

Draft Sponsor's Amendment to LD 1645:

An Act to Establish Protections for Private Student Loan Borrowers and a Registry of Lenders

Amend Section 1 of the bill as follows:

§15-101. Definitions

As used in this Article, unless the context indicates otherwise, the following terms have the following meanings.

3. Student financing company. "Student financing company" means a person engaged in the business of making or extending credit to a student for postsecondary education expenses or a holder of debt or obligation owned or incurred by a student to finance postsecondary education expenses. [It does not include any loans made or guaranteed by the Finance Authority of Maine.](#) To the extent that state regulation is preempted by federal law, "student financing company" [also](#) does not include:

- A. A federally chartered bank, savings bank, savings and loan association or credit union;
- B. A wholly owned subsidiary of a federally chartered bank or credit union; or
- C. An operating subsidiary of a wholly owned subsidiary of a federally chartered bank or credit union in which each owner of the operating subsidiary is wholly owned by the same federally chartered bank or credit union.

Amend Section 2 of the bill as follows:

§16-101. Definitions

5. Private education lender. "Private education lender" or "lender" means any person engaged in the business of securing, making or extending private education loans or any holder of a private education loan. [It does not include any loans made or guaranteed by the Finance Authority of Maine.](#) To the extent that state regulation is preempted by federal law, "private education lender" [also](#) does not include the following persons:

- A. Any federally chartered bank, savings bank, savings and loan association or credit union;
- B. Any wholly owned subsidiary of a federally chartered bank or credit union; and
- C. An operating subsidiary of a wholly owned subsidiary of a federally chartered bank or credit union in which each owner of the operating subsidiary is wholly owned by the same federally chartered bank or credit union.

Summary

This amendment exempts the Finance Authority of Maine and all loans made or insured by it from the various provisions of the bill.