**02-030**

Department of Professional and Financial Regulation

**BUREAU OF CONSUMER CREDIT PROTECTION**

2016-2017 Regulatory Agenda

July 11, 2016

AGENCY UMBRELLA-UNIT NUMBER**: 02-030**

AGENCY NAME**:** Department of Professional and Financial Regulation, **Bureau of Consumer Credit Protection**

**RULE-MAKING LIAISON:** William N. Lund, Superintendent, 35 State House Station, Augusta, Maine 04333-0035. Telephone: (207) 624-8527. E-mail: [William.N.Lund@Maine.gov](mailto:William.N.Lund@Maine.gov) .

**EMERGENCY RULES ADOPTED SINCE THE LAST REGULATORY AGENDA:** None

**EXPECTED 2016-2017 RULE-MAKING ACTIVITY:**

**CHAPTER 110** *(or new joint rule with the Bureau of Financial Institutions)*

TITLE: Bureau Organization, Administration and Procedure

STATUTORY BASIS: 9-A MRSA §6-104(4)(A); §6-104(1)(E)

PURPOSE: This rule sets forth the basic organizational and procedural structure of the agency. Due to changes in the statutory framework of the agency and the sharing of jurisdiction with the Bureau of Financial Institutions, this rule may be revised to reflect those changes.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Consumers, non-bank lenders, general creditors and other regulated entities.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 120** *(or new joint rule with the Bureau of Financial Institutions) (Repealed and replaced June 18, 2005)*

TITLE: Multiple of the Federal Minimum Wage

STATUTORY BASIS: 9-A MRSA §5-105(2)(B); §6-104

PURPOSE: In light of PL 2007, Ch. 7, engage in joint rule-making, as appropriate, with the Bureau of Financial Institutions to amend the rule that establishes the method by which an employee’s wages may be garnished when the employee is paid other than weekly, pursuant to the limitations of the Maine Consumer Credit Code.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Consumers, non-bank lenders, general creditors, and other regulated entities.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER *140*** *(or new joint rule with the Bureau of Financial Institutions)*

TITLE: Limited Coverage on Property Related to Credit Transactions

STATUTORY BASIS: 9-A MRSA §4-301(4); §6-104

PURPOSE: Engage in joint rule-making, as appropriate, with the Bureau of Financial Institutions to amend the rule that prohibits dual coverage of insurance on items related to credit transactions. The rule may also be amended to facilitate the offering of various insurance products.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Consumers, non-bank lenders, general creditors, and other regulated entities.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 150**

TITLE: Authorization of Rate Tables to Determine Unearned Finance Charge

STATUTORY BASIS: 9-A MRSA §2-510(3)

PURPOSE: Engage in joint rule-making, as appropriate, with the Bureau of Financial Institutions to amend the rule establishing rate tables to assist creditors in determining appropriate refunds if consumers pay off precomputed credit contracts prior to the scheduled termination date. The agencies may amend the regulation to make it applicable to a wider range of cases in which consumers make large partial prepayments in precomputed credit transactions.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Consumers, non-bank lenders, general creditors, and other regulated entities.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 190**

TITLE: Enforcement Policy Guidelines

STATUTORY BASIS: 9-A MRSA §6-104(1)(E); §8-505(2) (formerly §8-108(3))

PURPOSE: Engage in joint rule-making, as appropriate, with the Bureau of Financial Institutions to amend the rule that sets forth the procedures to be followed when violations of the Maine Consumer Credit Code or related laws are established following an examination, or in response to a consumer complaint. The agencies follow general guidelines and tolerances promulgated and established by various federal regulatory agencies, and as those federal standards change the agencies may amend the rule to conform to the new standards.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Consumers, non-bank lenders, general creditors, and other regulated entities.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 240**

TITLE: Truth-In Lending: Regulation Z-3 *(also known as Bureau of Financial Institutions Regulation 38)*

STATUTORY AUTHORITY: 9-A MRSA §6-104 and §8-504.

PURPOSE: In order to keep pace with federal regulatory changes, the Bureau may adopt a rule substantially similar to, or that affords more protection for consumers than, the implementing regulations Z and M of the *Federal Truth-in-Lending Act*. The Bureau may engage in joint rulemaking with the Bureau of Financial Institutions, consistent with Article 8-A of the *Maine Consumer Credit Code*.

ANTICIPATED SCHEDULE: Prior to October, 2017, as necessary

AFFECTED PARTIES**:** All state-chartered financial institutions, supervised lenders, and consumers

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 245**

TITLE: Student Loan Disclosures

STATUTORY BASIS: 9-A MRSA §8-504(2) (formerly §8-104(1)); Title 10 MRSA §363(8)(A)

PURPOSE: This joint rule establishes disclosure and procedural requirements regarding the terms and conditions for student loan products offered by lenders and issuers and funded by an allocation of the state’s bond ceiling. It may be amended as needed.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: All lenders and issuers of student loan products that are funded under an allocation of the state’s bond ceiling, and consumers borrowing under those programs.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 250**

TITLE: Alternative Mortgage Transactions

STATUTORY BASIS: 9-A MRSA §6-104; §9-302

PURPOSE: Engage in joint rule-making, as appropriate, with the Bureau of Financial Institutions to amend Rule 250, which governs alternative mortgage transactions, including adjustable rate and partially-amortizing mortgage loans.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Consumers, non-bank lenders, general creditors, and other regulated entities.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 285**

TITLE: Volume Fees: To promote funding for investigative and legal compliance personnel

STATUTORY BASIS: 9-A MRSA §6-203 sub-3-C and the former §8-206-F sub-§ 2

PURPOSE: The agency may adopt, amend or revise rules as necessary to implement 9-A MRSA, §6-203 sub-3-C and the former §8-206-F sub-2, which permit adjustment of fees to fund investigative and legal compliance personnel.

SCHEDULE FOR ADOPTION: January, 2017, as necessary

AFFECTED PARTIES: Supervised lenders

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 300**

TITLE: Collection Agencies - Application and Record-Keeping Requirements

STATUTORY BASIS: 32 MRSA §11034

PURPOSE: This rule sets forth requirements for those individuals and companies that wish to collect debts or repossess vehicles in Maine. The agency may amend the rule as necessary.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Applicants for licensure to collect debts and repossess collateral.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 350**

TITLE: Credit Services Organizations

STATUTORY BASIS: 9-A MRSA §10-305

PURPOSE: Chapter 350 clarifies Article X of the *Maine Consumer Credit Code*, which regulates the activities of Credit Services Organizations (loan brokers). The agency may propose amendments to the rule to address issues that may be encountered.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Loan brokers and credit clinics, arrangers of refund anticipation loans and their customers.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 400**

TITLE: Sale of Insurance Products by Financial Institutions and Supervised Lenders

STATUTORY BASIS: 9-A MRSA §4-407

PURPOSE: This regulation, issued jointly by the Bureau of Consumer Credit Protection, the Bureau of Financial Institutions and the Bureau of Insurance, addresses issues regarding sales of insurance products by financial institutions. Amendments may be proposed as necessary.

SCHEDULE FOR ADOPTION: Prior to December, 2017, as necessary

AFFECTED PARTIES: Insurers, financial institutions, supervised lenders, and consumers.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 500**

TITLE: Continuing Education Requirements for Individuals Registered as Loan Officers, or Licensed Supervised Lenders or Loan Brokers

STATUTORY BASIS: 9-A MRSA §2-302 sub-§7 and 9–A MRSA §10-101 – 10-401(5)

PURPOSE: The agency may repeal this rule since its requirements are superseded by Maine’s SAFE Act.

SCHEDULE FOR ADOPTION: September, 2017, as necessary

AFFECTED PARTIES: Supervised lender’s loan officers, supervised lenders, loan brokers, and loan broker’s loan officers.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 550**

TITLE: Mortgage Lending: Guidelines for Determining Reasonable, Tangible Net Benefit and Ability to Pay

STATUTORY BASIS: 9 MRSA §§ 1-301 and 1-301(2); §6-401(1)(E); §8-506 (4 & 5) (formerly §8-206-D (sub-§1-G (1, 2 &3)); Title 9-B MRSA §215

PURPOSE: Amend or revise the rule delineating the concepts of “reasonable, tangible net benefit” and “ability to pay.”

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Regulated companies; consumers.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 600**

TITLE: Student Loans *(Bureau of Financial Institutions Chapter 145)*

STATUTORY BASIS: 9-A MRSA §6-104(1)(E); §8-504(2) (*formerly* §8-104(4)), §6-104(1)(E), §6-103 and §1-301(2); and 9-B MRSA §215

PURPOSE: Amend, as necessary, through joint rulemaking with the Bureau of Financial Institutions the rule to enable lenders to provide student loans to student borrowers that are not insured, guaranteed, subsidized or made directly by the federal government, a state, a nonprofit private loan guaranty or organization, by an institution of higher education itself or through an endowment or trust fund affiliated with such institution of higher education.

SCHEDULE FOR ADOPTION: January 1, 2017, as necessary

AFFECTED PARTIES: Regulated companies; consumers.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER 700**

TITLE: Conversion of Maine’s Supervised Lender and Loan Broker Licensing to the Nationwide Mortgage Licensing System (NMLS)

STATUTORY BASIS: 9-A MRSA §2-302; §10-201; and §13-119

PURPOSE: Amend, as necessary, the rule that facilitated the transition from a state registration system for loan officers, to the new multi-state licensing system for “mortgage loan originators” as well as licensing mortgage lenders and loan brokers. Subject matter for amendment or clarification may include exclusions, expedited licensing rules for existing registrants, procedures, reinstatement standards, net worth requirements, continuing education standards, background checks, fees, dates, company standards, renewal date changes, license fee adjustments and other requirements.

SCHEDULE FOR ADOPTION: October, 2017, as necessary

AFFECTED PARTIES: Consumers, mortgage loan originators, mortgage lenders, loan brokers and continuing education course providers

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Money Order Issuers / Money Transmitters / Check Cashers / Foreign Currency Exchangers

STATUTORY BASIS: 32 MRSA §§ 6125, 6144

PURPOSE: Adopt rules as necessary to implement statutory provisions, including use of a multi-state licensing system, applicable to these financial services companies.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Regulated companies; consumers.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Non-Bank Cash-Dispensing Machines

STATUTORY BASIS: 32 MRSA §6159

PURPOSE: Adopt rules as necessary to implement Title 32 Chapter 229, Sub-chapter III, “Cash-Dispensing Machines Established by Non-banks.”

SCHEDULE FOR ADOPTION: October, 2017, as necessary

AFFECTED PARTIES: Consumers; owners and operators of non-bank ATMs.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE**:** Consumer Credit Transactions: Permissible Additional Charges

STATUTORY BASIS: 9-A MRSA §2-501

PURPOSE: Engage in joint rule-making, as appropriate, with the Bureau of Financial Institutions to promulgate a rule addressing permissible charges for benefits conferred upon the consumer.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Maine credit consumers, financial institutions, non-bank lenders, and general creditors.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Debt Management Service Providers

STATUTORY BASIS: 32 MRSA §6178(2)

PURPOSE: Adopt rules as necessary to implement Title 32 Chapter 80-A, “Debt Management Services.”

SCHEDULE FOR ADOPTION: October, 2017, as necessary

AFFECTED PARTIES: Consumers; debt management service providers

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Payroll Processors

STATUTORY BASIS: 10 MRSA §1495–F (7)

PURPOSE: Adopt rules as necessary to implement 10 MRSA Chapter 222, “Payroll processors.”

SCHEDULE FOR ADOPTION: October, 2017, as necessary

AFFECTED PARTIES: Employers; payroll processors

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Volume Fees – Adjusted due to reduced level of fund balance

STATUTORY BASIS: 9-A MRSA §6-203 sub-3-B & 3-C

PURPOSE: Adopt rules as necessary to implement 9-A MRSA §6-203 sub-§3-B & 3-C, “Fees”

SCHEDULE FOR ADOPTION: January, 2017, as necessary

AFFECTED PARTIES: Supervised lenders

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Litigation Funding Providers

STATUTORY BASIS: 9-A MRSA §12-107(1)

PURPOSE: Adopt rules as necessary to implement 9-A MRSA, §12-101 *et seq.*, “Legal Funding Practices.”

SCHEDULE FOR ADOPTION: January, 2017, as necessary

AFFECTED PARTIES: Litigation funding providers; consumers

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Regulation of Exchange Facilitators

STATUTORY BASIS: 10 MRSA Chapter 212-C

PURPOSE: Adopt routine, technical rules to implement the regulation of exchange facilitators.

SCHEDULE FOR ADOPTION: October, 2017, as necessary

AFFECTED PARTIES: Investors; exchange facilitators

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Arranger of Refund Anticipation Loans

STATUTORY BASIS: 9-A MRSA §10-305

PURPOSE: Adopt routine, technical rules to implement the regulation of arrangers of refund anticipation loans.

SCHEDULE FOR ADOPTION: October, 2017, as necessary

AFFECTED PARTIES: Consumers; refund anticipation loan arrangers (primarily tax preparers)

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Bad Check Diversion Program Companies

STATUTORY BASIS: 32 MRSA §11034

PURPOSE: Adopt routine, technical rules to implement the regulation of bad check diversion companies.

SCHEDULE FOR ADOPTION: October, 2017, as necessary

AFFECTED PARTIES: District Attorney’s offices, consumers.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Employee Leasing Company Registration

STATUTORY BASIS: 32 MRSA §14059

PURPOSE: Adopt routine technical rules and rules to administer the provisions of this chapter for the protection of clients companies, including rules regarding the ability to receive and respond to consumer complaints.

SCHEDULE FOR ADOPTION: October, 2017, as necessary

AFFECTED PARTIES: Business owners, employee leasing companies, and employees of the leasing companies.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Unfair, Deceptive or Abusive Mortgage Lending

STATUTORY AUTHORITY: 9-A MRSA 8-508

PURPOSE: If circumstances warrant, engage in joint rulemaking with the Bureau of Financial Institutions to promulgate a rule regarding unfair, deceptive or abusive mortgage lending.

ANTICIPATED SCHEDULE: October, 2017, as necessary

AFFECTED PARTIES: Maine consumers, financial institutions, non-bank lenders

CONSENSUS BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Security Breach Notification

STATUTORY AUTHORITY: 10 M.R.S.A. §1350-A

PURPOSE: If circumstances warrant, may propose new rule to address security breach notification requirements for financial services providers.

ANTICIPATED SCHEDULE: October, 2017, as necessary

AFFECTED PARTIES**:** Maine consumers and businesses

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Foreclosure Purchasers

STATUTORY AUTHORITY: 32 MRSA §6200

PURPOSE: If circumstances warrant, may adopt rules to carry out the purposes of 32 MRSA Chap. 80-B related to foreclosure purchasers

ANTICIPATED SCHEDULE: October, 2017, as necessary

AFFECTED PARTIES: Maine consumers, foreclosure purchasers

CONSENSUS BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.

**CHAPTER \_\_\_\_\_\_\_\_\_\_\_\_** *(New rule)*

TITLE: Residential Real Estate Property Preservation Service Provider

STATUTORY BASIS: 32 MRSA §11034

PURPOSE: If circumstances warrant, may adopt rules to carry out the purposes of 32 MRSA, Chap. 109-A related to residential property preservation service providers.

SCHEDULE FOR ADOPTION: Prior to October, 2017, as necessary

AFFECTED PARTIES: Applicants for licensure to perform real estate property preservation activities.

CONSENSUS-BASED RULE DEVELOPMENT: The agency does not plan to employ consensus-based rule development in formulating its planned rule changes.