

# MAINE STATE LEGISLATURE

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*State Of Maine  
122nd Legislature*

*First Regular Session and  
First Special Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Business, Research and Economic Development*

*August 2005*

**Members:**

*Sen. Lynn Bromley, Chair*

*Sen. Barry J. Hobbins*

*Sen. Dana L. Dow*

*Rep. Nancy E. Smith, Chair*

*Rep. Lillian LaFontaine O'Brien*

*Rep. Stephen R. Beaudette*

*Rep. Charles Earl Crosby, III*

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*Rep. Lawrence E. Jacobsen*

*Rep. John C. Robinson*

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Maine State Legislature

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122nd Legislature
First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees
August 2005

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CARRIED OVER ..... Bill Carried Over to Second Regular Session
CON RES XXX..... Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES..... House & Senate disagree; bill died
DIED IN CONCURRENCE..... One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT..... Action incomplete when session ended; bill died
EMERGENCY..... Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE..... Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE..... Bill failed to get majority vote
FAILED MANDATE ENACTMENT..... Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY..... Ruled out of order by the presiding officers; bill died
INDEF PP..... Bill Indefinitely Postponed
ONTP..... Ought Not To Pass report accepted
OTP ND..... Committee report Ought To Pass In New Draft
OTP ND/NT..... Committee report Ought To Pass In New Draft/New Title
P&S XXX..... Chapter # of enacted Private & Special Law
PUBLIC XXX..... Chapter # of enacted Public Law
RESOLVE XXX..... Chapter # of finally passed Resolve
UNSIGNED..... Bill held by Governor
VETO SUSTAINED..... Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 29, 2005; and for non-emergency legislation enacted in the First Special Session is September 17, 2005.

*Joint Standing Committee on Business, Research and Economic Development*

LD 686

**An Act To Amend the Maine Consumer Credit Code - Credit Services Organizations**

PUBLIC 274

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| BROMLEY           | OTP-AM MAJ              | S-198                     |
| GLYNN             | OTP-AM MIN              |                           |

LD 686 proposed to change the title of the Maine Revised Statutes, Title 9-A, article 10 from "Maine Consumer Credit Code - Credit Services Organizations" to "Maine Consumer Credit Code - Loan Brokers." It proposed to enhance regulation of loan brokers. It proposed to change references to "credit services organization" to "loan broker," a descriptive term better understood by the industry and consumers. It also proposed to change the state application process from a registration process to a licensure process and from an annual to a biennial application. Because the current \$10,000 bond has proven inadequate to cover losses caused by loan brokers in several cases in 2004, the bill proposed to increase the surety bond to \$25,000. The bill proposed to require that license numbers appear in print advertising placed by a loan broker. The bill also proposed to permit regulators to establish a system of continuing education for loan brokers.

**Committee Amendment "A" (S-198)** was the majority report of the committee. It proposed to provide that the administrator may adopt rules requiring supervised lenders to satisfy initial and continuing educational requirements. The reasonable costs of meeting these educational requirements would be assessed to applicants.

***Enacted law summary***

Public Law 2005, chapter 274 changes the title of the Maine Revised Statutes, Title 9-A, article 10 from "Maine Consumer Credit Code - Credit Services Organizations" to "Maine Consumer Credit Code - Loan Brokers." The law enhances regulation of loan brokers and changes references to "credit services organization" to "loan broker," a descriptive term better understood by the industry and consumers. The law changes the state application process from a registration process to a licensure process and from an annual application to a biennial application. Because the current \$10,000 bond has proven inadequate to cover losses caused by loan brokers in several cases in 2004, the law increases the surety bond to \$25,000. The law requires that license numbers appear in print advertising placed by a loan broker and permits the administrator to establish a system of continuing education for loan brokers. The law also provides that the administrator may adopt rules requiring supervised lenders to satisfy initial and continuing educational requirements. The reasonable costs of meeting these educational requirements will be assessed to applicants.

LD 689

**An Act To Exempt from License Fees Small Businesses That Collect Returnable Bottles**

ONTP

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| STRIMLING         | ONTP                    |                           |

LD 689 proposed to exempt from the license fee small retailers that accept bottles for redemption. Current law requires an establishment that accepts bottles for redemption to be licensed by the Department of Agriculture, Food and Rural Resources. Under rules adopted by the department, the annual license fee for redemption centers is \$50.