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## **An Act To Amend the Laws Governing Licensed Financial Service Providers**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 9-A MRSA §2-302, sub-§1-A**, as enacted by PL 2005, c. 164, §2, is amended to read:

**1-A.** At the time of application for a license to make supervised loans and on an ongoing basis during the term of any such license, the applicant shall apply to the administrator for registration of all loan officers employed or retained by the applicant. Applications must be filed in a manner prescribed by the administrator, must include the names, addresses and work locations of the loan officers and such additional information as is reasonably requested by the administrator and must be accompanied by an application fee of up to \$20 for each loan officer, up to a maximum of ~~\$200~~\$400 in total. An applicant's registration of a loan officer within 90 days of the date that registration would otherwise be required does not constitute a violation of this subsection.

**Sec. 2. 9-A MRSA §2-302, sub-§7**, as enacted by PL 2005, c. 274, §2, is amended to read:

**7.** The administrator may adopt rules requiring that applicants, applicants' partners, officers or directors and employees of applicants satisfy initial and continuing educational requirements. The reasonable costs of meeting such educational requirements must be assessed to applicants. Providers of initial and continuing education courses of study shall submit each course to the administrator for approval, and each submission must be accompanied by a \$100 fee. Rules adopted pursuant to this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

**Sec. 3. 9-A MRSA §10-201**, as repealed and replaced by PL 2005, c. 683, Pt. B, §4, is amended to read:

### **§ 10-201.Licensing and biennial relicensing**

A person desiring to engage or continue in business in this State as a loan broker shall apply to the administrator for a license under this article on or before January 31st of each even-numbered year. The application must be in a form prescribed by the administrator. The administrator may refuse the application if it contains erroneous or incomplete information. At the time of application and on an ongoing basis during the term of any such license, the applicant shall apply to the administrator for registration of all loan officers employed or retained by the applicant. An application for registration as a loan officer must be filed in a manner prescribed by the administrator and include the name, address and work location of the loan officer and such additional information as is reasonably requested by the administrator. An applicant's registration of a loan officer within 90 days of the date that registration would otherwise be required does not constitute a violation of this section. A license may not be issued unless the administrator, upon investigation, finds that the financial responsibility, character and fitness of the applicant and, where applicable, its partners, officers or directors and the character and fitness of its loan officers, warrant belief that the business will be operated honestly and fairly within the purposes

of this Title. The administrator may adopt rules requiring that applicants, applicants' partners, officers or directors and employees of applicants satisfy initial and continuing educational requirements. The reasonable costs of meeting such educational requirements are assessed to applicants. Providers of initial and continuing education courses of study shall submit each course to the administrator for approval, and each submission must be accompanied by a \$100 fee. Rules adopted pursuant to this section are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

The initial application for a license as a loan broker must include a fee of ~~\$400~~\$600. The biennial relicensing application must include a fee of ~~\$200~~\$300. Initial applicants and biennial relicensing applicants must pay an additional fee of up to \$20 for registration of each loan officer, up to a maximum of ~~\$200~~\$400 in total. Notwithstanding other remedies available under this Title, applications received after the due date are subject to an additional fee of \$100.

A licensee may conduct business only at or from a place of business for which the licensee holds a license and not under any other name than that on the license. A license fee of \$300 is imposed for a license issued for a place of business other than that of the first licensed location of the licensee. A biennial relicensing application for each such branch location must include a fee of \$150.

A licensed loan broker may conduct business only through a loan officer who possesses a current, valid registration. A loan officer must be registered at the loan officer's principal licensed work location and may then work from any licensed location of the loan broker. The registration of a loan officer is valid only when that person is employed or retained and supervised by a licensed loan broker. When a loan officer ceases to be employed by a licensed loan broker, the loan broker shall promptly notify the administrator in writing.

**Sec. 4. 32 MRSA §6173, sub-§2-A** is enacted to read:

**2-A. Separate registration required.** A separate registration is required for each place of business. An application fee of \$250 must accompany an application for registration for a place of business other than that of the first registered location of the registrant.

**Sec. 5. 32 MRSA §6174-B, sub-§2,** as enacted by PL 2007, c. 36, §9, is amended to read:

**2. Consumer education.** A debt management service provider shall offer a consumer education program approved by the administrator. Providers of consumer education programs shall submit each such program to the administrator for approval, and each such submission must be accompanied by a \$100 fee. A debt management service provider may charge consumers a reasonable fee for the program not to exceed \$50.

**Sec. 6. 32 MRSA §11031, sub-§2,** as amended by PL 1999, c. 184, §24, is further amended to read:

**2. Licenses.** Licenses granted by the superintendent under this section are for a period of 2 years and expire on July 31st or at such other times as the superintendent may designate. Each license may be renewed biennially as long as the superintendent regards the business as responsible and safe, but in all cases terminate unless renewed by the expiration date. Each license must plainly state the name and business address of the licensee and be posted in a conspicuous place in the office where the business is

transacted. The fee for each biennial license is ~~\$400~~\$600. When the unexpired license term of an applicant is or will be less than one year at a time of licensure, the license fee may not exceed 1/2 the biennial license fee. If a licensee desires to carry on business in more than one place, the licensee shall procure a branch office license for each additional place where the business is to be conducted. The fee for each biennial branch office license is ~~\$200~~\$300. Notwithstanding other remedies available under this chapter, applications received after the due date are subject to an additional fee of \$100.

**Sec. 7. 32 MRSA §11051**, as corrected by RR 1995, c. 1, §27 and affected by §28 and amended by PL 1999, c. 547, Pt. B, §78 and affected by §80 and amended by PL 2007, c. 273, Pt. B, §§5 and 6 and affected by c. 695, Pt. A, §47, is further amended to read:

### **§ 11051. Investigation, suspension and revocation of licenses**

The Bureau of Consumer Credit Protection may examine or investigate the records and practices of a licensee any person the superintendent believes has engaged in conduct governed by this chapter in accordance with Title 9-A, section 6-106, may review and approve collection letters proposed for use in this State and may charge for expenses incurred pursuant to Title 9-A, section 6-106, subsection 6. The superintendent may file a complaint with the District Court to suspend or revoke a license issued pursuant to this chapter, if, after investigation or hearing, or both, the superintendent has reason to believe that the licensee has violated any provisions of this chapter or any administrative rules issued pursuant to this chapter, or has failed to maintain its financial condition sufficient to qualify for a license on an original application.

### **SUMMARY**

The purpose of this bill is to more equitably allocate regulatory costs of the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection among licensed entities by increasing the cap on loan officer registration fees, permitting recovery of costs of certifying educational courses for providers, increasing loan broker license fees, establishing loan broker and debt management branch office licenses and increasing debt collector license fees.