

§2-302. License to make or service supervised loans

1. The administrator shall receive and act on all applications for licenses to make or service supervised loans under this Act. Applications must be filed in the manner prescribed by the administrator and must contain the information required by the administrator to make an evaluation of the financial responsibility, character and fitness of the applicant.

A. The administrator may require an application for a license to make or service supervised loans to be made electronically through the nationwide mortgage licensing system and registry as defined in section 13-102, subsection 8. Licenses for which applications were made electronically through the nationwide mortgage licensing system and registry expire December 31st of each year and must be renewed through the nationwide mortgage licensing system and registry. The administrator may establish, by rule, fees to apply for or renew licenses, except that the fee for an initial application may not exceed \$1,000 and for a renewal may not exceed \$600 for any licensed location. Renewal applications received after the expiration date are subject to a late fee of \$100. An applicant who applies through the nationwide mortgage licensing system and registry must also pay a nationwide mortgage licensing system and registry processing fee in an amount to be determined by the administrators of the nationwide mortgage licensing system and registry. Fees set by the administrator by rule for a nonprofit organization exempt from taxation under the United States Internal Revenue Code, Section 501(c)(3) and engaged in the financing of housing for low-income people under a program designed specifically for that purpose may not exceed \$150 for an initial application and \$100 per year for a renewal for any licensed location, plus the applicable nationwide mortgage licensing system and registry processing fee. [PL 2021, c. 245, Pt. D, §1 (AMD).]

B. [PL 2021, c. 245, Pt. D, §1 (RP).]

Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[PL 2021, c. 245, Pt. D, §1 (AMD).]

1-A.

[PL 2011, c. 427, Pt. B, §4 (RP).]

2. A license to make or service supervised loans or as a mortgage loan originator may not be issued unless the administrator, upon investigation, finds that the financial responsibility, character and fitness of the applicant, and of the members thereof, if the applicant is a copartnership or association, and of the officers and directors thereof, if the applicant is a corporation, and, when applicable, the character and fitness of the mortgage loan originators thereof, are such as to warrant belief that the business will be operated honestly and fairly within the purposes of this Act. In determining the financial responsibility of an applicant proposing to engage in making insurance premium loans, the administrator shall consider the liabilities the lender may incur for erroneous cancellation of insurance.

A. Every applicant shall also, at the time of filing such application, file with the administrator, if the administrator so requires, a surety bond satisfactory to the administrator in an amount not to exceed \$50,000. The terms of the bond must run concurrent with the period of time during which the license will be in effect. The bond must run to the State for the use of the State and of any person or persons who may have a cause of action against the licensee under this Act. The bond must be conditional that the licensee will faithfully conform to and abide by the provisions of this Act and to all rules lawfully made by the administrator under this Act and will pay to the State and to any such person or persons any and all amounts of money that may become due or owing to the State or to such person or persons from the licensee under and by virtue of this Act during the period for which the bond is given. [PL 2013, c. 466, §2 (AMD).]

B. As used in this section, the term "financial responsibility" means that the applicant has available for the operation of the licensed business net assets of at least \$25,000 and upon issuance of a

license, each licensee shall maintain net assets of at least \$25,000 that are either used or readily available for use in the conduct of the business of each office of the licensee in which supervised loans are made or serviced. [PL 2017, c. 106, §5 (AMD).]

C. [PL 1983, c. 720, §7 (RP).]

D. In determining the financial responsibility of a nonprofit organization engaged in the financing of housing for low-income people under a program specifically designed for that purpose, the administrator may waive the requirement of a bond and availability of \$25,000 of net assets, if the applicant submits appropriate additional evidence of financial responsibility. [PL 1989, c. 581, §5 (NEW).]

[PL 2017, c. 106, §5 (AMD).]

3. Upon written request, the applicant is entitled to a hearing on the question of the applicant's qualifications for a license or registration if (a) the administrator has notified the applicant in writing that the application has been denied, or (b) the administrator has not issued a license or registration within 60 days after the application for the license or registration was filed. A request for a hearing may not be made more than 15 days after the administrator has mailed a writing to the applicant notifying the applicant that the application has been denied and stating in substance the administrator's findings supporting denial of the application.

[PL 2005, c. 164, §4 (AMD).]

4. A separate license is required for each place of business. Each branch location license application must be accompanied by a surety bond, in a form acceptable to the administrator, in the amount of \$50,000.

[PL 2013, c. 466, §3 (AMD).]

5. A licensee may conduct the business of making or servicing supervised loans only at or from any place of business for which the licensee holds a license and not under any other name than that in the license. For purposes of this subsection, the closing of a supervised loan, secured by an interest in real estate, made by the licensee, at the office of an attorney or land title company, may not be considered the making or servicing of a supervised loan at the place of business other than the licensee's licensed location. Loans made pursuant to a lender credit card do not violate this subsection.

[PL 2017, c. 106, §5 (AMD).]

5-A. A licensee subject to subsection 1, paragraph A may conduct the business of making supervised loans only through a mortgage loan originator who possesses a current, valid license.

[PL 2013, c. 466, §4 (AMD).]

6. Any supervised loan, otherwise valid under the provisions of this Act, made by any corporation or by any subsidiary or affiliate of any corporation to which a license is granted by the administrator on or before June 30, 1975, and to which said supervised loan is assigned, is deemed to have been made by a duly licensed licensee, provided the administrator finds that said corporation has made a good faith effort to comply with the licensing provisions of this Act.

[PL 2017, c. 106, §5 (AMD).]

7.

[PL 2013, c. 466, §5 (RP).]

SECTION HISTORY

PL 1973, c. 762, §1 (NEW). PL 1975, c. 179, §§2,2-A (AMD). PL 1983, c. 212, §5 (AMD). PL 1983, c. 720, §§6-8 (AMD). PL 1985, c. 763, §A25 (AMD). PL 1987, c. 129, §§34,35 (AMD). PL 1989, c. 581, §§4,5 (AMD). PL 1995, c. 614, §A2 (AMD). PL 1997, c. 727, §B5 (AMD). PL 1999, c. 184, §2 (AMD). PL 2005, c. 164, §§2-5 (AMD). PL 2005, c. 274, §2 (AMD). PL 2009, c. 243, §§1, 2 (AMD). PL 2011, c. 427, Pt. B, §§3-6 (AMD). PL 2013, c. 466, §§1-5 (AMD). PL 2017, c. 106, §5 (AMD). PL 2021, c. 245, Pt. D, §1 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Special Session of the 132nd Maine Legislature and is current through October 1, 2025. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.
--