

MAINE STATE LEGISLATURE

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L.D. 1926

(Filing No. S-419)

STATE OF MAINE
SENATE
109TH LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT "A" to H.P. 1814, L.D. 1926, Bill,
"AN ACT Authorizing the Bureau of Consumer Protection to Inform
and Advise the Public and to Investigate and Prosecute Complaints
Under the Fair Credit Reporting Act."

Amend the Bill in section 2 by inserting, before the period,
of paragraph C of subsection 2 of that part designated "§1328."
the following underlined punctuation and words ', except that
users as defined in section 1312, subsection 11, shall not
be charged examination expenses unless the administrator
finds a violation of this Act'

Further amend the Bill by inserting at the end, before
the statement of fact, the following underlined subsection:

'8. Bureau of Insurance. With respect to those
examinations authorized by subsection 2, paragraph A, first
sentence, the administrator shall, where applicable, coordinate
examinations for compliance with this Act with examinations
conducted by the Bureau of Insurance for compliance with
Title 24-A.'

Statement of Fact

This amendment will:

1. Insulate users of consumer reports and investigative
consumer reports from being charged the expenses of an examination
by the bureau. However, if a violation of the Act is found
in an examination (either by complaint or as a regular annual

examination), expenses will be charged. The Maine Fair Credit Title 10, Reporting Act, sections 1314 and 1320, impose certain duties on the users or recipients of consumer reports and investigative consumer reports. Users are required to make certain disclosures to consumers and adopt internal practices to prevent the unlawful dissemination of these reports. Although no abuse has been documented in the use of similar examination authority under the Maine Consumer Credit Code, this amendment will allay the fears of some users that frequent examinations and the accompanying expenses will constitute an unnecessary hardship. The practical result of this amendment will be to reduce the number of independent investigations of users undertaken by the bureau. If a violation is discovered by the bureau, however, expenses of examination will be charged to the user. This amendment will not limit the ability of the bureau to seek examination expenses from consumer reporting agencies or those believed to be operating as a consumer reporting agency; and

2. In order to avoid duplicative examinations, require coordination in the scheduling and actual conducting of examinations between the Bureau of Insurance and Bureau of Consumer Protection. It is expected that the Superintendent of the Bureau of Consumer Protection will consult with the Superintendent of the Bureau of Insurance and devise a method by which either the examiners of the Bureau of Insurance check for compliance with this Act during the normal course of examination for compliance with Title 24-A or that examiners from the Bureau of Consumer Protection will accompany insurance examiners in the course of

Title 24-A examinations. This amendment is not intended to restrict the Bureau of Consumer Protection's ability to respond to consumer complaints or to investigate with reasonable cause, but should result in coordinated state regulatory action for routine examinations.

(Chairman)
NAME:

COUNTY: Saqadahoc

Reproduced and distributed pursuant to Senate Rule 11-A.

February 20, 1980

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