

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST SPECIAL SESSION-2021

Legislative Document

No. 1466

H.P. 1082

House of Representatives, April 12, 2021

An Act To Improve the Efficiency of Certain Consumer Credit Protection Laws

Submitted by the Department of Professional and Financial Regulation pursuant to Joint Rule 204.

Received by the Clerk of the House on April 8, 2021. Referred to the Committee on Health Coverage, Insurance and Financial Services pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative TEPLER of Topsham.
Cosponsored by Senator SANBORN of Cumberland.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **PART A**

3 **Sec. A-1. 9-A MRSA §1-201, sub-§1**, as amended by PL 2005, c. 604, §1, is
4 further amended to read:

5 **1.** Except as otherwise provided in this section, this Act applies to consumer credit
6 transactions and open-end credit plans made or entered into in this State. For purposes of
7 this Act, a consumer credit transaction or open-end credit plan is made or entered into in
8 this State if: the creditor, wherever located, enters into a consumer credit transaction or
9 open-end credit plan with a consumer who is located in this State.

10 ~~A. A signed writing evidencing the obligation or offer of the consumer is received by~~
11 ~~the creditor in this State;~~

12 ~~B. The creditor, wherever located, induces the consumer who is a resident of this State~~
13 ~~to enter into the transaction or open-end credit plan by face-to-face, mail, telephone or~~
14 ~~electronic mail solicitation in this State; or~~

15 ~~C. With respect to a payday loan, the lender, wherever located, enters into a payday~~
16 ~~loan transaction with a consumer who is located in this State.~~

17 **Sec. A-2. 9-A MRSA §1-301, sub-§17**, as amended by PL 2017, c. 106, §1, is
18 further amended by amending the 4th blocked paragraph to read:

19 ~~A Except with respect to credit sales of automobiles, a person regularly extends consumer~~
20 ~~credit only if the person extended credit other than credit subject to high-cost mortgage~~
21 ~~loan requirements more than 25 times or more than 5 times for transactions secured by a~~
22 ~~dwelling in the preceding calendar year. With respect to credit sales of automobiles, a~~
23 ~~person regularly extends consumer credit only if the person extended credit more than 15~~
24 ~~times in the preceding calendar year. If a person did not meet these numerical standards in~~
25 ~~the preceding calendar year, the numerical standards must be applied to the current calendar~~
26 ~~year.~~

27 **Sec. A-3. 9-A MRSA §2-301, sub-§2**, as amended by PL 2017, c. 106, §4, is
28 further amended to read:

29 **2.** Taking assignments of and undertaking direct collection of payments from or
30 enforcement of rights ~~from an office in this State~~ against debtors arising from supervised
31 loans; or

32 **Sec. A-4. 9-A MRSA §6-116, sub-§2**, as amended by PL 2009, c. 402, §4, is
33 further amended to read:

34 **2.** Financial information not normally available to the public that is submitted in
35 confidence by an individual or organization to comply with the licensing, registration or
36 other regulatory functions of the administrator, including information derived from a credit
37 or background investigation conducted pursuant to section 6-105-A, subsection 2;

38 **Sec. A-5. 9-A MRSA §6-203, sub-§3-D** is enacted to read:

39 **3-D.** Notwithstanding subsection 3-C, the administrator may by rule adjust the fees
40 paid with respect to creditors that are not supervised financial organizations making
41 residential mortgage loans to support the costs of compliance and staff attorney positions.

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

3 **Sec. A-6. 10 MRSA §1273**, as enacted by PL 1993, c. 115, §1 and amended by PL
4 1995, c. 309, §27, is further amended to read:

5 **§1273. Administrative enforcement**

6 ~~The Director of Consumer Credit Regulation~~ Superintendent of Consumer Credit
7 Protection may take appropriate action to ensure compliance with this chapter, including
8 without limitation: to receive and act on complaints; negotiate an assurance in writing that
9 a violator will not engage in the same or similar conduct in the future; conduct hearings in
10 accordance with the Maine Administrative Procedure Act and issue a cease and desist order
11 for violation of this chapter; and refer cases to the Attorney General, who may bring a civil
12 action against a person for knowingly violating a written assurance of discontinuance. If a
13 court finds a violation of this chapter it may assess a civil forfeiture of not more than \$1,000.

14 **Sec. A-7. 10 MRSA §1495-H, sub-§6**, as enacted by PL 2003, c. 668, §6 and
15 affected by §12, is repealed and the following enacted in its place:

16 **6. Action on license.** After notice and the opportunity for hearing before the
17 administrator, revocation, suspension or nonrenewal of the payroll processor's license.

18 A respondent aggrieved by an order of the administrator may obtain judicial review of the
19 order in the Superior Court. The proceeding for review is initiated and conducted in
20 accordance with Title 5, chapter 375, subchapter 7.

21 **Sec. A-8. 30-A MRSA §3964-A, sub-§3**, as amended by PL 2011, c. 427, Pt. D,
22 §19, is further amended to read:

23 **3. Model forms.** ~~The Director of Consumer Credit Regulation~~ Superintendent of
24 Consumer Credit Protection may issue model disclosure forms and clauses to facilitate
25 compliance with the disclosure and computational requirements of this subchapter,
26 pursuant to the truth-in-lending provisions of the Maine Consumer Credit Code, Title 9-A,
27 Article 8-A.

28 **Sec. A-9. 32 MRSA §6102, sub-§10**, as enacted by PL 1997, c. 155, Pt. A, §2, is
29 amended to read:

30 **10. Money transmission.** "Money transmission" means the business of selling or
31 issuing payment instruments or the business of receiving money, including digital
32 currencies, for transmission or transmitting money, including digital currencies, within the
33 United States or to locations abroad by any means, including, but not limited to, payment
34 instrument, wire, facsimile or electronic transfer.

35 **Sec. A-10. 32 MRSA §11051**, as amended by PL 2009, c. 243, §7, is further
36 amended to read:

37 **§11051. Investigation, suspension and revocation of licenses**

38 The Bureau of Consumer Credit Protection may examine or investigate the records and
39 practices of any person the ~~superintendent~~ administrator believes has engaged in conduct
40 governed by this chapter in accordance with Title 9-A, section 6-106, may review and
41 approve collection letters proposed for use in this State and may charge for expenses
42 incurred pursuant to Title 9-A, section 6-106, subsection 6. ~~The superintendent may file a~~

1 complaint with the District Court to suspend or revoke a license issued pursuant to this
2 chapter, if, after investigation or hearing, or both, the superintendent has reason to believe
3 that the licensee has violated any provisions of this chapter or any administrative rules
4 issued pursuant to this chapter, or has failed to maintain its financial condition sufficient to
5 qualify for a license on an original application.

6 After notice and opportunity for hearing, the administrator may suspend or revoke a
7 licensee's license issued pursuant to this chapter if the administrator finds that:

8 **1. Grounds for denial.** A fact or condition exists that, if it had existed at the time
9 when the licensee applied for its license, would have been grounds for denying the
10 application;

11 **2. Violations.** The licensee has knowingly violated any material provision of this
12 chapter or any rule adopted or order validly issued by the administrator under authority of
13 this chapter;

14 **3. Safety and soundness.** The licensee is conducting its business in an unsafe or
15 unsound manner;

16 **4. Insolvency.** The licensee is insolvent;

17 **5. Failure to meet obligations.** The licensee has suspended payment of its
18 obligations, has made an assignment for the benefit of its creditors or has admitted in
19 writing its inability to pay its debts as they become due;

20 **6. Bankruptcy.** The licensee has applied for an adjudication of bankruptcy,
21 reorganization, arrangement or other relief under any bankruptcy;

22 **7. Refusal of examination.** The licensee has refused to permit the administrator to
23 make an examination authorized by this chapter;

24 **8. Failure to respond.** The licensee has failed to promptly and adequately respond to
25 communications from the administrator; or

26 **9. Failure to file report.** The licensee has willfully failed to make a report required
27 by this chapter.

28 **Sec. A-11. 32 MRSA §11051-B** is enacted to read:

29 **§11051-B. Administrative enforcement orders**

30 **1. Cease and desist.** After notice and hearing, the administrator may order a person
31 to cease and desist from engaging in violations of this chapter or a lawful rule adopted or
32 order issued by the administrator and may further order that the person take appropriate
33 corrective action to reimburse consumers in cases in which consumers have been charged
34 amounts in excess of those permitted by this chapter. Notice and hearing need not be
35 provided prior to issuance of an order to cease and desist when, in the opinion of the
36 administrator, immediate action is required to protect the public interest and:

37 A. The debt collector has not complied with section 11031; or

38 B. The debt collector does not maintain a permanent place of business in this State.

39 A respondent aggrieved by an order of the administrator may obtain judicial review of the
40 order in the Superior Court. The proceeding for review is initiated and conducted in
41 accordance with Title 5, chapter 375, subchapter 7.

1 **2. Objection not urged; remand.** An objection not urged at the hearing under
2 subsection 1 may not be considered by the court unless the failure to urge the objection is
3 excused for good cause shown. A party may move the court to remand the case to the
4 administrator in the interest of justice for the purpose of adducing additional specified and
5 material evidence and seeking findings thereon upon good cause shown for the failure to
6 adduce this evidence before the administrator.

7 **3. Testimony available to parties.** The administrator's copy of the testimony at the
8 hearing under subsection 1 must be available at reasonable times to all parties for
9 examination without cost.

10 **4. Obtain decree.** If no proceeding is initiated under subsection 1, the administrator,
11 through the Attorney General, may obtain a decree of the Superior Court for enforcement
12 of its order upon showing that the order was issued in compliance with this section, that no
13 proceeding for review was timely initiated and that the respondent is subject to the
14 jurisdiction of the court. The decree of the Superior Court may also provide any relief
15 available in an action brought under Title 9-A, section 6-110.

16 **5. Unconscionable agreements; fraudulent, unconscionable conduct.** With respect
17 to unconscionable agreements or fraudulent or unconscionable conduct by the respondent,
18 the administrator may not issue an order pursuant to this section, but, through the Attorney
19 General, may bring a civil action for an injunction.

20 **Sec. A-12. 32 MRSA §11051-C** is enacted to read:

21 **§11051-C. Assurance of discontinuance**

22 If it is claimed that a person has engaged in conduct that could be subject to an order
23 by the administrator or by a court, the administrator may accept an assurance in writing
24 that the person will not engage in the same or in similar conduct in the future. Such an
25 assurance may include any or any combination of the following: stipulations for the
26 voluntary payment by the debt collector of the costs of investigation or of an amount to be
27 held in escrow as restitution to debtors aggrieved by past or future conduct of the debt
28 collector or to cover costs of future investigation; or admissions of past specific acts by the
29 debt collector or that such acts violated this chapter or other statutes. A violation of an
30 assurance of discontinuance is a violation of this chapter.

31 **Sec. A-13. 33 MRSA §527**, as amended by PL 2001, c. 44, §11 and affected by
32 §14, is further amended to read:

33 **§527. Enforcement**

34 With respect to lenders that are supervised financial organizations as that term is
35 defined in Title 9-A, section 1-301, subsection 38-A, a violation of this subchapter is
36 deemed an anticompetitive and deceptive practice and the Superintendent of Financial
37 Institutions may take appropriate action to ensure compliance with this subchapter. With
38 respect to all other supervised lenders, as that term is defined in Title 9-A, section 1-301,
39 subsection 39, the ~~Director of Consumer Credit Regulation~~ Superintendent of Consumer
40 Credit Protection may take such action.

41 **PART B**

42 **Sec. B-1. 9-A MRSA §6-105-A**, as amended by PL 2011, c. 427, Pt. B, §§10 and
43 11, is further amended to read:

1 **§6-105-A. Uniform multistate automated licensing system**

2 For the purposes of participating in the establishment and implementation of a uniform
3 multistate automated licensing system, referred to in this section as "the system," for loan
4 brokers, supervised lenders that are not supervised financial organizations and individual
5 mortgage loan originators thereof, or entities in other license categories processed by the
6 system that are licensed or registered by the administrator, the administrator may undertake
7 the following actions.

8 1. The administrator may establish new rules and procedures, consistent with the
9 principles for operation and implementation established by the system, that are necessary
10 for the State to participate in the system, including rules and procedures authorizing the
11 system to collect license fees on behalf of the State and remit those fees to the State,
12 authorizing collection fees by the system to pay for its services, authorizing the system to
13 process and maintain license records and authorizing use of the system's uniform forms,
14 upon the ~~director's~~ administrator's finding that each new rule or procedure is consistent with
15 the public interest and the purposes of this Act. Rules adopted pursuant to this subsection
16 are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

17 2. The administrator may require a credit and background investigation of each
18 applicant for a license as a loan broker, a supervised lender that is not a supervised financial
19 organization or a mortgage loan originator thereof, or entity in another license category
20 processed by the system that is licensed or registered by the administrator, by means
21 including fingerprint checks for state and national criminal histories, commencing at the
22 time the State joins the system pursuant to this section. The cost of the investigations must
23 be charged to the applicants. Information obtained or held by the administrator pursuant
24 to this subsection is nonpublic pursuant to section 6-116 and not subject to disclosure.

25 Any information provided by or to the administrator pursuant to this section that has
26 been designated as confidential by another state's regulatory agency remains the property
27 of the agency furnishing the information and must be kept confidential by the administrator
28 and the system except as authorized by the agency that furnished the information.

29 **Sec. B-2. 9-A MRSA §6-202, sub-§1**, as amended by PL 2009, c. 228, §1, is
30 further amended to read:

31 1. Persons subject to this Part shall file notification with the administrator before
32 commencing business in this State, and, annually thereafter, on or before January 31st ~~of~~
33 ~~each year~~ or an alternate date established by the administrator. The notification filings must
34 be made to the administrator and must be in a form and contain information that the
35 administrator considers appropriate for the proper supervision and regulation of such
36 persons.

37 **PART C**

38 **Sec. C-1. 9-A MRSA §12-107, sub-§4**, as enacted by PL 2007, c. 394, §1 and
39 affected by §3, is repealed.

40 **PART D**

41 **Sec. D-1. 9-A MRSA §2-302, sub-§1**, as amended by PL 2017, c. 106, §5, is
42 further amended to read:

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

6 A. ~~For a lender subject to this subsection whose activities include making or arranging~~
7 ~~residential mortgage loans, an~~ The administrator may require an application for a
8 license to make or service supervised loans ~~must to~~ be made electronically, through the
9 nationwide mortgage licensing system and registry as defined in section 13-102,
10 subsection 8. Licenses for which applications were made electronically through the
11 nationwide mortgage licensing system and registry expire December 31st of each year
12 and must be renewed through the nationwide mortgage licensing system and registry.
13 ~~An application for an initial license must be accompanied by a fee of \$250, and an~~
14 ~~annual renewal application must be accompanied by a fee of \$100. An application for~~
15 ~~an initial license or renewal for a place of business other than that of the applicant's~~
16 ~~first licensed location must be accompanied by a fee of \$100. The administrator may~~
17 ~~establish, by rule, fees to apply for or renew licenses, except that the fee for an initial~~
18 ~~application may not exceed \$1,000 and for a renewal may not exceed \$600 for any~~
19 ~~licensed location. Renewal applications received after the expiration date are subject~~
20 ~~to a late fee of \$100. An applicant who applies through the nationwide mortgage~~
21 ~~licensing system and registry must also pay a nationwide mortgage licensing system~~
22 ~~and registry processing fee in an amount to be determined by the administrators of the~~
23 ~~nationwide mortgage licensing system and registry. A Fees set by the administrator by~~
24 ~~rule for a nonprofit organization exempt from taxation under the United States Internal~~
25 ~~Revenue Code, Section 501(c)(3) and engaged in the financing of housing for low-~~
26 ~~income people under a program designed specifically for that purpose must pay an~~
27 ~~initial licensing fee, and a fee for each branch location, of \$20 and a renewal licensing~~
28 ~~fee and renewal fee for each branch location of \$10, may not exceed \$150 for an initial~~
29 ~~application and \$100 per year for a renewal for any licensed location, plus the~~
30 applicable nationwide mortgage licensing system and registry processing fee.

31 B. ~~For a lender subject to this subsection whose activities do not include making or~~
32 ~~arranging residential mortgage loans, an initial application for a license must be~~
33 ~~accompanied by a \$500 fee and a renewal application must include a \$200 fee. A~~
34 ~~license is granted for a 2-year period and expires on September 30th of the 2nd year.~~
35 ~~An application for an initial license or renewal for a place of business other than that~~
36 ~~of the applicant's first licensed location must be accompanied by a fee of \$200.~~

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

39 **Sec. D-2. 9-A MRSA §10-201**, as repealed and replaced by PL 2013, c. 466, §7, is
40 amended to read:

41 **§10-201. Licensing and ~~biennial relicensing~~ renewal licensing**

42 A person desiring to engage or continue in business in this State as a loan broker shall
43 apply to the administrator for a license under this Article as set forth in this section. The
44 administrator may refuse the application if it contains erroneous or incomplete information.
45 A license may not be issued unless the administrator, upon investigation, finds that the

1 financial responsibility, character and fitness of the applicant and, when applicable, its
2 partners, officers and directors and, when applicable, the character and fitness of its
3 mortgage loan originators; warrant belief that the business will be operated honestly and
4 fairly within the purposes of this Title.

5 **1. Loan broker whose activities include arranging for or obtaining an extension**
6 **of credit for a residential mortgage loan.** A loan broker subject to this section whose
7 activities include arranging for or obtaining an extension of credit for a residential mortgage
8 loan must apply for a license electronically through the nationwide mortgage licensing
9 system and registry. The initial application must include a fee of \$300 and a renewal
10 application must include a fee of \$150. An application for a branch location license for a
11 location other than that of the first licensed location from which the applicant conducts
12 business or from which the applicant conducts business under a different name than that
13 listed on the first license must be accompanied by a license fee of \$150 and an annual
14 renewal fee of \$75. The applicant must also pay such nationwide mortgage licensing
15 system and registry processing fees as are established by the nationwide mortgage licensing
16 system and registry. A license expires on December 31st of each year and must be renewed
17 through the nationwide mortgage licensing system and registry. Notwithstanding other
18 remedies available under this Title, an application received after the due date is subject to
19 an additional fee of \$100. A licensed loan broker subject to this subsection may conduct
20 business only through a mortgage loan originator who possesses a current, valid license.

21 **2. Loan broker whose activities do not include arranging for or obtaining an**
22 **extension of credit for a residential mortgage loan.** The initial application for a license
23 as a loan broker subject to this section whose activities do not include arranging for or
24 obtaining an extension of credit for a residential mortgage loan must be made directly to
25 the administrator. Initial licenses are granted for a period not to exceed 2 years and expire
26 January 31st. The initial application must include a fee of \$600, and a biennial relicensing
27 application must include a fee of \$300. An application for a branch location license for a
28 location other than that of the first licensed location from which the applicant conducts
29 business or from which the applicant conducts business under a different name than that
30 listed on the first license must be accompanied by a license fee of \$300 and a biennial
31 renewal fee of \$150. Notwithstanding other remedies available under this Title,
32 applications received after the due date are subject to an additional fee of \$100.

33 **3. Nationwide mortgage licensing system and registry.** The administrator may
34 require licensing of loan brokers subject to this section through the nationwide mortgage
35 licensing system and registry as defined in section 13-102, subsection 8. The administrator
36 is authorized to participate in the nationwide mortgage licensing system and registry.

37 **4. Fees and requirements.** In all cases, whether licensing of loan brokers subject to
38 this section is through the nationwide mortgage licensing system and registry as defined in
39 section 13-102, subsection 8 or otherwise, the administrator may establish, by rule,
40 requirements for licensing, including but not limited to:

41 A. Background checks for:

- 42 (1) Criminal history through fingerprint or other databases;
43 (2) Civil or administrative records;
44 (3) Credit history; or

1 (4) Any other information determined necessary by the nationwide mortgage
2 licensing system and registry;

3 B. The payment of fees to apply for or renew licenses, except that the fee for an initial
4 application may not exceed \$1,000 and for a yearly renewal may not exceed \$600. If
5 licensing is through the nationwide mortgage licensing system and registry, an
6 applicant must also pay a nationwide mortgage licensing system and registry
7 processing fee in an amount to be determined by the administrators of the nationwide
8 mortgage licensing system and registry. Renewal applications received after the due
9 date are subject to an additional fee of \$100;

10 C. The setting or resetting as necessary of renewal or reporting dates; and

11 D. Other requirements for application for, amendment of or revocation of a license or
12 any other such activities as the administrator considers necessary.

13 A licensed loan broker whose activities include arranging for or obtaining an extension
14 of credit for a residential mortgage loan may conduct business only through a mortgage
15 loan originator who possesses a current, valid license.

16 The administrator may direct each licensee to file composite annual and quarterly
17 reports relating to all brokered loans arranged or obtained by that licensee. Information
18 contained in annual and quarterly reports is confidential and may be published only in
19 composite form. The administrator may at any time require additional reports if the
20 administrator determines such action necessary to the proper supervision of licensees.

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

23 **Sec. D-3. 9-A MRSA §12-106, sub-§2**, as enacted by PL 2007, c. 394, §1 and
24 affected by §3, is amended to read:

25 **2.** Registration must be filed in the manner prescribed by the administrator and must
26 contain the information the administrator requires to make an evaluation of the character,
27 fitness and financial responsibility of the applicant. ~~The initial application must be~~
28 ~~accompanied by a \$500 fee. A renewal registration must include a \$200 fee. A registration~~
29 ~~must be renewed every 2 years and expires on September 30th.~~ The administrator may
30 require registration through the nationwide mortgage licensing system and registry as
31 defined in section 13-102, subsection 8. The administrator is authorized to participate in
32 the nationwide mortgage licensing system and registry.

33 In all cases, whether registration is through the nationwide mortgage licensing system and
34 registry or otherwise, the administrator may establish, by rule, requirements for
35 registration, including but not limited to:

36 A. Background checks for:

37 (1) Criminal history through fingerprint or other databases;

38 (2) Civil or administrative records;

39 (3) Credit history; or

40 (4) Any other information determined necessary by the nationwide mortgage
41 licensing system and registry;

1 B. The payment of fees to apply for or renew registrations, except that the fee for an
2 initial application may not exceed \$800 and for a renewal may not exceed \$500. If
3 registration is through the nationwide mortgage licensing system and registry, an
4 applicant must also pay a nationwide mortgage licensing system and registry
5 processing fee in an amount to be determined by the administrators of the nationwide
6 mortgage licensing system and registry. Renewal applications received after the due
7 date are subject to an additional fee of \$100;

8 C. The setting or resetting as necessary of renewal or reporting dates; and

9 D. Other requirements for application for, amendment of or revocation of a registration
10 or any other such activities as the administrator considers necessary.

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

13 **Sec. D-4. 10 MRSA §1310-A, sub-§1, ¶G,** as enacted by PL 2013, c. 228, §1, is
14 repealed and the following enacted in its place:

15 G. Require registration of consumer reporting agencies located in this State or serving
16 users within this State through the nationwide mortgage licensing system and registry
17 as defined in Title 9-A, section 13-102, subsection 8. The administrator is authorized
18 to participate in the nationwide mortgage licensing system and registry.

19 In all cases, whether licensing is through the nationwide mortgage licensing system
20 and registry, as defined in Title 9-A, section 13-102, subsection 8, or otherwise, the
21 administrator may establish, by rule, requirements for registration, including but not
22 limited to:

23 (1) Background checks for:

24 (a) Criminal history through fingerprint or other databases;

25 (b) Civil or administrative records;

26 (c) Credit history; or

27 (d) Any other information determined necessary by the nationwide mortgage
28 licensing system and registry;

29 (2) The payment of fees to apply for or renew registrations, except that the fee for
30 an initial application may not exceed \$500 and for a renewal may not exceed \$500.
31 If licensing is through the nationwide mortgage licensing system and registry, an
32 applicant must also pay a nationwide mortgage licensing system and registry
33 processing fee in an amount to be determined by the administrators of the
34 nationwide mortgage licensing system and registry. Renewal applications received
35 after the due date are subject to an additional fee of \$100;

36 (3) The setting or resetting as necessary of renewal or reporting dates; and

37 (4) Other requirements for application for, amendment of or revocation of a
38 registration or any other such activities as the administrator considers necessary.

39 Rules adopted pursuant to this paragraph are routine technical rules as defined in Title
40 5, chapter 375, subchapter 2-A.

1 **Sec. D-5. 10 MRSA §1396, sub-§2**, as enacted by PL 2009, c. 61, §1, is amended
2 to read:

3 **2. Issuance of license; requirements; fees.** An application for a license as an
4 exchange facilitator must be in writing and filed with the administrator in the manner and
5 form prescribed by the administrator. ~~The administrator shall set an application fee for a~~
6 ~~primary office not to exceed \$350 and for any branch offices not to exceed \$200. All funds~~
7 ~~received by the administrator under this chapter are appropriated for the use of the~~
8 ~~administrator. The administrator may require licensing through the nationwide mortgage~~
9 ~~licensing system and registry as defined in Title 9-A, section 13-102, subsection 8. The~~
10 ~~administrator is authorized to participate in the nationwide mortgage licensing system and~~
11 ~~registry.~~

12 In all cases, whether licensing is through the nationwide mortgage licensing system and
13 registry or otherwise, the administrator may establish, by rule, requirements for licensing,
14 including but not limited to:

15 A. Background checks for:

16 (1) Criminal history through fingerprint or other databases;

17 (2) Civil or administrative records;

18 (3) Credit history; or

19 (4) Any other information determined necessary by the nationwide mortgage
20 licensing system and registry;

21 B. The payment of fees to apply for or renew licenses, except that the fee for an initial
22 application may not exceed \$600 and for a renewal may not exceed \$500. If licensing
23 is through the nationwide mortgage licensing system and registry, an applicant must
24 also pay a nationwide mortgage licensing system and registry processing fee in an
25 amount to be determined by the administrators of the nationwide mortgage licensing
26 system and registry. Renewal applications received after the due date are subject to an
27 additional fee of \$100;

28 C. The setting or resetting as necessary of renewal or reporting dates; and

29 D. Other requirements for application for, amendment of or revocation of a license or
30 any other such activities as the administrator considers necessary.

31 All funds received by the administrator under this chapter are appropriated for the use of
32 the administrator, and any balance of the funds does not lapse but must be carried forward
33 to be expended for the same purposes in the following fiscal year.

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

36 **Sec. D-6. 10 MRSA §1396, sub-§3**, as enacted by PL 2009, c. 61, §1, is repealed.

37 **Sec. D-7. 10 MRSA §1400-B, sub-§1**, as enacted by PL 2009, c. 61, §2, is
38 amended to read:

39 **1. Registration.** A person may not directly or indirectly engage in or carry on, or
40 purport to engage in or carry on, the business of, or act in the capacity of, a settlement
41 agency in this State without first registering with the administrator in accordance with this

1 chapter. The registration must be in a manner and form prescribed by the administrator.
2 ~~The administrator shall set a registration fee for a primary office or a branch office not to~~
3 ~~exceed \$25. All funds received by the administrator under this chapter are appropriated for~~
4 ~~the use of the administrator. The administrator may require registration through the~~
5 ~~nationwide mortgage licensing system and registry as defined in Title 9-A, section 13-102,~~
6 ~~subsection 8. The administrator is authorized to participate in the nationwide mortgage~~
7 ~~licensing system and registry.~~

8 In all cases, whether registration is through the nationwide mortgage licensing system and
9 registry or otherwise, the administrator may establish, by rule, requirements for
10 registration, including but not limited to:

11 A. Background checks for:

12 (1) Criminal history through fingerprint or other databases;

13 (2) Civil or administrative records;

14 (3) Credit history; or

15 (4) Any other information determined necessary by the nationwide mortgage
16 licensing system and registry;

17 B. The payment of fees to apply for or renew registrations, except that the fee for an
18 initial application may not exceed \$300 and for a renewal may not exceed \$300. If
19 registration is through the nationwide mortgage licensing system and registry, an
20 applicant must also pay a nationwide mortgage licensing system and registry
21 processing fee in an amount to be determined by the administrators of the nationwide
22 mortgage licensing system and registry. Renewal applications received after the due
23 date are subject to an additional fee of \$100;

24 C. The setting or resetting as necessary of renewal or reporting dates; and

25 D. Other requirements for application for, amendment of or revocation of a registration
26 or any other such activities as the administrator considers necessary.

27 All funds received by the administrator under this chapter are appropriated for the use of
28 the administrator, and any balance of the funds does not lapse but must be carried forward
29 to be expended for the same purposes in the following fiscal year.

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

32 **Sec. D-8. 10 MRSA §1400-B, sub-§3**, as enacted by PL 2009, c. 61, §2, is
33 amended to read:

34 **3. Renewal.** On or before April 30th of each year, a settlement agency registered
35 under this chapter shall pay an annual renewal fee ~~of \$25~~ as determined pursuant to
36 subsection 1 and shall file with the administrator a renewal form containing such
37 information as the administrator may require.

38 **Sec. D-9. 10 MRSA §1495-D, sub-§1-A** is enacted to read:

39 **1-A. License requirements; fees.** The administrator may require licensing under this
40 section through the nationwide mortgage licensing system and registry as defined in Title

1 9-A, section 13-102, subsection 8. The administrator is authorized to participate in the
2 nationwide mortgage licensing system and registry.

3 In all cases, whether licensing is through the nationwide mortgage licensing system and
4 registry or otherwise, the administrator may establish, by rule, requirements for licensing,
5 including but not limited to:

6 A. Background checks for:

7 (1) Criminal history through fingerprint or other databases;

8 (2) Civil or administrative records;

9 (3) Credit history; or

10 (4) Any other information determined necessary by the nationwide mortgage
11 licensing system and registry;

12 B. The payment of fees to apply for or renew licenses, except that the fee for an initial
13 application may not exceed \$1,200 and for a renewal may not exceed \$1,200. If
14 licensing is through the nationwide mortgage licensing system and registry, an
15 applicant must also pay a nationwide mortgage licensing system and registry
16 processing fee in an amount to be determined by the administrators of the nationwide
17 mortgage licensing system and registry. Renewal applications received after the due
18 date are subject to an additional fee of \$100;

19 C. The setting or resetting as necessary of renewal or reporting dates; and

20 D. Other requirements for application for, amendment of or revocation of a license or
21 any other such activities as the administrator considers necessary.

22 The aggregate of license fees and other fees and assessments provided for by this chapter
23 is appropriated for the use of the administrator. Any balance of these funds does not lapse
24 but must be carried forward to be expended for the same purpose in the following fiscal
25 year.

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

28 **Sec. D-10. 10 MRSA §1495-D, sub-§4**, as repealed and replaced by PL 2011, c.
29 308, §5, is repealed.

30 **Sec. D-11. 10 MRSA §1500-H, sub-§6**, as repealed and replaced by PL 2017, c.
31 475, Pt. A, §13, is amended to read:

32 **6. Enforcement.** ~~The superintendent may require the filing of notification by an~~
33 ~~administrator pursuant to Title 9-A, section 6-202 and section 6-203, subsection 1. The~~
34 ~~superintendent may require the filing of waivers in use by an administrator. Upon request~~
35 ~~by the superintendent, an administrator shall annually file a record of waivers administered~~
36 ~~by the administrator.~~

37 The superintendent may take action that is necessary or appropriate to enforce the
38 provisions of this chapter and to protect borrowers who hold waivers in this State. In cases
39 in which a credit union or financial institution authorized to do business in this State, as
40 defined in Title 9-B, section 131, subsections 12-A and 17-A, is a creditor, the

1 Superintendent of Financial Institutions is responsible for enforcement. After notice and
2 opportunity for hearing, the superintendent may:

3 A. Order the creditor, administrator or any other person not in compliance with this
4 chapter to cease and desist from further waiver-related operations that are in violation
5 of this chapter; and

6 B. Impose a penalty of not more than \$500 per violation and not more than \$10,000 in
7 the aggregate for all violations of a similar nature. For purposes of this paragraph,
8 violations must be considered of a similar nature if the violations consist of the same
9 or a similar course of conduct, action or practice, irrespective of the number of times
10 the conduct, action or practice that is determined to be a violation of this chapter
11 occurred.

12 **Sec. D-12. 10 MRSA §1500-H, sub-§6-A** is enacted to read:

13 **6-A. Registration; fees.** The superintendent may require registration of an
14 administrator that may include use of the nationwide mortgage licensing system and
15 registry as defined in Title 9-A, section 13-102, subsection 8. The administrator is
16 authorized to participate in the nationwide mortgage licensing system and registry.

17 In all cases, whether registration is through the nationwide mortgage licensing system and
18 registry or otherwise, the administrator may establish, by rule, requirements for
19 registration, including but not limited to:

20 A. Background checks for:

21 (1) Criminal history through fingerprint or other databases;

22 (2) Civil or administrative records;

23 (3) Credit history; or

24 (4) Any other information determined necessary by the nationwide mortgage
25 licensing system and registry;

26 B. The payment of fees to apply for or renew registrations, except that the fee for an
27 initial application may not exceed \$300 and for a renewal may not exceed \$300. If
28 registration is through the nationwide mortgage licensing system and registry, an
29 applicant must also pay a nationwide mortgage licensing system and registry
30 processing fee in an amount to be determined by the administrators of the nationwide
31 mortgage licensing system and registry. Renewal applications received after the due
32 date are subject to an additional fee of \$100;

33 C. The setting or resetting as necessary of renewal or reporting dates; and

34 D. Other requirements for application for, amendment of or revocation of a registration
35 or any other such activities as the administrator considers necessary.

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

38 **Sec. D-13. 10 MRSA §1500-H, sub-§7, ¶B**, as repealed and replaced by PL 2017,
39 c. 475, Pt. A, §13, is amended to read:

1 B. Subsection 2, paragraph C and subsections 4 ~~and~~, 6 and 6-A are not applicable to a
2 waiver offered in connection with a retail installment sale associated with a commercial
3 transaction.

4 **Sec. D-14. 32 MRSA §6103, sub-§3** is enacted to read:

5 **3. Nationwide mortgage licensing system and registry.** The administrator may
6 require licensing under this section through the nationwide mortgage licensing system and
7 registry as defined in Title 9-A, section 13-102, subsection 8. The administrator is
8 authorized to participate in the nationwide mortgage licensing system and registry.

9 **Sec. D-15. 32 MRSA §6103, sub-§4** is enacted to read:

10 **4. License requirements; fees.** In all cases, whether licensing is through the
11 nationwide mortgage licensing system and registry as defined in Title 9-A, section 13-102,
12 subsection 8 or otherwise, the administrator may establish, by rule, requirements for
13 licensing under this section, including but not limited to:

14 **A. Background checks for:**

15 **(1) Criminal history through fingerprint or other databases;**

16 **(2) Civil or administrative records;**

17 **(3) Credit history; or**

18 **(4) Any other information determined necessary by the nationwide mortgage**
19 **licensing system and registry;**

20 **B. The payment of fees to apply for or renew licenses, except that the fee for an initial**
21 **application may not exceed \$1,200 and for a renewal may not exceed \$1,000. If**
22 **licensing is through the nationwide mortgage licensing system and registry, an**
23 **applicant must also pay a nationwide mortgage licensing system and registry**
24 **processing fee in an amount to be determined by the administrators of the nationwide**
25 **mortgage licensing system and registry. Renewal applications received after the due**
26 **date are subject to an additional fee of \$100;**

27 **C. The setting or resetting as necessary of renewal or reporting dates; and**

28 **D. Other requirements for application for, amendment of or revocation of a license or**
29 **any other such activities as the administrator considers necessary.**

30 **In addition, the application or renewal application must be accompanied by a registration**
31 **fee of \$50 for each authorized delegate designated by the licensee, up to a maximum of**
32 **\$2,500.**

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

35 **Sec. D-16. 32 MRSA §6108**, as enacted by PL 1997, c. 155, Pt. A, §2, is repealed.

36 **Sec. D-17. 32 MRSA §6110, sub-§1**, as enacted by PL 1997, c. 155, Pt. A, §2, is
37 repealed.

38 **Sec. D-18. 32 MRSA §6110, sub-§2**, as enacted by PL 1997, c. 155, Pt. A, §2, is
39 amended to read:

1 **2. Annual Renewal fee; annual report.** The renewal fee established pursuant to
2 section 6103, subsection 4 must be accompanied by a report in a form prescribed by the
3 administrator. The form must be sent by the administrator to each licensee no later than 3
4 months immediately preceding the date established by the administrator for license
5 renewal. The licensee must include the following in its annual renewal report:

6 A. A copy of its most recent audited annual financial statement, including balance
7 sheet, statement of income or loss, statement of changes in shareholder's equity and
8 statement of changes in financial position. With the approval of the administrator, in
9 the case of a licensee that is a wholly owned subsidiary of another corporation, the
10 consolidated audited annual financial statement of the parent corporation may be filed
11 in lieu of the licensee's audited annual financial statement;

12 B. For the most recent quarter for which data are available prior to the date of the filing
13 of the renewal application, but in no event more than 120 days prior to the renewal
14 date, the number of payment instruments sold by the licensee in the State, the dollar
15 amount of those instruments and the dollar amount of those instruments currently
16 outstanding;

17 C. Any material changes to any of the information submitted by the licensee on its
18 original application that have not previously been reported to the administrator on any
19 other report required to be filed under this subchapter; and

20 D. A list of the locations within this State at which business regulated by this
21 subchapter is being conducted by either the licensee or its authorized delegate.

22 The administrator is authorized, for good cause shown, to waive any requirement of this
23 subsection with respect to any renewal application or to permit a renewal applicant to
24 submit substituted information in its renewal application in lieu of the information required
25 by this subsection.

26 **Sec. D-19. 32 MRSA §6110, sub-§3**, as enacted by PL 1997, c. 155, Pt. A, §2, is
27 amended to read:

28 **3. Suspension.** A licensee that has not filed a renewal report or paid its renewal fee
29 established pursuant to section 6103, subsection 4 by the renewal filing deadline and has
30 not been granted an extension of time to do so by the administrator must be notified by the
31 administrator, in writing, that its license is suspended. At the licensee's request, the
32 suspension may be stayed, and a hearing will be scheduled, at which time the licensee will
33 be required to show cause why its license should not be suspended pending compliance
34 with these requirements.

35 **Sec. D-20. 32 MRSA §6133, sub-§2**, as enacted by PL 1997, c. 155, Pt. A, §2, is
36 amended to read:

37 **2. Additional locations.** A registrant may conduct its business in this State at one or
38 more locations, directly or indirectly owned, or through one or more authorized delegates,
39 subject to the ~~additional~~ requirements set forth in this section 6137.

40 **Sec. D-21. 32 MRSA §6133, sub-§3** is enacted to read:

41 **3. Nationwide mortgage licensing system and registry.** The administrator may
42 require registration under this section through the nationwide mortgage licensing system

1 and registry as defined in Title 9-A, section 13-102, subsection 8. The administrator is
2 authorized to participate in the nationwide mortgage licensing system and registry.

3 **Sec. D-22. 32 MRSA §6133, sub-§4** is enacted to read:

4 **4. Registration requirements; fees.** In all cases, whether registration is through the
5 nationwide mortgage licensing system and registry as defined in Title 9-A, section 13-102,
6 subsection 8 or otherwise, the administrator may establish, by rule, requirements for
7 registration under this section, including but not limited to:

8 A. Background checks for:

9 (1) Criminal history through fingerprint or other databases;

10 (2) Civil or administrative records;

11 (3) Credit history; or

12 (4) Any other information determined necessary by the nationwide mortgage
13 licensing system and registry;

14 B. The payment of fees to apply for or renew registrations, including for locations
15 other than the applicant's main office location, except that the fee for an initial
16 application may not exceed \$500 and for a renewal may not exceed \$500. If registration
17 is through the nationwide mortgage licensing system and registry, an applicant must
18 also pay a nationwide mortgage licensing system and registry processing fee in an
19 amount to be determined by the administrators of the nationwide mortgage licensing
20 system and registry. Renewal applications received after the due date are subject to an
21 additional fee of \$100;

22 C. The setting or resetting as necessary of renewal or reporting dates; and

23 D. Other requirements for application for, amendment of or revocation of a registration
24 or any other such activities as the administrator considers necessary.

25 The aggregate of all fees, including those provided for by this section and in section 6140,
26 is appropriated for the use of the administrator. Any balance of the funds does not lapse but
27 must be carried forward to be expended for the same purposes in the following fiscal year.

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

30 **Sec. D-23. 32 MRSA §6137**, as enacted by PL 1997, c. 155, Pt. A, §2, is repealed.

31 **Sec. D-24. 32 MRSA §6173**, as amended by PL 2009, c. 243, §4, is further amended
32 to read:

33 **§6173. Registration and annual reregistration**

34 **2. Registration and reregistration.** An organization desiring to act, or continue to
35 act, as a debt management service provider shall apply to the administrator for registration
36 or reregistration in accordance with this chapter. The application must be in a form
37 prescribed by the administrator. The administrator may refuse the application if it contains
38 erroneous or incomplete information. A registration may not be issued unless the
39 administrator, upon investigation, finds that the financial soundness and responsibility,
40 insurance coverage, consumer education programs and services component, character and
41 fitness of the applicant and, when applicable, its partners, officers or directors, warrant

1 belief that the business will be operated honestly and fairly within the purposes of this
2 chapter. ~~The initial application for registration may be filed at any time and must include~~
3 ~~a fee of \$500. A registration or reregistration under this chapter expires on December 31st~~
4 ~~of the year approved. An annual reregistration application must be filed by December 1st~~
5 ~~of each year for the following year and must include a fee of \$250.~~

6 **2-A. Separate registration required.** A separate registration is required for each
7 place of business. ~~An application fee of \$250 must accompany an application for~~
8 ~~registration for a place of business other than that of the first registered location of the~~
9 ~~registrant.~~

10 **2-B. Registration requirements; fees.** The administrator may require registration
11 under this section through the nationwide mortgage licensing system and registry as
12 defined in Title 9-A, section 13-102, subsection 8. The administrator is authorized to
13 participate in the nationwide mortgage licensing system and registry.

14 In all cases, whether registration is through the nationwide mortgage licensing system and
15 registry or otherwise, the administrator may establish, by rule, requirements for
16 registration, including but not limited to:

17 A. Background checks for:

18 (1) Criminal history through fingerprint or other databases;

19 (2) Civil or administrative records;

20 (3) Credit history; or

21 (4) Any other information determined necessary by the nationwide mortgage
22 licensing system and registry;

23 B. The payment of fees to apply for registrations or reregistrations, except that the fee
24 for an initial application may not exceed \$800 and for a reregistration may not exceed
25 \$600. If registration is through the nationwide mortgage licensing system and registry,
26 an applicant must also pay a nationwide mortgage licensing system and registry
27 processing fee in an amount to be determined by the administrators of the nationwide
28 mortgage licensing system and registry. Reregistration applications received after the
29 due date are subject to an additional fee of \$100;

30 C. The setting or resetting as necessary of reregistration or reporting dates; and

31 D. Other requirements for application for, amendment of or revocation of a registration
32 or any other such activities as the administrator considers necessary.

33 **3. Action on registration application.** The administrator shall take action on an
34 application within 30 days after the administrator has accepted the application as complete.
35 Upon written request, the applicant is entitled to a hearing on the question of the applicant's
36 qualifications for registration if the administrator has notified the applicant in writing that
37 the application has been denied or the administrator has not issued a registration within 30
38 days after the application for the registration was accepted as complete by the administrator.
39 A request for a hearing may not be made more than 60 days after the application was
40 accepted as complete or the administrator has mailed a written notice to the applicant
41 stating that the application has been denied and stating the reasons for the denial of the
42 application.

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

3 **Sec. D-25. 32 MRSA §6193**, as enacted by PL 2007, c. 596, §1, is amended to read:

4 **§6193. License required; license requirements; fees**

5 A foreclosure purchaser may not engage in the business of foreclosure purchasing in
6 this State without first obtaining a license from the administrator, except that a supervised
7 financial organization as defined in Title 9-A, section 1-301, subsection 38-A is not
8 required to be licensed. ~~The requirements for obtaining a license under this chapter must~~
9 ~~be substantially similar to the requirements for a supervised lender license as provided in~~
10 ~~Title 9-A, section 2-301. The administrator may require licensing through the nationwide~~
11 ~~mortgage licensing system and registry as defined in Title 9-A, section 13-102, subsection~~
12 ~~8 and referred to in this section as "the nationwide mortgage licensing system and registry."~~
13 The administrator is authorized to participate in the nationwide mortgage licensing system
14 and registry.

15 In all cases, whether licensing is through the nationwide mortgage licensing system
16 and registry or otherwise, the administrator may establish, by rule or order, requirements
17 for licensing, including but not limited to:

18 **1. Background checks.** Background checks for:

19 A. Criminal history through fingerprint or other databases;

20 B. Civil or administrative records;

21 C. Credit history; or

22 D. Any other information determined necessary by the nationwide mortgage licensing
23 system and registry;

24 **2. Fees.** The payment of fees to apply for or renew licenses, except that the fee for an
25 initial application may not exceed \$1,000 and for a renewal may not exceed \$600. If
26 licensing is through the nationwide mortgage licensing system and registry, an applicant
27 must also pay a nationwide mortgage licensing system and registry processing fee in an
28 amount to be determined by the administrators of the nationwide mortgage licensing
29 system and registry. Renewal applications received after the due date are subject to an
30 additional fee of \$100;

31 **3. Dates.** The setting or resetting as necessary of renewal or reporting dates; and

32 **4. Other requirements.** Other requirements for application for, amendment of or
33 revocation of a license or any other such activities as the administrator considers necessary.

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

36 **Sec. D-26. 32 MRSA §11031, sub-§2**, as amended by PL 2009, c. 243, §6, is
37 further amended to read:

38 **2. Licenses.** ~~Licenses granted by the superintendent under this section are for a period~~
39 ~~of 2 years and expire on July 31st or at such other times as the superintendent may~~
40 ~~designate. Each license may be renewed biennially as long as the superintendent regards~~
41 ~~the business as responsible and safe, but in all cases terminate unless renewed by the~~

1 expiration date. Each license must plainly state the name and business address of the
2 licensee and be posted in a conspicuous place in the office where the business is transacted.
3 The fee for each biennial license is \$600. ~~When the unexpired license term of an applicant~~
4 ~~is or will be less than one year at a time of licensure, the license fee may not exceed 1/2 the~~
5 ~~biennial license fee. The superintendent may permit affiliated companies to be under a~~
6 ~~single license and subject to a single examination as long as all of the affiliated company~~
7 ~~names are listed on the license. The superintendent may adopt rules to determine what~~
8 ~~constitutes an affiliated company. Rules adopted pursuant to this subsection are routine~~
9 ~~technical rules as defined in Title 5, chapter 375, subchapter 2-A.~~ If a licensee desires to
10 carry on business in more than one place, the licensee shall procure a branch office license
11 for each additional place where the business is to be conducted. ~~The fee for each biennial~~
12 ~~branch office license is \$300. Notwithstanding other remedies available under this chapter,~~
13 ~~applications received after the due date are subject to an additional fee of \$100. The~~
14 ~~administrator may require licensing through the nationwide mortgage licensing system and~~
15 ~~registry as defined in Title 9-A, section 13-102, subsection 8. The administrator is~~
16 ~~authorized to participate in the nationwide mortgage licensing system and registry.~~

17 In all cases, whether licensing is through the nationwide mortgage licensing system and
18 registry or otherwise, the administrator may establish, by rule, requirements for licensing,
19 including but not limited to:

20 A. Background checks for:

21 (1) Criminal history through fingerprint or other databases;

22 (2) Civil or administrative records;

23 (3) Credit history; or

24 (4) Any other information determined necessary by the nationwide mortgage
25 licensing system and registry;

26 B. The payment of fees to apply for or renew licenses, except that the fee for an initial
27 application may not exceed \$800 and for a renewal may not exceed \$500. If licensing
28 is through the nationwide mortgage licensing system and registry, an applicant must
29 also pay a nationwide mortgage licensing system and registry processing fee in an
30 amount to be determined by the administrators of the nationwide mortgage licensing
31 system and registry. Renewal applications received after the due date are subject to an
32 additional fee of \$100;

33 C. The setting or resetting as necessary of renewal or reporting dates; and

34 D. Other requirements for application for, amendment of or revocation of a license or
35 any other such activities as the administrator considers necessary.

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

38 **Sec. D-27. 32 MRSA §14053**, as amended by PL 1997, c. 29, §1, is further amended
39 to read:

40 **§14053. Registration process requirements**

41 **1. Statement.** Except as otherwise provided in this section, each employee leasing
42 company required to be registered under section 14052 shall provide the superintendent

1 with information required by the superintendent on forms that the superintendent specifies.
2 ~~At a minimum, employee leasing companies shall provide the following information: The~~
3 ~~superintendent may require registration through the nationwide mortgage licensing system~~
4 ~~and registry as defined in Title 9-A, section 13-102, subsection 8. The superintendent is~~
5 ~~authorized to participate in the nationwide mortgage licensing system and registry.~~

6 The superintendent shall, at a minimum, require employee leasing companies to provide
7 the following information:

8 A. The name or names under which the registrant conducts business;

9 B. The address of the principal place of business of the employee leasing company
10 and the address of each office it maintains in this State;

11 C. The employee leasing company's taxpayer or employer identification number;

12 D. A list by jurisdiction of each name under which the employee leasing company has
13 operated in the preceding 5 years, including any alternative names, names of
14 predecessors and, if known, successor business entities;

15 E. A list of all persons or entities that own a 5% or greater interest in the employee
16 leasing company at the time of application and a list of persons who formerly owned a
17 5% or greater interest in the employee leasing company or its predecessors in the
18 preceding 5 years; and

19 F. A list of the cancellations or nonrenewals of workers' compensation insurance
20 issued to the employee leasing company or its predecessors in the preceding 5 years.
21 The list must include the policy or certificate numbers, names of insurers or other
22 providers of coverage, dates of cancellation and reasons for cancellation. If coverage
23 has not been canceled or has been renewed, the registration must include a sworn
24 affidavit signed by the chief executive officer of the employee leasing company
25 attesting to that fact.

26 **1-A. Registration process authorized.** In all cases, whether registration is through
27 the nationwide mortgage licensing system and registry as defined in Title 9-A, section
28 13-102, subsection 8 or otherwise, the superintendent may establish, by rule, requirements
29 for registration, including but not limited to:

30 A. Background checks for:

31 (1) Criminal history through fingerprint or other databases;

32 (2) Civil or administrative records;

33 (3) Credit history; or

34 (4) Any other information determined necessary by the nationwide mortgage
35 licensing system and registry;

36 B. The payment of fees to apply for or renew registrations, except that the fee for an
37 initial application may not exceed \$1,000 and for a renewal may not exceed \$500. If
38 registration is through the nationwide mortgage licensing system and registry, an
39 applicant must also pay a nationwide mortgage licensing system and registry
40 processing fee in an amount to be determined by the administrators of the nationwide
41 mortgage licensing system and registry. Renewal applications received after the due
42 date are subject to an additional fee of \$100;

- 1 C. The setting or resetting as necessary of any renewal or reporting dates; and
- 2 D. Other requirements for application for, amendment of or revocation of a registration
- 3 or any other such activities as the superintendent considers necessary.

4 Fees provided for by this chapter are appropriated for the use of the Bureau of Consumer
5 Credit Protection. Any balance of these funds does not lapse but must be carried forward
6 to be expended for the same purpose in the following year.

7 ~~2. **Renewal.** Prior to January 31st of each year or any other time fixed by the~~
8 ~~superintendent, each registrant shall renew its registration by notifying the superintendent~~
9 ~~of any changes in the information previously provided pursuant to this section.~~

10 **3. List.** The superintendent shall maintain a list of employee leasing companies
11 registered under this chapter.

12 **4. Forms.** The superintendent may prescribe forms necessary to promote the efficient
13 administration of this section.

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

16 **Sec. D-28. 32 MRSA §14054**, as amended by PL 2013, c. 257, §2, is repealed.

17 **PART E**

18 **Sec. E-1. 32 MRSA §11013, sub-§11** is enacted to read:

19 **11. Collection action prohibited on debt from medical expenses if eligible for free**
20 **or charity care.** A debt collector may not collect or attempt to collect a debt from medical
21 expenses against a consumer who has been determined to be qualified for free or charity
22 care under guidelines adopted pursuant to Title 22, section 1716, or against a consumer
23 who would have been determined to be qualified for free or charity care under guidelines
24 adopted pursuant to Title 22, section 1716 but did not apply for good cause.

25 **PART F**

26 **Sec. F-1. 32 MRSA §11019, sub-§1**, as enacted by PL 2017, c. 216, §6, is amended
27 to read:

28 **1. Complaint; required allegations.** A debt buyer may not initiate a collection action
29 against a consumer, ~~including an action brought in small claims court pursuant to Title 14,~~
30 ~~chapter 738,~~ unless the debt buyer alleges all of the following information in the complaint:

- 31 A. The information described in section 11013, subsection 9, including that the debt
- 32 buyer possesses the documentation described in section 11013, subsection 9;
- 33 B. The basis for any interest and fees described in section 11013, subsection 9;
- 34 C. The basis for the request for attorney's fees, if applicable;
- 35 D. That the debt buyer is the current owner of the debt; and
- 36 E. That the cause of action is filed within the applicable statute of limitations period.

37 **Sec. F-2. 32 MRSA §11020** is enacted to read:

38 **§11020. Collection action to collect credit card and student loan debts; additional**
39 **requirements for collection action**

1 1. **Applicability.** This section applies to any collection action against a consumer to
2 collect a credit card or student loan debt initiated by a debt collector.

3 2. **Commencement of collection action.** A collection action may not be commenced
4 in small claims court pursuant to Title 14, chapter 738. A collection action is commenced
5 upon the filing or serving of a complaint that provides notice of the complaint in the same
6 manner as other civil complaints and satisfies the requirements of this section.

7 3. **Notice of complaint.** In a collection action subject to this section, the debt collector
8 shall attach to the front of the complaint a one-page form notice to the consumer as
9 developed by the Department of Professional and Financial Regulation, Bureau of
10 Consumer Credit Protection. The form notice must be written in language that is plain and
11 readily understandable by the general public and, at a minimum, must contain the
12 following:

13 A. A statement that failure to answer the complaint may result in entry of judgment in
14 the amount demanded by the debt collector; and

15 B. A sample answer and an explanation that the consumer may fill out the form and
16 return it to the court as the answer to the complaint. If the consumer returns the form
17 to the court, the consumer does not need to file a more formal answer or responsive
18 pleading.

19 4. **Entry of judgment.** A court may not enter judgment unless it specifically finds
20 that all the requirements of this section and all other applicable requirements of this chapter
21 are met, including, but not limited to, whether the plaintiff has produced evidence that is
22 admissible pursuant to the Maine Rules of Evidence on all required elements of its claim.

23 5. **Default judgment.** If the defendant has failed to plead or otherwise defend, the
24 plaintiff may apply for entry of default and a default judgment. The judge overseeing the
25 action is responsible for entering a default and a default judgment, not the clerk of the court.
26 Regardless of whether the defendant appears in the action or the judgment is based on a
27 proposed order concerning a settlement, the court may not enter judgment in favor of the
28 plaintiff unless the court determines that all the requirements of this section and all other
29 applicable requirements of this chapter are met, including, but not limited to, whether the
30 plaintiff has produced evidence admissible pursuant to the Maine Rules of Evidence on all
31 required elements of its claim.

32 6. **Exclusion.** This section does not apply to any collection action brought by a
33 supervised financial organization as defined in Title 9-A, section 1-301, subsection 38-A.

34 7. **Rules.** The Supreme Judicial Court may adopt rules necessary to implement the
35 provisions of this section.

36 PART G

37 **Sec. G-1. 4 MRSA §18-B, sub-§7**, as enacted by PL 1995, c. 560, Pt. I, §3, is
38 amended to read:

39 **7. Fees Authority and fees.** ~~When~~ A court may refer cases to the Court Alternative
40 Dispute Resolution Service for mediation and, when a court refers parties case types or
41 individual cases to the Court Alternative Dispute Resolution Service for mediation, the
42 court shall assess the parties a fee to be apportioned equally among the parties, unless the
43 court otherwise directs. The fee must be deposited in the dedicated account created in
44 subsection 8.

1 A party may file an in forma pauperis application for waiver of fee. If the court finds that
2 the party does not have sufficient funds to pay the fee, it shall order the fee waived.

3 SUMMARY

4 Part A of this bill does the following.

5 1. It clarifies the jurisdiction of the Department of Professional and Financial
6 Regulation, Bureau of Consumer Credit Protection to regulate transactions entered into by
7 mail, telephone or electronic mail or using a creditor's website when the consumer is
8 located in Maine.

9 2. It establishes that an automobile seller is regularly engaged in credit sales if the seller
10 sells more than 15 cars per year on credit. Currently, a dealer can sell up to 25 cars a year
11 on credit without complying with any disclosure, rate cap or repossession standards.

12 3. It defines a supervised lender to include a company that purchases and collects on
13 supervised loans, regardless of whether the company maintains an office in this State.
14 Current law already holds in-state companies to this standard.

15 4. It clarifies confidentiality provisions by referencing an exception currently found in
16 another section of the Maine Consumer Credit Code.

17 5. It authorizes the Superintendent of Consumer Credit Protection to adjust fees to
18 support the costs of compliance and staff attorney positions with revenues derived from
19 nonbank mortgage companies. It also allows the superintendent to reduce fees by
20 regulation.

21 6. It corrects references to the Superintendent of Consumer Credit Protection.

22 7. It specifically provides that the Superintendent of Consumer Credit Protection or the
23 Superintendent of Financial Institutions has the authority, after notice to the licensee and
24 opportunity to be heard, to suspend, revoke or deny renewal of a payroll processor's license.

25 8. It confirms the ability of the Bureau of Consumer Credit Protection to regulate
26 transmission of digital currencies, such as Bitcoin.

27 9. It establishes the Superintendent of Consumer Credit Protection's authority over debt
28 collectors consistent with authority granted the administrator with respect to other license
29 types.

30 10. It adds to the laws governing debt collectors routine enforcement authority
31 consistent with authority currently applied with respect to consumer lenders and creditors.

32 11. It adds to the laws governing debt collectors an assurance of discontinuance as an
33 enforcement option consistent with current law applicable to consumer lenders and
34 creditors.

35 Part B does the following.

36 1. It permits the use of a nationwide multistate licensing system to process licenses and
37 registrations with respect to general creditors, debt collectors, money transmitters and other
38 entities regulated by the Bureau of Consumer Credit Protection. It also authorizes the use
39 of that system by large, national companies that already use the system for their licenses in
40 other states.

1 2. It amends a notification date provision in the law to permit the Bureau of Consumer
2 Credit Protection to use the nationwide mortgage licensing system for different business
3 types.

4 Part C repeals language that requires annual reports to the joint standing committee of
5 the Legislature having jurisdiction over insurance and financial services matters relating to
6 the business of "legal funding practices."

7 Part D does the following.

8 1. It amends application and renewal fee provisions for entities licensed and regulated
9 by the Bureau of Consumer Credit Protection to allow the bureau to use rulemaking to
10 adjust fees.

11 2. It allows the bureau to use the nationwide mortgage licensing system and registry
12 to license or register regulated entities.

13 3. It authorizes the Superintendent of Consumer Credit Protection to permit affiliated
14 companies to be under a single debt collector license.

15 Part E makes it a violation of the Maine Fair Debt Collection Practices Act to collect
16 or attempt to collect a debt from medical expenses against an individual eligible for free or
17 charity care.

18 Part F adds requirements relating to collection actions for credit card debt and student
19 loan debt.

20 Part G authorizes courts to refer cases to the Court Alternative Dispute Resolution
21 Service for mediation and assess fees for such mediation.