## §1495-D. Licensing; proof of insurance and bonding; fees

**1. License required.** A person desiring to engage or continue in business in this State as a payroll processor shall apply to the administrator for a license under this chapter on or before January 31st of each year. The application must be in a form prescribed by the administrator. The administrator may refuse the application if it contains erroneous or incomplete information. A license may not be issued unless the administrator, upon investigation, finds that the financial responsibility, character and fitness of the applicant and, where applicable, its partners, officers or directors, warrant belief that the business will be operated honestly and fairly within the purposes of this chapter.
[PL 2003, c. 668, §6 (NEW); PL 2003, c. 668, §12 (AFF).]

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

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

A. Background checks for:

(1) Criminal history through fingerprint or other databases;

(2) Civil or administrative records;

(3) Credit history; or

(4) Any other information determined necessary by the nationwide mortgage licensing system and registry; [PL 2021, c. 245, Pt. D, §9 (NEW).]

B. The payment of fees to apply for or renew licenses, except that the fee for an initial application may not exceed $1,200 and for a renewal may not exceed $1,200. If licensing is through the nationwide mortgage licensing system and registry, an applicant must also pay a nationwide mortgage licensing system and registry processing fee in an amount to be determined by the administrators of the nationwide mortgage licensing system and registry. Renewal applications received after the due date are subject to an additional fee of $100; [PL 2021, c. 245, Pt. D, §9 (NEW).]

C. The setting or resetting as necessary of renewal or reporting dates; and [PL 2021, c. 245, Pt. D, §9 (NEW).]

D. Other requirements for application for, amendment of or revocation of a license or any other such activities as the administrator considers necessary. [PL 2021, c. 245, Pt. D, §9 (NEW).]

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

Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
[PL 2021, c. 245, Pt. D, §9 (NEW).]

**2. Proof of fidelity insurance.** Each applicant for a limited payroll processor license, and each applicant for a full-service payroll processor license that issues payroll checks, shall provide to the administrator proof of one of the following, at the applicant's option, in an amount 2 times the highest weekly payroll processed by the applicant in the preceding year or in the amount of $5,000,000, whichever is less:

A. Fidelity bond; [PL 2003, c. 668, §6 (NEW); PL 2003, c. 668, §12 (AFF).]

B. Employee dishonesty bond; [PL 2003, c. 668, §6 (NEW); PL 2003, c. 668, §12 (AFF).]

C. Third-party fidelity coverage; or [PL 2003, c. 668, §6 (NEW); PL 2003, c. 668, §12 (AFF).]

D. Liability insurance, including crime coverage. [PL 2003, c. 668, §6 (NEW); PL 2003, c. 668, §12 (AFF).]

[PL 2011, c. 308, §4 (AMD).]

**3. Proof of surety bond or other security.** Except as provided in section 1495-E, subsection 4, an applicant under subsection 1 shall provide to the administrator proof of the surety bond or other security instrument required pursuant to section 1495-E.

[PL 2005, c. 278, §1 (AMD).]

**3-A. Conditional, probationary or provisional licenses.** The administrator, within the administrator's discretion, may issue a conditional, probationary or provisional license to an applicant. A conditional, probationary or provisional license may run for any time period the administrator considers appropriate and must be consistent with ensuring the maximum practicable protection for employers.

[PL 2005, c. 278, §2 (NEW).]

**4. Fees.**

[PL 2021, c. 245, Pt. D, §10 (RP).]

SECTION HISTORY

PL 2003, c. 668, §6 (NEW). PL 2003, c. 668, §12 (AFF). PL 2005, c. 278, §§1-3 (AMD). PL 2011, c. 308, §§4, 5 (AMD). PL 2021, c. 245, Pt. D, §§9, 10 (AMD).

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