

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the amendment of ARM)	NOTICE OF PROPOSED
2.59.1506, 2.59.1515, and 2.59.1522)	AMENDMENT
pertaining to definitions, standardized)	
forms and procedures, and annual)	NO PUBLIC HEARING
reporting form for deferred deposit)	CONTEMPLATED
lending)	

TO: All Concerned Persons

1. On December 5, 2016, the Department of Administration proposes to amend 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 Department of Administration no later than 5:00 p.m. on November 21, 2016, 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) 841-2974; facsimile (406) 841-2930; or e-mail to banking@mt.gov.

3. The rules as proposed to be amended provide as follows, new matter underlined, deleted matter interlined:

2.59.1506 PROCEDURAL RULES FOR HEARINGS AND DISCOVERY

(1) remains the same.

(a) hearings and related discovery shall must be done conducted under the Montana Administrative Procedure Act implementing the ~~Revised~~ Attorney General's model rules in effective June 4, 1999 ~~October 17, 2016~~.

(2) ~~The Department of Administration, D~~ivision of Banking and Financial Institutions, adopts and incorporates by reference the Attorney General's model rules in effective June 4, 1999 as October 17, 2016, found in ARM 1.3.101, 1.3.102, 1.3.202, 1.3.211 through 1.3.224, and 1.3.226 through 1.3.233, along with the accompanying forms. ~~A copy of the~~ The Attorney General's rules may be ~~obtained from the Division of Banking and Financial Institutions, Department of Administration at 301 South Park, P.O. Box 200546, Helena, MT 59620-0546~~ found at <http://www.mtrules.org>.

AUTH: 31-1-702, MCA
IMP: 31-1-702, 31-1-713, MCA

GENERAL STATEMENT OF REASONABLE NECESSITY: As part of its required biennial review of rules, the Department of Administration has identified necessary changes identified in these proposed amendments.

STATEMENT OF REASONABLE NECESSITY: The department proposes to amend this rule to reflect the current Attorney General's model rules for hearings and discovery. The Attorney General's model rules have worked well for the division.

2.59.1515 ADOPTION OF STANDARDIZED FORMS AND PROCEDURES OF THE NATIONWIDE MULTISTATE LICENSING SYSTEM (NMLS) (1) through (2)(b) remain the same.

(c) NMLS individual form dated ~~April 16, 2012~~ July 30, 2014.

(3) remains the same.

(a) Montana deferred deposit lender new application checklist dated ~~June 2, 2014~~ August 31, 2015;

(b) Montana deferred deposit lender amendment checklist dated ~~June 2, 2014~~ August 31, 2015;

(c) Montana deferred deposit lender surrender checklist dated ~~May 21, 2014~~ September 1, 2015;

(d) Montana deferred deposit lender branch new application checklist dated ~~July 11, 2014~~ September 1, 2015;

(e) remains the same.

(f) Montana deferred deposit branch surrender checklist dated ~~June 2, 2014~~ September 1, 2015.

(4) remains the same.

(5) Copies of the standardized NMLS forms are available on the ~~department's web site www.banking.mt.gov for review and informational purposes only~~ NMLS web site at

http://mortgage.nationwidelicensingsystem.org/slr/PublishedStateDocuments/MT-Deferred_Deposit_Lender_License-Company-New-App-Checklist.pdf. All standardized forms to be submitted to the department must be accessed through NMLS and submitted electronically.

AUTH: 31-1-705, 31-1-710, MCA

IMP: 31-1-705, 31-1-710, MCA

STATEMENT OF REASONABLE NECESSITY: This proposed rule amendment is necessary to reflect the most current forms provided by the NMLS and the most current checklists used by the division. The web site address is being changed from the division web site to the NMLS web site to make it easier for the public to access the forms.

2.59.1522 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.~~ An entity holding a deferred deposit lender license for any period of time during a calendar year reporting period shall complete and file with the department by April 15 of the following calendar year a Deferred Deposit Lender Annual Report of Licensee. The annual report must be filed whether or not any loans were originated during the reporting period and whether or not the licensee renewed its

license at the end of the reporting period or held a license when the report came due the following April 15.

(2) A completed annual report may be mailed to the Division of Banking and Financial Institutions, 301 S. Park Ave., Suite 316, P.O. Box 200546, Helena, MT 59620-0546; faxed to (406) 841-2930; or e-mailed to banking@mt.gov.

(3) The Deferred Deposit Lender Annual Report of Licensee form, July 13, 2016, edition, is adopted and incorporated by reference.

(2)(4) Copies of the form are available on the division's web site, www.banking.mt.gov <http://banking.mt.gov/Home/Forms#164912245-deferred-deposit>.

AUTH: 31-1-714, MCA

IMP: 31-1-714, MCA

STATEMENT OF REASONABLE NECESSITY: This proposed rule amendment is necessary because the Deferred Deposit Lender Annual Report of Licensee form had not been adopted by reference. Changes were also made to this rule so that it would be similar in wording and content to the consumer loan annual report rule (ARM 2.59.318).

4. Concerned persons may present 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; and must be received no later than 5:00 p.m., November 28, 2016.

5. 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 the person listed in 4 above no later than 5:00 p.m., November 28, 2016.

6. If the Division of Banking and Financial Institutions 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 zero persons based on the fact that currently there are no Montana-licensed deferred deposit lenders.

7. An electronic copy of this proposal notice is available through the department's web site at <http://doa.mt.gov/administrativerules>. 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.

8. 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 that includes the name, mailing address, and e-mail address of the person to receive notices and specifies that the person wishes to receive notices regarding division rulemaking actions. Notices will be sent by e-mail unless a mailing preference is noted in the request. 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; or may be made by completing a request form at any rules hearing held by the department.

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

10. The department has determined that under 2-4-111, MCA, the proposed rule amendments 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 October 17, 2016.