

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34

Date: (Filing No. S-)

INSURANCE AND FINANCIAL SERVICES

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
128TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 532, L.D. 1507, Bill, “An Act To Establish a Student Loan Bill of Rights To License and Regulate Student Loan Servicers”

Amend the bill in section 1 in §14-102 in the first line (page 1, line 8 in L.D.) by inserting after the following: "State" the following: 'except that this Article does not apply to a supervised financial organization or a financial institution holding company as defined in Title 9-B, section 1011, subsection 1, to a mutual holding company as defined in Title 9-B, section 1052, subsection 2 or to a wholly owned subsidiary of a supervised financial organization, financial institution holding company or mutual holding company'

Amend the bill in section 1 in §14-103 by striking out all of subsection 2 (page 1, lines 19 and 20 in L.D.) and inserting the following:

2. Student education loan. "Student education loan" means a loan that is extended to a student loan borrower expressly for postsecondary education expenses or other school-related expenses and does not include open-ended credit or any loan that is secured by real property.'

Amend the bill in section 1 in §14-103 in subsection 4 in the last line (page 1, line 27 in L.D.) by inserting after the following: "borrower." the following: "Student loan servicer" does not include a supervised financial organization or a financial institution holding company as defined in Title 9-B, section 1011, subsection 1, a mutual holding company as defined in Title 9-B, section 1052, subsection 2 or a wholly owned subsidiary of a supervised financial organization, financial institution holding company or mutual holding company.'

Amend the bill in section 1 by striking out all of §14-104 (page 2, lines 1 to 33 in L.D.).

Amend the bill in section 1 in §14-105 in the first paragraph in the first line (page 2, line 35 in L.D.) by striking out the following: "The" and inserting the following: 'Beginning January 1, 2019, the'

COMMITTEE AMENDMENT

1 Amend the bill in section 1 in §14-105 in subsection 2 in the last line (page 3, line 4
2 in L.D.) by striking out the following: "ombudsman" and inserting the following: 'servicer
3 licensing requirements under section 14-104'

4 Amend the bill in section 1 by striking out all of §14-106 (page 3, lines 8 to 14 in
5 L.D.)

6 Amend the bill in section 1 in §14-107 by striking out all of subsection 1 (page 3,
7 lines 19 to 23 in L.D.) and inserting the following:

8 **'1. Exempt. The following persons are exempt from student loan servicer licensing**
9 **requirements:**

10 A. A supervised financial organization or a financial institution holding company as
11 defined in Title 9-B, section 1011, subsection 1, a mutual holding company as
12 defined in Title 9-B, section 1052, subsection 2 or a wholly owned subsidiary of a
13 supervised financial organization, financial institution holding company or mutual
14 holding company; and

15 B. The Finance Authority of Maine.'

16 Amend the bill in section 1 by renumbering the section numbers to read
17 consecutively.

18 Amend the bill by inserting after section 1 the following:

19 **'Sec. 2. Appropriations and allocations.** The following appropriations and
20 allocations are made.

21 **PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF**
22 **Bureau of Consumer Credit Protection 0091**

23 Initiative: Provides funding for additional printing, copying and postage.

24	OTHER SPECIAL REVENUE FUNDS	2017-18	2018-19
25	All Other	\$2,500	\$2,500
26			
27	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$2,500</u>	<u>\$2,500</u>
28			

29 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
30 section number to read consecutively.

31 **SUMMARY**

32 This amendment makes the following changes to the bill.

33 1. It removes the provision creating the position of student loan ombudsman under
34 the Superintendent of Consumer Credit Protection within the Department of Professional
35 and Financial Regulation, Bureau of Consumer Credit Protection.

36 2. It clarifies the definition of "student education loan."

1 3. It provides an exemption from the licensing provisions for supervised financial
2 organizations, financial institution holding companies and mutual holding companies and
3 clarifies that a student loan servicer does not include supervised financial organizations,
4 financial institution holding companies and mutual holding companies.

5 4. It provides an exemption from the licensing provisions for the Finance Authority
6 of Maine.

7 5. It provides funding to the department for additional printing, copying and postage.

8 **FISCAL NOTE REQUIRED**

9 **(See attached)**