

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred House Bill No. 182
3 entitled “An act relating to certain businesses regulated by the Department of
4 Financial Regulation” respectfully reports that it has considered the same and
5 recommends that the Senate propose to the House that the bill be amended as
6 follows:

7 First: By striking out Sec. 14 (segregated accounts of money transmitters)
8 in its entirety and by inserting in lieu thereof a new Sec. 14 to read:

9 Sec. 14. [DELETED.]

10 Second: By striking out Sec. 15 (segregated accounts of money
11 transmitters) in its entirety and by inserting in lieu thereof a new Sec. 15 to
12 read:

13 Sec. 15. [DELETED.]

14 Third: In Sec. 18, 8 V.S.A. § 2200, by striking out the newly renumbered
15 subdivision 17 (loan solicitation) in its entirety and by inserting in lieu thereof
16 a new subdivision 17 to read as follows:

17 ~~(15)~~(17)(A) “Loan solicitation” means, for compensation or gain or
18 with the expectation of compensation or gain, to:

19 (i) offer, solicit, broker, directly or indirectly arrange, place, or
20 find a loan for a prospective Vermont borrower;

1 (ii) engage in any activity intended to assist a prospective
2 Vermont borrower in obtaining a loan, including lead generation;

3 (iii) arrange, in whole or in part, a loan through a third party,
4 regardless of whether approval, acceptance, or ratification by the third party is
5 necessary to create a legal obligation for the third party, through any method,
6 including mail, telephone, Internet, or any electronic means; or

7 (iv) advertise or cause to be advertised in this State a loan or any
8 of the services described in subdivisions (i)–(iii) of this subdivision (17)(A).

9 (B) As used in this subdivision (17), “loan solicitation” does not:

10 (i) apply to residential mortgage loans;

11 (ii) include a broker-dealer registered or exempt from registration
12 under 9 V.S.A. § 5401 when the broker-dealer provides the services described
13 in subdivision (A) of this subdivision (17) and the broker-dealer is not
14 compensated by the consumer for those services;

15 (iii) include an agent registered or exempt from registration under
16 9 V.S.A. § 5402 when the agent provides the services described in subdivision
17 (A) of this subdivision (17) and the individual agent is not compensated by the
18 consumer for those services;

19 (iv) include an insurance producer licensed under 8 V.S.A. § 4800
20 when the insurance producer provides the services described in subdivision (A)

1 of this subdivision (17) and the individual insurance producer is not
2 compensated by the consumer for those services;

3 (v) include a seller of goods or services that provides the services
4 described in subdivision (A) of this subdivision (17) in connection with
5 financing the sale or proposed sale of the seller’s goods or services and the
6 seller is not compensated by the consumer for the services described in
7 subdivision (A) of this subdivision (17); or

8 (vi) include other categories of loans or service providers as
9 determined by the Commissioner by rule or order.

10 Fourth: In Sec. 19, 8 V.S.A. § 2201, in subdivision (a)(5) (loan
11 solicitation), after “A person licensed as a lender” by inserting , sales finance
12 company.

13 Fifth: In Sec. 32 (effective dates), by striking out “14 (money transmitter
14 segregated accounts).”

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18 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE