

MAINE STATE LEGISLATURE

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INSURANCE AND FINANCIAL SERVICES

Reported by:

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STATE OF MAINE
SENATE
121ST LEGISLATURE
SECOND SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 751, L.D. 1910, Bill, "An Act To Implement the Recommendations of the Committee To Study the Revenue Sources of the Office of Consumer Credit Regulation"

Amend the bill by inserting after the enacting clause the following:

'Sec. 1. 9-A MRSA §6-203, sub-§3-B, as enacted by PL 1993, c. 268, §2, is repealed and the following enacted in its place:

3-B. Notwithstanding subsections 2 and 3, lenders regulated by the Office of Consumer Credit Regulation who are supervised lenders making loans secured by an interest in land shall pay a volume fee on the original unpaid balances arising from consumer credit transactions entered into in this State during the previous calendar year of:

A. Fifteen dollars for each \$100,000, or part thereof, if the fund balance of the Office of Consumer Credit Regulation as of October 1st of the previous calendar year exceeds 125% of the office's current annual budget; or

B. Twenty dollars for each \$100,000, or part thereof, if the fund balance of the Office of Consumer Credit Regulation as of October 1st of the previous calendar year does not exceed 125% of the office's current annual budget.'

Further amend the bill in section 2 by striking out all of the 2nd sentence (page 1, lines 21 to 25 in L.D.) and inserting in its place the following:

COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT "A" to S.P. 751, L.D. 1910

2 'The recommendations must be submitted to the joint standing
committee of the Legislature having jurisdiction over insurance
4 and financial services matters and the joint standing committee
of the Legislature having jurisdiction over business, research
6 and economic development matters on or before January 5, 2005.'

8 Further amend the bill by relettering or renumbering any
nonconsecutive Part letter or section number to read
10 consecutively.

12
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SUMMARY

16 This amendment adds a provision to the bill to require that
the volume fee for mortgage lenders be reduced by \$5 per \$100,000
of debt for the current year if the surplus in the dedicated fund
18 balance for the Office of Consumer Credit Regulation as of
October 1st of the preceding calendar year exceeds 125% of the
20 office's annual budget for operating expenses.

22 The amendment also clarifies that the recommendations of the
Office of Consumer Credit Regulation regarding licensing and
24 registration fees must be submitted to the Joint Standing
Committee on Insurance and Financial Services and the Joint
26 Standing Committee on Business, Research and Economic Development.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



121st Maine Legislature
Office of Fiscal and Program Review

LD 1910

An Act To Implement the Recommendations of the Committee To Study
the Revenue Sources of the Office of Consumer Credit Regulation

LR 2665(02)

Fiscal Note for Bill as Amended by Committee Amendment "A"
Committee: Insurance and Financial Services

Fiscal Note Required: Yes

Fiscal Note

	2003-04	2004-05	Projections 2005-06	Projections 2006-07
Revenue				
Other Special Revenue Funds	\$0	(\$175,000)	\$0	\$0

Fiscal Detail and Notes

Additional costs to the Department of Professional and Financial Regulation in implementing this legislation can be absorbed utilizing existing budgeted resources. The bill's provision requiring a reduction in fees if the balance in the dedicated account of the Office of Consumer Credit Regulation exceeds 125% of operating expenses is assumed to be triggered for state fiscal year 2004-05, resulting in a reduction in Other Special Revenue Funds collections of \$175,000. The impact on collections resulting from granting the Administrator the authority to adjust volume fees cannot be determined at this time.