

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
Insurance and Financial Services*

August 2005

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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 Insurance and Financial Services

LD 1303

An Act To Register Nonbank Loan Officers

PUBLIC 164

<u>Sponsor(s)</u> GLYNN		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-311
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LD 1303 proposed to require the registration of loan officers employed by supervised lenders and credit services organizations.

1. The bill defines "loan officer" in a way that exempts clerical staff and loan processors and also exempts sole proprietors and employees of banks and credit unions.
2. The bill requires that at the time a supervised lender applies for its license to make supervised loans the company request registration of its loan officers. In addition, those loan officer registrations would have to be updated during the licensing period.
3. The bill authorizes the Department of Professional and Financial Regulation, Office of Consumer Credit Regulation to suspend or revoke the registration of a loan officer independently of any action against the license or registration of a supervised lender or credit services organization. In effect, this would permit the State to track a specific individual loan officer.

Committee Amendment "A" (H-311) proposed to specify that the registration of a loan officer within 90 days of the due date does not constitute a violation of the registration requirement provided in the bill. It proposed to amend the provision of the bill regarding the evaluation of the loan officers to limit the evaluation to consideration of their character and fitness. The amendment would also strike the provision of the bill that limited a loan officer to working for one lender or credit services organization. The amendment also added an appropriations and allocations section to the bill.

Enacted law summary

Public Law 2005, chapter 164 requires the registration of loan officers employed by supervised lenders and credit services organizations. The law defines "loan officer" in a way that exempts clerical staff and loan processors and also exempts sole proprietors and employees of banks and credit unions.

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The law authorizes the Department of Professional and Financial Regulation, Office of Consumer Credit Regulation to suspend or revoke the registration of a loan officer independently of any action against the license or registration of a supervised lender or credit services organization. In effect, this would permit the State to track a specific individual loan officer.