
*
IN THE MATTER OF: *
*
LAW OFFICES OF *
DAVID M. KATZ, P.C. *
*
(“Respondent”) *
*

ORDER TO CEASE AND DESIST

AND

ORDER IMPOSING CIVIL PENALTY

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Part XII of Chapter 669, Sections 36a-800 to 36a-814, inclusive, of the Connecticut General Statutes, “Consumer Collection Agencies”, and the regulations promulgated thereunder, Sections 36a-809-6 to 36a-809-17, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”);

WHEREAS, pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes in effect at such time, the Commissioner, through the Consumer Credit Division of the Department of Banking, has investigated the activities of Respondent to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes or Regulations within the jurisdiction of the Commissioner;

WHEREAS, as a result of such investigation, on August 9, 2022, the Commissioner issued a Temporary Order to Cease and Desist, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing (collectively “Notice”) against Respondent, which Notice is incorporated herein by reference;

WHEREAS, on August 9, 2022, the Notice was caused to be mailed by certified mail, return receipt requested, to Respondent (Certified Mail Nos. 70202450000070267349 and 70202450000070267356);

WHEREAS, the Notice provided Respondent with the opportunity for a hearing, and stated that if a hearing was not requested by Respondent within 14 days of its receipt, the Commissioner would issue an order that Respondent cease and desist from violating Section 36a-801(a) of the 2022 Supplement to the General Statutes and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Respondent;

WHEREAS, on August 13, 2022, Respondent received the Notice;

WHEREAS, Respondent failed to request a hearing within the prescribed time period;

WHEREAS, the Commissioner alleged in the Notice, with respect to the activity described therein, that Respondent's acting within this state as a consumer collection agency without a consumer collection agency license constitutes a violation of Section 36a-801(a) of the Connecticut General Statutes in effect at such time. Such violation forms the basis to issue an order to cease and desist pursuant to Section 36a-804(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes, and to impose a civil penalty pursuant to Section 36a-804(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes.

WHEREAS, Section 36a-52(a) of the 2022 Supplement to the General Statutes provides, in pertinent part, that "[i]f the person does not request a hearing within the time specified in the notice . . . , the commissioner shall issue an order to cease and desist against the person. No such order shall be issued except in accordance with the provisions of chapter 54";

WHEREAS, Section 36a-50(a)(2) of the 2022 Supplement to the General Statutes provides, in pertinent part, that "[i]f such person does not request a hearing within the time specified in the notice . . . , the commissioner may, as the facts require, order that a civil penalty not exceeding one hundred thousand dollars per violation be imposed upon such person";

WHEREAS, Section 36a-50(a)(3) of the 2022 Supplement to the General Statutes provides that “[e]ach action undertaken by the commissioner under this subsection shall be in accordance with the provisions of chapter 54”;

AND WHEREAS, Section 36a-1-31(a) of the Regulations provides, in pertinent part, that “[w]hen a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party, the commissioner shall issue a final decision in accordance with section 4-180 of the Connecticut General Statutes and section 36a-1-52 of the Regulations of Connecticut State Agencies”.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commissioner finds that the matters asserted, as set forth in paragraphs 6 through 12, inclusive, of Section II of the Notice, shall constitute findings of fact within the meaning of Section 4-180(c) of the Connecticut General Statutes, and that the conclusions, as set forth in paragraph 13 of Section III of the Notice, shall constitute conclusions of law within the meaning of Section 4-180(c) of the Connecticut General Statutes and Section 36a-1-52 of the Regulations.

2. The Commissioner finds that Respondent has engaged in acts or conduct which forms the basis to issue an order to cease and desist pursuant to Section 36a-804(b) of the Connecticut General Statutes and Section 36a-52(a) of the 2022 Supplement to the General Statutes and to impose a civil penalty upon Respondent pursuant to Section 36a-804(b) of the Connecticut General Statutes and Section 36a-50(a) of the 2022 Supplement to the General Statutes.

3. The Commissioner finds that the Notice was given in compliance with Sections 36a-52(a) and 36a-50(a) of the 2022 Supplement to the General Statutes and Section 4-177 of the Connecticut General Statutes.

III. ORDER

Having read the record, **I HEREBY ORDER**, pursuant to Sections 36a-804(b) of the Connecticut General Statutes and Sections 36a-52(a) and 36a-50(a) of the 2022 Supplement to the General Statutes, that:

1. Law Offices of David M. Katz, P.C. **CEASE AND DESIST** from violating Section 36a-801(a) of the 2022 Supplement to the General Statutes;
2. A **CIVIL PENALTY** of One Hundred Thousand Dollars (\$100,000) be imposed upon Law Offices of David M. Katz, P.C. to be remitted to the Department of Banking by electronic funds transfer, cashier’s check, certified check or money order, made payable to “Treasurer, State of Connecticut”, no later than thirty (30) days from the date this Order is mailed; and
3. This Order shall become effective when mailed.

Dated at Hartford, Connecticut,
this 1st day of December 2022.

/s/
Jorge L. Perez
Banking Commissioner

This Order was sent by certified mail,
return receipt requested, to
Respondent on December 2, 2022.

Law Offices of David M. Katz, P.C.
Attention: David M. Katz, Esq.
71 Lafayette Avenue
Suffern, NY 10901

Certified Mail No. 7019 1640 0000 1584 4879

Law Offices of David M. Katz, P.C.
Attention: David M. Katz, Esq.
516 West 162nd Street, Apt 5B
New York, NY 10032

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