

BEFORE THE DEPARTMENT OF ADMINISTRATION  
OF THE STATE OF MONTANA

|   |   |                     |
|---|---|---------------------|
| In the matter of the adoption of NEW      | ) | NOTICE OF PROPOSED  |
| RULE I pertaining to the annual report by | ) | ADOPTION AND REPEAL |
| deferred deposit loan licensees and the   | ) |                     |
| repeal of ARM 2.59.1502                   | ) | NO PUBLIC HEARING   |
|   | ) | CONTEMPLATED        |

TO: All Concerned Persons

1. On October 20, 2014, the Department of Administration proposes to adopt and repeal the above-stated rules.

2. The Department of Administration will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact the Division of Banking and Financial Institutions no later than 5:00 p.m. on October 3, 2014, to advise us of the nature of the accommodation that you need. Please contact Wayne Johnston, Division of Banking and Financial Institutions, P.O. Box 200546, Helena, Montana 59620-0546; telephone (406) 841-2918; TDD (406) 444-1421; facsimile (406) 841-2930; e-mail to [banking@mt.gov](mailto:banking@mt.gov).

3. The rule proposed to be adopted provides as follows:

NEW RULE I ADOPTION OF ANNUAL REPORTING FORM AND DUE DATE (1) All entities holding a deferred deposit loan license at any time during 2014 shall complete the Deferred Deposit Loan Annual Report of Licensee dated August 5, 2014, and file it with the department by April 15, 2015. Instructions for filing are in the report.

(2) Copies of the form are available on the division's web site, [www.banking.mt.gov](http://www.banking.mt.gov).

AUTH: 31-1-714, MCA  
IMP: 31-1-714, MCA

STATEMENT OF REASONABLE NECESSITY: Section 31-1-714, MCA, requires licensees to file an annual report covering the licensee's deferred deposit loan activity in this state during the preceding calendar year. This rule is needed to ensure that all deferred deposit lenders holding a deferred deposit loan license at any time during 2014 complete and file a report of their Montana deferred deposit loan activity during 2014. The form sets forth the information required by the department in its supervision of the deferred deposit loan companies in this state.

The due date of the report is April 15, 2015. The department chose this date because it is one quarter after the calendar year end. Businesses need to have sufficient time to close their year-end books and determine their balance sheet as well as the volume, number, and performance of the deferred deposit loans they

held during the prior year. The department believes that it is reasonable to allow deferred deposit loan licensees one quarter to accomplish this. It is not reasonable to allow licensees more than one quarter to file the report, because after the first quarter of the year businesses should know their financial data for the previous year.

4. The department proposes to repeal the following rule:

2.59.1502 APPLICATION PROCEDURE REQUIRED TO ENGAGE IN DEPOSIT LENDING

AUTH: 31-1-702, MCA

IMP: 31-1-702, 31-1-705, 31-1-722, MCA

STATEMENT OF REASONABLE NECESSITY: This rule is no longer applicable. Applications are now taken through the Nationwide Multistate Licensing System (NMLS).

5. Concerned persons may submit their data, views, or arguments concerning the proposed action to Kelly O'Sullivan, Legal Counsel, Division of Banking and Financial Institutions, P.O. Box 200546, Helena, Montana 59620-0546; faxed to the office at (406) 841-2930; or e-mailed to [banking@mt.gov](mailto:banking@mt.gov); and must be received no later than 5:00 p.m., October 16, 2014.

6. If persons who are directly affected by the proposed action wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing and submit this request along with any written comments to Kelly O'Sullivan at the above address no later than 5:00 p.m., October 16, 2014.

7. If the division receives requests for a public hearing on the proposed action from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed action; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be one based on the fact there are currently no deferred deposit lenders licensed.

8. An electronic copy of this proposal notice is available through the department's web site at <http://doa.mt.gov/administrativerules.mcp>. The department strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that if a discrepancy exists between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department works to keep its web site accessible at all times, concerned persons should be aware that the web site may

be unavailable during some periods, due to system maintenance or technical problems.

9. The Division of Banking and Financial Institutions maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this division. Persons who wish to have their name added to the mailing list shall make a written request which includes the name and mailing address of the person to receive notices and specifies that the person wishes to receive notices regarding division rulemaking actions. Such written requests may be mailed or delivered to Wayne Johnston, Division of Banking and Financial Institutions, 301 S. Park, Ste. 316, P.O. Box 200546, Helena, Montana 59620-0546; faxed to the office at (406) 841-2930; e-mailed to [banking@mt.gov](mailto:banking@mt.gov); or may be made by completing a request form at any rules hearing held by the department.

10. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

11. The department has determined that under 2-4-111, MCA, the adoption and repeal of the above-stated rules will not significantly and directly affect small businesses.

By: /s/ Sheila Hogan  
Sheila Hogan, Director  
Department of Administration

By: /s/ Michael P. Manion  
Michael P. Manion, Rule Reviewer  
Department of Administration

Certified to the Secretary of State September 8, 2014.