finding that Respondent is in default, that the Department's allegations contained in the Statement of Charges may be accepted as true, and that its proposed disciplinary action may be upheld.
2. If any party has good cause for requesting a delay of the prehearing conference or hearing, the request must be made in writing to the Administrative Law Judge at least five days before the prehearing conference or hearing. A copy of the request must be served on the other party.
3. Any party intending to appear at the prehearing conference must file a Notice of Appearance form and return it to the Administrative Law Judge within 20 days of the date of service of the Statement of Charges. A copy must be served on the Department's attorney. A Notice of Appearance form is attached.
4. At the hearing, all parties have the right to be represented by legal counsel, by themselves, or by a person of their choice if not otherwise prohibited as the unauthorized practice of law. The parties are entitled to the issuance of subpoenas to compel witnesses to attend the hearing. The parties will have the opportunity to be heard orally, to present evidence and cross-examine witnesses, and to submit evidence and argument. Ordinarily, the hearing is tape-recorded. The parties may request that a court reporter record the testimony at their expense.
5. Persons attending the hearing should bring all evidence bearing on the case, including any records or other documents. Be advised that if data that is not public is admitted into the record, it may become public data unless an objection is made and relief is requested under Minn. Stat. § 14.60, subd. 2 (2004).

6. Requests for subpoenas for the attendance of witnesses or the production of documents at the hearing shall be made in writing to the Administrative Law Judge pursuant to Minn. Rule 1400.7000 (2005). A copy of the subpoena request shall be served on the other parties. A subpoena request form is available at www.oah.state.mn.us or by calling (612) 341-7600.

7. This case may be appropriate for mediation. The parties are encouraged to consider requesting the Chief Administrative Law Judge to assign a mediator so that mediation can be scheduled promptly.

8. The Office of Administrative Hearings conducts contested case proceedings in accordance with the Minnesota Rules of Professional Conduct and the Professionalism Aspirations adopted by the Minnesota Supreme Court. A publication entitled *A Guide to Participating in Contested Case Proceedings at the Office of Administrative Hearings* is available at www.oah.state.mn.us or by calling (612) 341-7600.

9. Any party who needs an accommodation for a disability in order to participate in this hearing process may request one. Examples of reasonable accommodations include wheelchair accessibility, an interpreter, or Braille or large-print materials. If any party requires an interpreter, including a foreign language interpreter, the Administrative Law Judge must be promptly notified. To arrange for an accommodation or an interpreter, contact the Office of Administrative Hearings at 100 Washington Avenue South, Suite 1700, Minneapolis, Minnesota 55401, or call (612) 341-7610 (voice) or (612) 341-7346 (TTY).


10. Pursuant to Minn. Stat. § 45.027, subd. 6 (2004), Respondent may be subject to a civil penalty not to exceed \$10,000 per violation upon a final determination that Respondent

violated any law, rule or order related to the duties and responsibilities entrusted to the Commissioner.

GLENN WILSON
Commissioner

Dated: _____

11/28/06



PATRICK L. NELSON
Deputy Commissioner
Market Assurance Division

Minnesota Department of Commerce
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