

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
116TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 177,
L.D. 591, Bill, "An Act Related to Mortgage Companies"

Amend the amendment in section 2 by striking out all of the
first 2 lines (page 1, lines 19 and 20 in amendment) and
inserting in their place the following:

'Sec. 2. 9-A MRSA §6-203, sub-§§3-A and 3-B are enacted to
read:'

Further amend the amendment in section 2 by striking out all
of subsections 3-B and 4-B and inserting in their place the
following:

'3-B. Notwithstanding subsections 2 and 3, lenders who are
supervised lenders making loans secured by an interest in land
shall pay a volume fee of \$15 for each \$100,000, or part thereof,
of the original unpaid balances arising from consumer credit
transactions entered into in this State during calendar year 1993
and \$20 per \$100,000 of such balances from transactions entered
into in 1994 and subsequent calendar years.'

Further amend the amendment by inserting after section 2 the
following:

'Sec. 3. Report. The Superintendent of the Bureau of Consumer
Credit Protection shall report to the Joint Standing Committee on
Banking and Insurance on or before January 1, 1995 on the
following issues: changing economic conditions; the portion of
staff time expended relative to various categories and sizes of
business on complaint resolution, product review, consumer
education and enforcement activities; the need for

R. of S.

2 maintenance of adequate reserves without retention of excessive
3 carryover balances; and the bureau's administrative expenses in
4 relation to the various categories and transaction volumes of
5 lenders, lessors, sellers and assignees.'

6 Further amend the amendment by striking out all of the
7 fiscal note and inserting in its place the following:

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10 **FISCAL NOTE**

	1993-94	1994-95
12		
14	REVENUES	
16	Other Funds	\$71,250 \$95,000

18 The collection of volume fees from previously exempted
19 mortgage companies will increase volume fee collections. The
20 estimated increases of dedicated revenues to the Bureau of
21 Consumer Credit Protection are \$112,500 and \$150,000 in fiscal
22 years 1993-94 and 1994-95, respectively.

24 The reduction of volume fees paid by state-chartered
25 financial institutions will reduce the volume fee collections.
26 The estimated reductions of dedicated revenues to the Bureau of
27 Consumer Credit Protection are \$41,250 and \$55,000 in fiscal
28 years 1993-94 and 1994-95, respectively.

30 The net impact to the Bureau of Consumer Credit Protection
31 from these changes in the volume fee structure is an increase in
32 dedicated revenues of \$71,250 and \$95,000 in fiscal years 1993-94
33 and 1994-95, respectively. This increase in revenues may enable
34 the bureau to avoid the planned layoffs of a Senior Consumer
35 Credit Examiner position and a Receptionist position in fiscal
36 year 1994-95.

38 The Bureau of Consumer Credit Protection will incur some
39 minor additional costs to submit a required report to the
40 Legislature. These costs can be absorbed within the bureau's
existing budgeted resources.'

R. of S.

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STATEMENT OF FACT

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6 This amendment deletes the authority of the Superintendent
of the Bureau of Consumer Credit Protection to set the level of
8 the fee after 1993. The amendment sets the fee at \$15 per
\$100,000 of the original unpaid balances for 1993 and \$20 per
10 \$100,000 of the original unpaid balances for 1994 and subsequent
years. The amendment requires a report to the Joint Standing
12 Committee on Banking and Insurance on January 1, 1995 on the same
issues that in the committee amendment were required to be taken
into consideration in the setting of the fee level.

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Filed by Rep. Pineau of Jay
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House
5/24/93 (Filing No. H-417)