

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-SIX

—
H.P. 1385 - L.D. 2072

An Act to Make Changes to the Laws Governing Financial Institutions and to Eliminate Certain Administrative Fees Paid by Banks and Credit Unions Under the Maine Consumer Credit Code

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

Sec. 1. 9-A MRSA §6-201, as amended by PL 2005, c. 206, §2, is further amended to read:

§6-201. Applicability

This Part applies to a person engaged in this State in entering into consumer credit transactions and to a person having an office or place of business in this State who takes assignments of or undertakes direct collection of payments from or enforcement of rights against debtors arising from these transactions. In addition, this Part applies to a person, wherever located, who takes assignments of or undertakes direct collection of payments from or enforcement of rights against debtors arising from a consumer credit transaction subject to this Title. This Part also applies to a person, ~~other than a supervised financial organization~~, wherever located, who takes assignments of or undertakes direct collection of payments from or enforcement of rights against debtors arising from a consumer credit transaction subject to Article 9. This Part does not apply to supervised financial organizations.

Sec. 2. 9-A MRSA §6-203, sub-§3-A, as enacted by PL 1993, c. 268, §2, is repealed.

Sec. 3. 9-A MRSA §6-203, sub-§3-D, as enacted by PL 2021, c. 245, Pt. A, §5, is amended to read:

3-D. Notwithstanding subsection 3-C, the administrator may by rule adjust the fees paid with respect to creditors ~~that are not supervised financial organizations~~ making residential mortgage loans to support the costs of compliance and staff attorney positions. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 4. 9-A MRSA §6-203, sub-§6, as amended by PL 1997, c. 393, Pt. B, §5 and PL 2001, c. 44, §11 and affected by §14 and amended by PL 2007, c. 273, Pt. B, §§5 and 6 and affected by c. 695, Pt. A, §47, is repealed.

Sec. 5. 9-B MRSA §161, sub-§1-A, ¶F, as amended by PL 2001, c. 44, §11 and affected by §14 and enacted by c. 262, Pt. B, §2 and amended by PL 2007, c. 273, Pt. B, §5 and affected by c. 695, Pt. A, §47, is further amended by amending subparagraph (10) to read:

(10) The Office of Securities within the Department of Professional and Financial Regulation; ~~and~~

Sec. 6. 9-B MRSA §161, sub-§1-A, ¶F, as amended by PL 2001, c. 44, §11 and affected by §14 and enacted by c. 262, Pt. B, §2 and amended by PL 2007, c. 273, Pt. B, §5 and affected by c. 695, Pt. A, §47, is further amended by amending subparagraph (11) to read:

(11) The United States Securities and Exchange Commission; ~~and~~

Sec. 7. 9-B MRSA §161, sub-§1-A, ¶F, as amended by PL 2001, c. 44, §11 and affected by §14 and enacted by c. 262, Pt. B, §2 and amended by PL 2007, c. 273, Pt. B, §5 and affected by c. 695, Pt. A, §47, is further amended by enacting a new subparagraph (12) to read:

(12) The federal Consumer Financial Protection Bureau.

Sec. 8. 9-B MRSA §161, sub-§1-A, ¶F, as amended by PL 2001, c. 44, §11 and affected by §14 and enacted by c. 262, Pt. B, §2 and amended by PL 2007, c. 273, Pt. B, §5 and affected by c. 695, Pt. A, §47, is further amended by enacting at the end a new first blocked paragraph to read:

"Supervisory agency" includes any successor agency to those listed in this paragraph.

Sec. 9. 9-B MRSA §162, sub-§5-A, as enacted by PL 2025, c. 215, §2, is amended to read:

5-A. Disclosure upon suspicion of financial exploitation. The financial records are disclosed to the Office of the Attorney General or a law enforcement agency pursuant to section 245 because a financial institution authorized to do business in this State or its affiliate or a credit union authorized to do business in this State or its affiliate has reasonable cause to believe that a disbursement requested by an individual ~~62~~ 65 years of age or older or an individual protected under the Adult Protective Services Act may result in financial exploitation of that person;

Sec. 10. 9-B MRSA §252, sub-§6, as amended by PL 1997, c. 398, Pt. K, §5, is further amended to read:

6. Decision. After consideration of all relevant matters presented in the application, in any written comments, in an investigation conducted by the bureau to examine and evaluate facts related to the application to the extent necessary to make an informed decision and at the hearing, if any, the superintendent shall promulgate, in accordance with the Maine Administrative Procedure Act, the final order. Within ~~5~~ 14 days of promulgation, notice of the final order setting forth the name of the applicant, the nature of the application and the superintendent's action ~~thereon~~ on the application, together with a statement that

copies of the order are available to the public at cost, must be published by the superintendent in those newspapers in which the notice required by subsection 2 was published. Unless the superintendent specifies a later date in the final notice relating ~~thereto to the application~~, the effective date of the final order is 30 days after its promulgation. The superintendent may waive all or part of the 30-day waiting period following promulgation of the final order, if the superintendent determines that extraordinary or unusual conditions exist that warrant that action. The superintendent shall set forth in writing the circumstances and reasons for waiving all or part of the 30-day waiting period, ~~provided, however, except that~~ the superintendent shall, within 60 days of the close of the comment period or within 60 days of the conclusion of the hearing if ~~such a hearing~~ was held, whichever period is greater, promulgate the final order either approving or disapproving the application.

Sec. 11. 9-B MRSA §326, sub-§1, ¶E, as enacted by PL 1975, c. 500, §1, is amended to read:

E. The compensation of directors, which may include provision for payment of medical, surgical and hospital expenses due to accident or illness in the same manner as provided for officers and employees, may be fixed by the incorporators or members at any legal meeting thereof, ~~or, subject to the written approval of the superintendent, such may be fixed by the board of directors of the incorporators or members.~~

Sec. 12. 9-B MRSA §851, sub-§1, as amended by PL 2003, c. 322, §36, is further amended to read:

1. Authorization. A credit union may make, sell, purchase, arrange, participate in, invest in and otherwise deal in loans to its members for any purpose in accordance with the provisions of this chapter. Subject to the provisions of this chapter, a credit union may participate in loans to nonmembers as long as the borrower is a member of at least one other participating credit union. Participation loans may be secured by real estate located outside this State.

Sec. 13. 9-B MRSA §855, sub-§1, as repealed and replaced by PL 1985, c. 94, is amended to read:

1. Limitations. A credit union may make loans to its members secured by a mortgage on real estate ~~located within this State~~, subject to the following conditions and limitations.

A. The total liability of any member upon loans within this section ~~shall be~~ is as established in section 854, subsection 1.

B. ~~No~~ A loan made pursuant to this section may not exceed 90% of the appraised value of the property mortgage, as determined by the credit committee. Loans pursuant to this section may be made in an amount not exceeding 100% of the appraised value of the mortgage property if at least the top 20% of the loan is insured by a mortgage guarantee insurer licensed to do business in this State or if the loan is insured or guaranteed by the United States Department of Housing and Urban Development, Federal Housing Administration or any other state or federal agency.

C. The note or other obligation evidencing a first mortgage loan ~~shall~~ must require monthly payment of the interest and principal thereon sufficient to repay the entire loan within a period not exceeding 30 years, except that this provision does not apply to real estate loans insured by the United States Department of Housing and Urban Development, Federal Housing Administration.

D. The note or other obligation evidencing a loan other than a first mortgage loan shall must require monthly payment of the interest and principal thereon sufficient to repay the entire loan within a period not exceeding 15 years.