

# HOUSE . . . . . No. 03911

By Mr. Dempsey of Haverhill, for the committee on Ways and Means, that the Bill authorizing certain licensees of the division of banks to participate in a multi-state licensing system (House, No. 3727) ought to pass with an amendment substituting therefor the accompanying bill (House, No. 3911). January 30, 2012.

## The Commonwealth of Massachusetts

In the Year Two Thousand Twelve

An Act authorizing certain licensees of the division of banks to participate in a multi-state licensing system.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 24B of chapter 93 of the General Laws, as appearing in the 2010 Official  
2 Edition, is hereby amended by inserting at the end thereof the following paragraph:-

3       The commissioner may participate in a multi-state licensing system for the sharing of  
4 regulatory information and the licensing and application, by electronic or other means, of entities  
5 engaged in the business of debt collection. The commissioner may establish requirements for  
6 participation by an applicant in a multi-state licensing system which may vary from the  
7 provisions set out in this section. The commissioner may require a background investigation of  
8 each applicant for a debt collector license which may include fingerprint and state and national  
9 criminal history record checks. If the applicant is a partnership, association, corporation or other  
10 form of business organization, the commissioner may require a background investigation for

11 each member, director, principal officer of such applicant and any individual acting as a manager  
12 of an office location. The applicant shall pay directly to such multi-state licensing system any  
13 additional fee relating to participation in such multi-state licensing system.

14 SECTION 2. Section 24C of said chapter 93, as so appearing, is hereby amended by adding the  
15 following paragraph:-

16         The commissioner may participate in a multi-state licensing system for the sharing of  
17 regulatory information and the licensing and application, by electronic or other means, of entities  
18 engaged in the business of third party loan servicing. The commissioner may establish  
19 requirements for participation by a registrant to be a third party loan servicer in a multi-state  
20 licensing system which may vary from the provisions set out in this section. The commissioner  
21 may require a background investigation of each registrant for a third party loan servicer by  
22 means of fingerprint and state and national criminal history record checks. If the registrant is a  
23 partnership, association, corporation or other form of business organization, the commissioner  
24 may require a background investigation for each member, director, principal officer of such  
25 registrant and any individual acting as a manager of an office location. The registrant shall pay  
26 directly to such multi-state licensing system any additional fee relating to participation in such  
27 multi-state licensing system.

28 SECTION 3. Section 98 of chapter 140 of the General Laws, as so appearing, is hereby  
29 amended by striking out, in line 3, the words “the fifteenth day of April” and inserting in place  
30 thereof the following words:— a date to be determined by the commissioner.

31 SECTION 4. Section 102 of said chapter 140, as so appearing, is hereby amended by adding at  
32 the end thereof the following paragraph:-

33           The commissioner may participate in a multi-state licensing system for the sharing of  
34 regulatory information and the licensing and application , by electronic or other means, of  
35 entities engaged, directly or indirectly, in the business of making small loans of not more than  
36 \$6000. The commissioner may establish requirements for participation by an applicant in a  
37 multi-state licensing system which may vary from the provisions set forth in this section and  
38 sections 97 and 101. The commissioner may require a background investigation of each  
39 applicant for a small loan license by means of fingerprint and state and national criminal history  
40 record checks. If the applicant is a partnership, association, corporation or other form of  
41 business organization, the commissioner may require a background investigation for each  
42 member, director, principal officer of such applicant and any individual acting as a manager of  
43 an office location. The applicant shall pay directly to such multi-state licensing system any  
44 additional fee relating to participation in such multi-state licensing system.

45 SECTION 5. Section 4 of chapter 167F of the General Laws, as so appearing, is hereby  
46 amended by adding at the end thereof the following paragraph:-

47           The commissioner may participate in a multi-state licensing system for the sharing of  
48 regulatory information and the licensing and application, by electronic or other means, for  
49 entities engaged in the business of selling, issuing or registering checks or money orders. The  
50 commissioner may establish requirements for participation by an applicant in a multi-state  
51 licensing system which may vary from the provisions set out in this section. The commissioner  
52 may require a background investigation of each applicant for a license to engage in the business  
53 of selling, issuing or registering checks or money orders by means of fingerprint and state and  
54 national criminal history record checks. If the applicant is a partnership, association, corporation  
55 or other form of business organization, the commissioner may require a background investigation

56 for each member, director, principal officer of such applicant and any individual acting as a  
57 manager of an office location. The applicant shall pay directly to such multi-state licensing  
58 system any additional fee relating to participation in such multi-state licensing system.

59 SECTION 6. Section 6 of chapter 169 of the General Laws, as so appearing, is hereby amended  
60 by adding at the end thereof the following paragraph:

61           The commissioner may participate in a multi-state licensing system for the sharing of  
62 regulatory information and the licensing and application, by electronic or other means, of entities  
63 engaged in the business of receiving deposits of money for the purposes of foreign transmission.  
64 The commissioner may establish requirements for participation by an applicant in a multi-state  
65 licensing system which may vary from the provisions set out in this section and section 3. The  
66 commissioner may require a background investigation of each applicant for a license to receive  
67 deposits of money for the purposes of foreign transmission by means of fingerprint and state and  
68 national criminal history record checks. If the applicant is a partnership, association, corporation  
69 or other form of business organization, the commissioner may require a background investigation  
70 for each member, director, principal officer of such applicant and any individual acting as a  
71 manager of an office location. The applicant shall pay directly to such multi-state licensing  
72 system any additional fee relating to participation in such multi-state licensing system.

73 SECTION 7. Section 9 of said chapter 169, as so appearing, is hereby amended by striking out  
74 the first paragraph and inserting in place thereof the following paragraph:—

75           Licensees shall annually make a report to the commissioner, on or before a date to be  
76 determined by the commissioner, and at such other times as the commissioner may specify, in

77 such form as the commissioner may prescribe, which form shall disclose the condition of such  
78 licensee as of the close of business on such day as the commissioner may prescribe.

79 SECTION 8. Section 3 of chapter 169A of the General Laws, as so appearing, is hereby  
80 amended by adding at the end thereof the following paragraph:-

81           The commissioner may participate in a multi-state licensing system for the sharing of  
82 regulatory information and the licensing and application, by electronic or other means, of entities  
83 engaged in the business of cashing checks, drafts or money orders for consideration in excess of  
84 \$1 per item. The commissioner may establish requirements for participation by an applicant in a  
85 multi-state licensing system which may vary from the provisions set out in this section and  
86 section 5. The commissioner may require a background investigation of each applicant for a  
87 license to cash checks, drafts or money orders for consideration in excess of \$1 per item by  
88 means of fingerprint and state and national criminal history record checks. If the applicant is a  
89 partnership, association, corporation or other form of business organization, the commissioner  
90 may require a background investigation for each member, director, principal officer of such  
91 applicant and any individual acting as a manager of an office location. The applicant shall pay  
92 directly to such multi-state licensing system any additional fee relating to participation in such  
93 multi-state licensing system.

94 SECTION 9. Section 2 of chapter 255B of the General Laws, as so appearing, is hereby  
95 amended by adding at the end thereof the following paragraph:-

96           The commissioner may participate in a multi-state licensing system for the sharing of  
97 regulatory information and the licensing and application, by electronic or other means, of entities  
98 engaged in the business of motor vehicle sales financing. The commissioner may establish

99 requirements for participation by an applicant in a multi-state licensing system which may vary  
100 from the provisions set out in this section. The commissioner may require a background  
101 investigation of each applicant for a motor vehicle sales finance company license by means of  
102 fingerprint and state and national criminal history record checks. If the applicant is a  
103 partnership, association, corporation or other form of business organization, the commissioner  
104 may require a background investigation for each member, director, principal officer of such  
105 applicant, and any individual acting as a manager of an office location. The applicant shall pay  
106 directly to such multi-state licensing system any additional fee relating to participation in such  
107 multi-state licensing system.

108 SECTION 10. Section 3 of said chapter 255B, as so appearing, is hereby further amended by  
109 striking out, in line 47, the words “April fifteenth” and inserting in place thereof the following  
110 words:— a date to be determined by the commissioner.

111 SECTION 11. Section 2 of chapter 255C of the General Laws, as so appearing, is hereby  
112 amended by striking out, in lines 20 and 21, the words “a relocation investigation fee of \$50” and  
113 inserting in place thereof the following words:— an investigation fee to be determined annually  
114 by the commissioner of administration under section 3B of chapter 7.

115 SECTION 12. Section 3 of chapter 255C of the General Laws, as so appearing, is hereby  
116 amended by adding at the end thereof the following paragraph:-

117         The commissioner may participate in a multi-state licensing system for the sharing of  
118 regulatory information and the licensing and application, by electronic or other means, of entities  
119 engaged in the business of insurance premium financing. The commissioner may establish  
120 requirements for participation by an applicant in a multi-state licensing system which may vary

121 from the provisions set out in this section and sections 2 and 4. The commissioner may require a  
122 background investigation of each applicant for an insurance premium finance agency license by  
123 means of fingerprint and state and national criminal history record checks. If the applicant is a  
124 partnership, association, corporation or other form of business organization, the commissioner  
125 may require a background investigation for each member, director, principal officer of such  
126 applicant and any individual acting as a manager of an office location. The applicant shall pay  
127 directly to such multi-state licensing system any additional fee relating to participation in such  
128 multi-state licensing system.

129 SECTION 13. Section 6 of said chapter 255C, as so appearing, is hereby further amended by  
130 striking out, in line 57, the words “April fifteenth” and inserting in place thereof the following  
131 words:— a date to be determined by the commissioner.

132 SECTION 14. Section 2 of chapter 255D of the General Laws, as so appearing, is hereby  
133 amended by inserting, after the first paragraph, the following paragraph:-

134         The commissioner may participate in a multi-state licensing system for entities engaged  
135 in the business of sales financing. The commissioner may establish requirements for  
136 participation by an applicant in a multi-state licensing system which may vary from the  
137 provisions set out in this section. The commissioner may require a background investigation of  
138 each applicant for a sales finance company license by means of fingerprint and state and national  
139 criminal history record checks. If the applicant is a partnership, association, corporation or other  
140 form of business organization, the commissioner may require a background investigation for  
141 each member, director, principal officer of such applicant and any individual acting as a manager

142 of an office location. The applicant shall pay directly to such multi-state licensing system any  
143 additional fee relating to participation in such multi-state licensing system.

144 SECTION 15. Section 3 of said chapter 255D, as so appearing, is hereby amended by striking  
145 out, in line 48, the words “April fifteenth” and inserting in place thereof the following words:—  
146 a date to be determined by the commissioner.