

HOUSE No. 1167

The Commonwealth of Massachusetts

PRESENTED BY:

James M. Murphy

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing uniform enforcement and confidentiality provisions relative to certain licensees under the jurisdiction of The Division of Banks.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>James M. Murphy</i>	<i>4th Norfolk</i>	<i>2/18/2021</i>

HOUSE No. 1167

By Mr. Murphy of Weymouth, a petition (accompanied by bill, House, No. 1167) of James M. Murphy for legislation to establish uniform confidentiality and enforcement provisions relative to certain licensees under the jurisdiction of the Division of Banks. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act establishing uniform enforcement and confidentiality provisions relative to certain licensees under the jurisdiction of The Division of Banks.

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 24D of chapter 93 of the General Laws, as appearing in the 2018
2 Official Edition, is hereby amended by inserting after the word "licensee" in lines 13, 17 and
3 31, the following words:— or registrant.

4 SECTION 2. Section 24D of chapter 93 of the General Laws, as so appearing, is hereby
5 further amended by inserting after the word "licensees" in line 36, the following words:— or
6 registrants.

7 SECTION 3. Chapter 93 of the General Laws, as so appearing, is hereby amended by
8 striking out section 24F and inserting in place thereof the following section:—

9 Section 24F. The commissioner, or the commissioner’s examiners or other assistants as
10 the commissioner may designate, may summon a licensee or registrant, or any of its agents or
11 employees, and other witnesses as necessary, and examine them relative to their transactions,

12 may require the production of books and papers and, for those purposes may administer oaths.
13 Whoever, without justifiable cause, fails or refuses to appear and testify or to produce books and
14 papers when so required, or obstructs the commissioner or the commissioner's representatives
15 making the examination in the performance of their duties, shall be punished by a fine of not
16 more than \$1,000 or by imprisonment for not more than 6 months, or both. Each day a violation
17 occurs or continues shall be considered a separate offense. The penalty provision of this section
18 shall be in addition to, and not in lieu of, any other provision of law applicable to a licensee or
19 other person for violating section 24A or any rule or regulation made thereunder.

20 SECTION 4. Chapter 93 of the General Laws, as so appearing, is hereby amended by
21 adding after section 24K the following two sections:—

22 Section 24L. (a) Whenever the commissioner finds that any licensee or exempt person
23 under section 24A of this chapter has violated any provision of this chapter or any rule or
24 regulation adopted thereunder, or any other law of the Commonwealth applicable to the conduct
25 of the business of a debt collector or a third party loan servicer, the commissioner may, by order,
26 in addition to any other action authorized under this chapter or any rule or regulation made
27 thereunder, impose a penalty upon the person which shall not exceed \$5,000 for each violation,
28 up to a maximum of \$100,000 for the violation plus the costs of investigation. The commissioner
29 may impose a penalty which shall not exceed \$5,000 for each violation of this chapter, or any
30 rule or regulation adopted thereunder, by a person other than a licensee or exempt person under
31 section 24A of this chapter, plus the costs of investigation.

32 (b) Nothing in this section shall limit the right of any individual or entity who has been
33 injured as a result of any violation of this chapter by a licensee, or any person other than a

34 licensee or exempt person under section 24A of this chapter, to bring an action to recover
35 damages or restitution in a court of competent jurisdiction.

36 (c) Any findings or order issued by the commissioner pursuant to this section shall be
37 subject to review as provided in chapter thirty A.

38 Section 24M. (a) Whenever the commissioner determines that any person has, directly or
39 indirectly, violated any section of this chapter or any rule or regulation adopted thereunder,
40 applicable to the conduct of the business of a debt collector or a third party loan servicer; or any
41 order issued by the commissioner under this chapter or any written agreement entered between
42 the licensee and the commissioner; the commissioner may serve upon the person a written notice
43 of intention:

44 (1) to prohibit the person from performing in the capacity of a principal employee on
45 behalf of any licensee for a period of time that the commissioner deems necessary;

46 (2) to prohibit the person from applying for or obtaining a license from the commissioner
47 for a period up to 36 months following the effective date of an order issued under subsection (b)
48 or (c); or

49 (3) to prohibit the person from any further participation, in any manner, in the conduct of
50 the affairs of a debt collector or a third party loan servicer in Massachusetts or to prohibit the
51 person from being employed by, an agent of, or operating on behalf of a licensee under this
52 chapter or any other business which requires a license from the commissioner.

53 (b) A written notice issued under subsection (a) shall contain a written statement of the
54 facts that support the prohibition and shall give notice of an opportunity for a hearing to be held

55 thereon. The hearing shall be fixed for a date not more than 30 days after the date of service upon
56 the commissioner of the request for a hearing. If the person fails to submit a request for a hearing
57 within 20 days of service of notice under subsection (a), or otherwise fails to appear in person or
58 by a duly authorized representative, the party shall be deemed to have consented to the issuance
59 of an order of prohibition in accordance with the notice.

60 (c) In the event of a consent under subsection (b), or if after a hearing the commissioner
61 finds that any of the grounds specified in the notice have been established, the commissioner
62 may issue an order of prohibition in accordance with subsection (a) as the commissioner finds
63 appropriate.

64 (d) An order issued under subsection (b) or (c) shall be effective upon service upon the
65 person. The commissioner shall also serve a copy of the order upon the licensee of which the
66 person is an employee or on whose behalf the person is performing. The order shall remain in
67 effect and enforceable until it is modified, terminated, suspended, or set aside by the
68 commissioner or a court of competent jurisdiction.

69 (e) Except as consented to in writing by the commissioner, any person who, pursuant to
70 an order issued under subsection (b) or (c), has been prohibited from participating in whole or in
71 part in the conduct of the affairs of a debt collector or a third party loan servicer in Massachusetts
72 may not, while the order is in effect, continue or commence to perform in the capacity of a
73 principal employee, or otherwise participate in any manner, if so prohibited by order of the
74 commissioner, in the conduct of the affairs of:

75 (1) any licensee or registrant under this chapter;

76 (2) any other business which requires a license from the commissioner; and

77 (3) any bank, as defined under section one of chapter one hundred sixty-seven, or any
78 subsidiary thereof.

79 SECTION 5. Chapter 93L of the General Laws, as added by SECTION 65 of Chapter
80 338 of the Acts of 2020, is hereby amended by striking out the fifth paragraph of section 7 and
81 inserting in place thereof the following paragraph: —

82 All records of investigations and reports of examinations by the commissioner, including
83 workpapers, information derived from the reports and responses to the reports, and any copies
84 thereof in the possession of a student loan servicer under the supervision of the commissioner,
85 shall be confidential and privileged communications; provided, however, that nothing in this
86 subsection shall interfere with the work of the office of the student loan ombudsman established
87 under section 35 of chapter 12; and provided further, that such student loan ombudsman records
88 shall be made public if it is in the public interest.

89 SECTION 6. Section 99 of chapter 140 of the General Laws, as so appearing, is hereby
90 amended by striking out section 99 and inserting in place thereof the following section:—

91 Section 99. A licensee shall, when directed by the commissioner, permit the
92 commissioner or the commissioner's duly authorized representative to inspect its records and
93 evidence of compliance with this chapter or any rule and regulation issued thereunder and with
94 any other law, rule and regulation applicable to the conduct of its business. The commissioner
95 shall preserve a full record of each examination of a licensee including a statement of its
96 condition. All records of investigations and reports of examinations by the commissioner,
97 including workpapers, information derived from the reports or responses to the reports, and any
98 copies thereof in the possession of any licensee under the supervision of the commissioner, shall

99 be confidential and privileged communications, shall not be subject to subpoena and shall not be
100 a public record under clause twenty-sixth of section 7 of chapter 4. For the purpose of this
101 paragraph, records of investigation and reports of examinations shall include records of
102 investigation and reports of examinations conducted by a financial regulatory agency of the
103 federal government and any other state, and of any foreign government which are considered
104 confidential by the agency or foreign government and which are in possession of the
105 commissioner. In any proceeding before a court, the court may issue a protective order to seal the
106 record protecting the confidentiality of any such record, and other than any such record on file
107 with the court or filed in connection with the court proceeding, and the court may exclude the
108 public from any portion of a proceeding at which any such record may be disclosed. Copies of
109 reports of examination shall be furnished to a licensee for its use only and shall not be exhibited
110 to any other person, organization or agency without prior written approval by the commissioner.
111 The commissioner may, in his or her discretion, furnish to regulatory agencies of the federal
112 government, of other states, or of foreign countries, and any law enforcement agency, the
113 information, reports, inspections and statements relating to the licensees under the
114 commissioner's supervision.

115 The commissioner may summon licensees, companies or associations, or any of their
116 agents or employees, and other witnesses as necessary, and examine them relative to their
117 transactions and to the condition of their business, and for that purpose may administer oaths.
118 Whoever without justifiable cause refuses to appear and testify when so required, or obstructs the
119 commissioner or the commissioner's representatives in the performance of their duties, shall be
120 punished by a fine of not more than \$1,000 or by imprisonment for not more than 6 months, or
121 both. The penalty provision of this section shall be in addition to, and not in lieu of, any other

122 provision of law applicable to a licensee or other person for violating section 96 or any rule or
123 regulation made thereunder.

124 SECTION 7. Section 103 Chapter 140 of the General Laws, as so appearing, is hereby
125 amended by striking out section 103, and inserting in place thereof the following three
126 sections:—

127 Section 103. The commissioner may suspend or revoke any license issued pursuant to
128 section ninety-six if the commissioner finds that:

129 (i) the licensee has violated any provision of sections ninety-six to one hundred and
130 fourteen, inclusive, or any rule or regulation made by the commissioner under any provision of
131 sections ninety-six to one hundred and fourteen, inclusive, or any other law applicable to the
132 conduct of the business; or

133 (ii) any fact or condition exists which, if it had existed at the time of the original
134 application for the license, would have warranted the commissioner in refusing to issue the
135 license.

136 Except as provided in section one hundred and three A, no license shall be revoked or
137 suspended except after notice and a hearing thereon pursuant to chapter thirty A.

138 A licensee may surrender a license by delivering to the commissioner written notice that
139 it thereby surrenders the license, but the surrender shall not affect the civil or criminal liability of
140 the licensee for acts committed before the surrender.

141 No revocation, suspension or surrender of any license shall impair or affect the obligation
142 of any pre-existing lawful contract between the licensee and any person.

143 The penalty provision of this section shall be in addition to, and not in lieu of, any other
144 provision of law applicable to a licensee or other person for violating section ninety-six, ninety-
145 seven, ninety-eight, one hundred, one hundred and one, one hundred and two, one hundred and
146 four, one hundred and six, and one hundred and nine or any rule or regulation made thereunder.

147 Section 103A. (a) If the commissioner determines, after giving notice of an opportunity
148 for a hearing, that a licensee has engaged or is about to engage in an act or practice constituting a
149 violation of a provision of sections ninety-seven, ninety-eight, one hundred, one hundred and
150 one, one hundred and two, one hundred and four or one hundred and nine, or any rule or
151 regulation made by the commissioner under section ninety-seven or one hundred and six, or any
152 other law applicable to the conduct of the business, the commissioner may order the licensee to
153 cease and desist from the unlawful act or practice and take affirmative action as in his or her
154 judgment will effect the purpose of sections ninety-seven, ninety-eight, one hundred, one
155 hundred and one, one hundred and two, one hundred and four or one hundred and nine, or any
156 rule or regulation made by the commissioner under section ninety-seven or one hundred and six,
157 or any other law applicable to the conduct of the business.

158 (b) If the commissioner makes written findings of fact that the public interest will be
159 irreparably harmed by delay in issuing an order under section (a) the commissioner may issue a
160 temporary cease and desist order. Upon the entry of a temporary cease and desist order, the
161 commissioner shall promptly notify, in writing, the licensee affected thereby that the order has
162 been so entered, the reasons therefor, and that within 20 days after receipt of a written request
163 from the licensee, the matter will be scheduled for a hearing to determine whether or not the
164 temporary order shall become permanent and final. If no hearing is requested and none is
165 ordered by the commissioner, the order shall remain in effect until it is modified or vacated by

166 the commissioner. If a hearing is requested or ordered, the commissioner, after giving notice of
167 and opportunity for a hearing to the licensee subject to the order, shall, by written finding of facts
168 and conclusions of law, vacate, modify or make permanent the order.

169 (c) No order under this section, except an order issued pursuant to subsection (b), may be
170 entered without prior notice of and opportunity for a hearing. The commissioner may vacate or
171 modify an order under this section upon finding that the conditions which required the an order
172 have changed and that it is in the public interest to so vacate or modify.

173 Any order issued pursuant to this section shall be subject to review as provided in chapter
174 thirty A.

175 Section 103B. The commissioner may enforce the provisions of section ninety-six
176 through one hundred and fourteen A, or restrain any violations thereof, by filing a civil action in
177 any court of competent jurisdiction.

178 SECTION 8. Chapter 140 of the General Laws, as so appearing, is hereby amended by
179 adding after section 113 the following two sections:—

180 Section 113A. (a) Whenever the commissioner finds that any licensee or exempt person
181 under section ninety-six of this chapter has violated any provision of this chapter or any rule or
182 regulation adopted thereunder, or any other law of the Commonwealth applicable to the conduct
183 of the business of making small loans, the commissioner may, by order, in addition to any other
184 action authorized under this chapter or any rule or regulation made thereunder, impose a penalty
185 upon the person which shall not exceed \$5,000 for each violation, up to a maximum of \$100,000
186 for the violation plus the costs of investigation. The commissioner may impose a penalty which
187 shall not exceed \$5,000 for each violation of this chapter, or any rule or regulation adopted

188 thereunder, by a person other than a licensee or exempt person under section ninety-six of this
189 chapter, plus the costs of investigation.

190 (b) In addition to any other action authorized under this chapter or any rule of regulation
191 made thereunder, a licensee who violates the provisions of section one hundred may also be
192 punished by imprisonment for not more than one year. Each day the violation occurs or
193 continues shall be deemed a separate offense. Any loan made by any person so licensed in
194 violation of section one hundred may be declared void by the supreme judicial or superior court
195 in equity upon petition by the person to whom the loan was made.

196 (c) Nothing in this section shall limit the right of any individual or entity who has been
197 injured as a result of any violation of this chapter by a licensee, or any person other than a
198 licensee or exempt person under section ninety-six of this chapter, to bring an action to recover
199 damages or restitution in a court of competent jurisdiction.

200 (d) Any findings or order issued by the commissioner pursuant to this section shall be
201 subject to review as provided in chapter thirty A.

202 Section 113B. (a) Whenever the commissioner determines that any person has, directly or
203 indirectly, violated any section of this chapter or any rule or regulation adopted thereunder,
204 applicable to the conduct of the business of making small loans; or any order issued by the
205 commissioner under this chapter or any written agreement entered between the licensee and the
206 commissioner; the commissioner may serve upon the person a written notice of intention:

207 (1) to prohibit the person from performing in the capacity of a principal employee on
208 behalf of any licensee for a period of time that the commissioner deems necessary;

209 (2) to prohibit the person from applying for or obtaining a license from the commissioner
210 for a period up to 36 months following the effective date of an order issued under subsection (b)
211 or (c); or

212 (3) to prohibit the person from any further participation, in any manner, in the conduct of
213 the affairs of a business making small loans in Massachusetts or to prohibit the person from
214 being employed by, an agent of, or operating on behalf of a licensee under this chapter or any
215 other business which requires a license from the commissioner.

216 (b) A written notice issued under subsection (a) shall contain a written statement of the
217 facts that support the prohibition and shall give notice of an opportunity for a hearing to be held
218 thereon. The hearing shall be fixed for a date not more than 30 days after the date of service upon
219 the commissioner of the request for a hearing. If the person fails to submit a request for a hearing
220 within 20 days of service of notice under subsection (a), or otherwise fails to appear in person or
221 by a duly authorized representative, the party shall be deemed to have consented to the issuance
222 of an order of prohibition in accordance with the notice.

223 (c) In the event of a consent under subsection (b), or if after a hearing the commissioner
224 finds that any of the grounds specified in the notice have been established, the commissioner
225 may issue an order of prohibition in accordance with subsection (a) as the commissioner finds
226 appropriate.

227 (d) An order issued under subsection (b) or (c) shall be effective upon service upon the
228 person. The commissioner shall also serve a copy of the order upon the licensee of which the
229 person is an employee or on whose behalf the person is performing. The order shall remain in

230 effect and enforceable until it is modified, terminated, suspended, or set aside by the
231 commissioner or a court of competent jurisdiction.

232 (e) Except as consented to in writing by the commissioner, any person who, pursuant to
233 an order issued under subsection (b) or (c), has been prohibited from participating in whole or in
234 part in the conduct of the affairs of a business making small loans in Massachusetts may not,
235 while the order is in effect, continue or commence to perform in the capacity of a principal
236 employee, or otherwise participate in any manner, if so prohibited by order of the commissioner,
237 in the conduct of the affairs of:

238 (1) any licensee under this chapter;

239 (2) any other business which requires a license from the commissioner; and

240 (3) any bank, as defined under section one of chapter one hundred sixty-seven, or any
241 subsidiary thereof.

242 SECTION 9. Chapter 140 of the General Laws, as so appearing, is hereby amended by
243 striking section 114A and inserting in place thereof the following section:—

244 Section 114A. A bank as defined in section one of chapter one hundred sixty-seven, a
245 national banking association, a federally chartered credit union, a federal savings and loan
246 association, a federal savings bank, or any subsidiary of the above, or any bank, trust company,
247 savings bank, savings and loan association, or credit union organized under the laws of any other
248 state, or any subsidiary of the above, shall not be subject to the provisions of sections ninety-six
249 to one hundred fourteen, inclusive; provided, that the institutions may not take, receive, reserve
250 or charge interest, expenses and other considerations for making or securing any loan subject to

251 the provisions of section ninety-six in excess of those permitted by section one hundred. Any
252 loan subject to the provisions of section ninety-six made by any bank as defined in section one of
253 chapter one hundred sixty-seven, a national banking association, a federally-chartered credit
254 union, a federal savings and loan association, a federal savings bank, or any subsidiary of the
255 above, or any bank, trust company, savings bank, savings and loan association, or credit union
256 organized under the laws of any other state on which charges for interest, expenses and other
257 considerations exceed those permitted by section one hundred may be declared void by the
258 supreme judicial court or superior court in equity upon petition by the person to whom the loans
259 were made, and any bank as defined section one of chapter one hundred sixty-seven, a national
260 banking association, a federally chartered credit union, a federal savings and loan association, a
261 federal savings bank, or any subsidiary of the above, or any bank, trust company, savings bank,
262 savings and loan association, or credit union organized under the laws of any other state making
263 such a loan shall be subject to a fine of not more than \$1,000.

264 This section shall not be construed as preventing a rate of charge for interest, expenses
265 and other consideration on one or more portions of a loan in excess of the permitted maximum
266 rate of charge applicable to the portion or portions, provided, that the composite rate of charge on
267 the whole loan produces an amount equal to or less than that which would be produced were the
268 maximum rate of charge applied to the loan. Extension, default or deferment charges shall not be
269 deemed to be interest, expenses and other considerations in determining the maximum rate of
270 charge that may be taken, received, reserved or charged for the loan.

271 SECTION 10. Section 4 of chapter 167F of the General Laws, as amended by section 5
272 of chapter 144 of the acts of 2012, is hereby amended by striking out the first paragraph and
273 inserting in place thereof the following paragraph:—

274 Any bank as defined in section one of chapter one hundred sixty-seven, a national
275 banking association, a federally-chartered credit union, a federal savings and loan association, a
276 federal savings bank, or any subsidiary of the above, any bank, trust company, savings bank,
277 savings and loan association, or credit union organized under the laws of any other state or any
278 subsidiary of the above, may engage directly in the business of selling, issuing or registering
279 checks or money orders for use primarily for personal, family, or household purposes, except all
280 of the institutions described above may engage in the business through agents who shall not be
281 deemed to be branches of the institutions. No person, other than the foregoing, shall engage in
282 such business directly or indirectly unless a sworn statement setting forth the person's name and
283 address, the names and business addresses of the person's agents, other than the financial
284 institutions described above, authorized to receive money and transact such business on the
285 person's behalf is filed annually, as of a date determined by the commissioner.

286 SECTION 11. Section 4 of Chapter 167F, as so appearing, is hereby further amended by
287 inserting after the fourth paragraph the following two paragraphs:—

288 The commissioner shall examine any person, to whom a certificate to engage in the
289 business of selling, issuing or registering checks or money orders has been issued, as the
290 commissioner deems necessary and in a manner the commissioner deems appropriate. The
291 commissioner shall preserve a full record of each examination of a check seller including a
292 statement of its condition. All records of investigations and reports of examinations by the
293 commissioner, including workpapers, information derived from the reports or responses to the
294 reports, and any copies thereof in the possession of any licensee under the supervision of the
295 commissioner, shall be confidential and privileged communications, shall not be subject to
296 subpoena and shall not be a public record under clause twenty-sixth of section 7 of chapter 4. For

297 the purpose of this paragraph, records of investigation and reports of examinations shall include
298 records of investigation and reports of examinations conducted by a financial regulatory agency
299 of the federal government and any other state, and of any foreign government which are
300 considered confidential by the agency or foreign government and which are in possession of the
301 commissioner. In any proceeding before a court, the court may issue a protective order to seal the
302 record protecting the confidentiality of any such record, other than any such record on file with
303 the court or filed in connection with the court proceeding, and the court may exclude the public
304 from any portion of the proceeding at which any such record may be disclosed. Copies of the
305 reports of examination shall be furnished to a licensee for its use only and shall not be exhibited
306 to any other person, organization or agency without prior written approval by the commissioner.
307 The commissioner may, in his or her discretion, furnish to regulatory agencies of the federal
308 government, of other states, or of foreign countries, and any law enforcement agency, the
309 information, reports, inspections and statements relating to the licensees under the
310 commissioner's supervision.

311 The commissioner, or the commissioner's examiners or other assistants as the
312 commissioner may designate, may summon the directors, officers or agents of a licensee, or any
313 other witnesses, and examine them relative to the affairs, transactions and condition of the
314 licensee, and, for that purpose, may administer oaths. Whoever, without justifiable cause, refuses
315 to appear and testify when so required or obstructs the person making the examination in the
316 performance of their duty, shall be punished by a fine of not more than \$1,000 or by
317 imprisonment for not more than one year.

318 SECTION 12. Said section 4 of chapter 167F of the General Laws, as so appearing, is
319 hereby further amended by striking out the fifth paragraph.

320 SECTION 13. Chapter 167F of the General Laws, as so appearing, is hereby amended by
321 adding after section 4 the following two sections:—

322 Section 4A. (a) Whenever the commissioner finds that any licensee or exempt person
323 under section 4 of this chapter has violated any provision of this chapter or any rule or regulation
324 adopted thereunder, or any other law of the Commonwealth applicable to the conduct of the
325 business of selling, issuing or registering checks or money orders, the commissioner may, by
326 order, in addition to any other action authorized under this chapter or any rule or regulation made
327 thereunder, impose a penalty upon the person which shall not exceed \$5,000 for each violation,
328 up to a maximum of \$100,000 for the violation plus the costs of investigation. The commissioner
329 may impose a penalty which shall not exceed \$5,000 for each violation of this chapter, or any
330 rule or regulation adopted thereunder, by a person other than a licensee or exempt person under
331 section 4 of this chapter, plus the costs of investigation.

332 (b) Nothing in this section shall limit the right of any individual or entity who has been
333 injured as a result of any violation of this chapter by a licensee, or any person other than a
334 licensee or exempt person under section 4 of this chapter, to bring an action to recover damages
335 or restitution in a court of competent jurisdiction.

336 (c) Any findings or order issued by the commissioner pursuant to this section shall be
337 subject to review as provided in chapter thirty A.

338 Section 4B. (a) Whenever the commissioner determines that any person has, directly or
339 indirectly, violated any section of this chapter or any rule or regulation adopted thereunder,
340 applicable to the conduct of the business of selling, issuing or registering checks or money
341 orders; or any order issued by the commissioner under this chapter or any written agreement

342 entered between the licensee and the commissioner; the commissioner may serve upon the
343 person a written notice of intention:

344 (1) to prohibit the person from performing in the capacity of a principal employee on
345 behalf of any licensee for a period of time that the commissioner deems necessary;

346 (2) to prohibit the person from applying for or obtaining a license from the commissioner
347 for a period up to 36 months following the effective date of an order issued under subsection (b)
348 or (c); or

349 (3) to prohibit the person from any further participation, in any manner, in the conduct of
350 the affairs of selling, issuing or registering checks or money orders in Massachusetts or to
351 prohibit the person from being employed by, an agent of, or operating on behalf of a licensee
352 under this chapter or any other business which requires a license from the commissioner.

353 (b) A written notice issued under subsection (a) shall contain a written statement of the
354 facts that support the prohibition and shall give notice of an opportunity for a hearing to be held
355 thereon. Such hearing shall be fixed for a date not more than 30 days after the date of service
356 upon the commissioner of the request for a hearing. If the person fails to submit a request for a
357 hearing within 20 days of service of notice under subsection (a), or otherwise fails to appear in
358 person or by a duly authorized representative, the party shall be deemed to have consented to the
359 issuance of an order of prohibition in accordance with the notice.

360 (c) In the event of a consent under subsection (b), or if after a hearing the commissioner
361 finds that any of the grounds specified in the notice have been established, the commissioner
362 may issue an order of prohibition in accordance with subsection (a) as the commissioner finds
363 appropriate.

364 (d) An order issued under subsection (b) or (c) shall be effective upon service upon the
365 person. The commissioner shall also serve a copy of the order upon the licensee of which the
366 person is an employee or on whose behalf the person is performing. The order shall remain in
367 effect and enforceable until it is modified, terminated, suspended, or set aside by the
368 commissioner or a court of competent jurisdiction.

369 (e) Except as consented to in writing by the commissioner, any person who, pursuant to
370 an order issued under subsection (b) or (c), has been prohibited from participating in whole or in
371 part in the conduct of the affairs of business of selling, issuing or registering checks or money
372 orders in Massachusetts may not, while the order is in effect, continue or commence to perform
373 in the capacity of a principal employee, or otherwise participate in any manner, if so prohibited
374 by order of the commissioner, in the conduct of the affairs of:

375 (1) any licensee under this chapter;

376 (2) any other business which requires a license from the commissioner; and

377 (3) any bank, as defined under section one of chapter one hundred sixty-seven, or any
378 subsidiary thereof.

379 SECTION 14. Chapter 169 of the General Laws, as so appearing, is hereby amended by
380 striking out Section 1 and inserting in place thereof the following section:—

381 Section 1. This chapter shall apply to all persons who engage or are financially interested
382 in the business of receiving deposits of money for the purpose of transmitting the same or
383 equivalents thereof to foreign countries primarily for personal, family, or household purposes,
384 except banks as defined in section one of chapter one hundred sixty-seven, a national banking

385 association, a federally-chartered credit union, a federal savings and loan association, a federal
386 savings bank, or any bank, trust company, savings bank, savings and loan association, or credit
387 union organized under the law of any other state, or any subsidiary of the above, persons doing
388 business under section 17 of chapter 167C, express companies having contracts with
389 transportation companies for the operation of an express service upon the lines of such
390 companies or express companies doing an international express business or global transportation
391 companies or telegraph companies.

392 SECTION 15. Section 3 of chapter 169 of the General Laws, as amended by section 8 of
393 chapter 144 of the acts of 2012, is hereby amended by striking out the eighth, thirteenth and
394 fourteenth sentence.

395 SECTION 16. Section 10 of chapter 169, as so appearing, is hereby amended by inserting
396 after the second paragraph the following two paragraphs:—

397 The commissioner shall preserve a full record of each examination of a licensee including
398 a statement of its condition. All records of investigations and reports of examinations by the
399 commissioner, including workpapers, information derived from the reports or responses to the
400 reports, and any copies thereof in the possession of any licensee under the supervision of the
401 commissioner, shall be confidential and privileged communications, shall not be subject to
402 subpoena and shall not be a public record under clause twenty-sixth of section 7 of chapter 4. For
403 the purpose of this paragraph, records of investigation and reports of examinations shall include
404 records of investigation and reports of examinations conducted by a financial regulatory agency
405 of the federal government and any other state, and of any foreign government which are
406 considered confidential by the agency or foreign government and which are in possession of the

407 commissioner. In any proceeding before a court, the court may issue a protective order to seal the
408 record protecting the confidentiality in appropriate circumstances to protect the confidentiality of
409 any such record, other than any such record on file with the court or filed in connection with the
410 court proceeding, and the court may exclude the public from any portion of the proceeding at
411 which any such record may be disclosed. Copies of the reports of examination shall be furnished
412 to a licensee for its use only and shall not be exhibited to any other person, organization or
413 agency without prior written approval by the commissioner. The commissioner may, in his or her
414 discretion, furnish to regulatory agencies of the federal government, of other states, or of foreign
415 countries, and any law enforcement agency, the information, reports, inspections and statements
416 relating to the licensees under the commissioner's supervision.

417 The commissioner, or the commissioner's examiners, or other assistants as the
418 commissioner may designate, may summon the directors, officers or agents of a licensee, or any
419 other witnesses, and examine them relative to the affairs, transactions and condition of the
420 licensee, and, for that purpose, may administer oaths. Whoever, without justifiable cause, refuses
421 to appear and testify when so required or obstructs the person making the examination in the
422 performance of their duty, shall be punished by a fine of not more than \$1,000 or by
423 imprisonment for not more than one year.

424 SECTION 17. Chapter 169 of the General Laws is hereby amended by striking out
425 section 16, as so appearing, and inserting in place thereof, the following two sections:—

426 Section 16. (a) Whenever the commissioner finds that any licensee or exempt person
427 under any provision of this chapter has violated any provision of this chapter or any rule or
428 regulation adopted thereunder, or any other law of the Commonwealth applicable to the conduct

429 of the business of receiving deposits of money for the purpose of transmitting the same or
430 equivalents thereof to foreign countries, the commissioner may, by order, in addition to any other
431 action authorized under this chapter or any rule or regulation made thereunder, impose a penalty
432 upon the person which shall not exceed \$5,000 for each violation, up to a maximum of \$100,000
433 for the violation plus the costs of investigation. The commissioner may impose a penalty which
434 shall not exceed \$5,000 for each violation of this chapter, or any rule or regulation adopted
435 thereunder, by a person other than a licensee or exempt person under any provision of this
436 chapter, plus the costs of investigation.

437 (b) In addition to any other action authorized under this chapter or any rule of regulation
438 made thereunder, whoever violates any provision of this chapter or any rule or regulation made
439 hereunder by the commissioner may be punished by imprisonment for not more than one year.

440

441 (c) Nothing in this section shall limit the right of any individual or entity who has been
442 injured as a result of any violation of this chapter by a licensee, or any person other than a
443 licensee or exempt person under any provision of this chapter, to bring an action to recover
444 damages or restitution in a court of competent jurisdiction.

445 (d) Any findings or order issued by the commissioner pursuant to this section shall be
446 subject to review as provided in chapter thirty A.

447 Section 17. (a) Whenever the commissioner determines that any person has, directly or
448 indirectly, violated any section of this chapter or any rule or regulation adopted thereunder,
449 applicable to the conduct of the business of receiving deposits of money for the purpose of
450 transmitting the same or equivalents thereof to foreign countries; or any order issued by the

451 commissioner under this chapter or any written agreement entered between the licensee and the
452 commissioner; the commissioner may serve upon the person a written notice of intention:

453 (1) to prohibit the person from performing in the capacity of a principal employee on
454 behalf of any licensee for a period of time that the commissioner deems necessary;

455 (2) to prohibit the person from applying for or obtaining a license from the commissioner
456 for a period up to 36 months following the effective date of an order issued under subsection (b)
457 or (c); or

458 (3) to prohibit such person from any further participation, in any manner, in the conduct
459 of the affairs of a business of receiving deposits of money for the purpose of transmitting the
460 same or equivalents thereof to foreign countries in Massachusetts or to prohibit such person from
461 being employed by, an agent of, or operating on behalf of a licensee under this chapter or any
462 other business which requires a license from the commissioner.

463 (b) A written notice issued under subsection (a) shall contain a written statement of the
464 facts that support the prohibition and shall give notice of an opportunity for a hearing to be held
465 thereon. The hearing shall be fixed for a date not more than 30 days after the date of service upon
466 the commissioner of such request for a hearing. If such person fails to submit a request for a
467 hearing within 20 days of service of notice under subsection (a), or otherwise fails to appear in
468 person or by a duly authorized representative, such party shall be deemed to have consented to
469 the issuance of an order of such prohibition in accordance with the notice.

470 (c) In the event of such consent under subsection (b), or if after a hearing the
471 commissioner finds that any of the grounds specified in such notice have been established, the

472 commissioner may issue an order of prohibition in accordance with subsection (a) as the
473 commissioner finds appropriate.

474 (d) An order issued under subsection (b) or (c) shall be effective upon service upon the
475 person. The commissioner shall also serve a copy of the order upon the licensee of which the
476 person is an employee or on whose behalf the person is performing. The order shall remain in
477 effect and enforceable until it is modified, terminated, suspended, or set aside by the
478 commissioner or a court of competent jurisdiction.

479 (e) Except as consented to in writing by the commissioner, any person who, pursuant to
480 an order issued under subsection (b) or (c), has been prohibited from participating in whole or in
481 part in the conduct of the affairs of a business of receiving deposits of money for the purpose of
482 transmitting the same or equivalents thereof to foreign countries in Massachusetts may not, while
483 such order is in effect, continue or commence to perform in the capacity of a principal employee,
484 or otherwise participate in any manner, if so prohibited by order of the commissioner, in the
485 conduct of the affairs of:

486 (1) any licensee under this chapter;

487 (2) any other business which requires a license from the commissioner; and

488 (3) any bank, as defined under section one of chapter one hundred sixty-seven, or any
489 subsidiary thereof.

490 SECTION 18. Section 2 of chapter 169A of the General Laws, as so appearing, is hereby
491 amended, in line 7, by striking out the word “bank.” and inserting in place thereof the words:—

492 bank or any bank, trust company, savings bank, savings and loan association, or credit union
493 organized under the laws of any other state, or any subsidiary of the above,.

494 SECTION 19. Section 5 of chapter 169A, as so appearing, is hereby amended by striking
495 out the third and fourth sentences.

496 SECTION 20. Section 10 of chapter 169A, as so appearing, is hereby amended by adding
497 the following two paragraphs:—

498 The commissioner shall preserve a full record of each such examination of a licensee
499 including a statement of its condition. All records of investigations and reports of examinations
500 by the commissioner, including workpapers, information derived from such reports or responses
501 to such reports, and any copies thereof in the possession of any licensee under the supervision of
502 the commissioner, shall be confidential and privileged communications, shall not be subject to
503 subpoena and shall not be a public record under clause twenty-sixth of section 7 of chapter 4. For
504 the purpose of this paragraph, records of investigation and reports of examinations shall include
505 records of investigation and reports of examinations conducted by a financial regulatory agency
506 of the federal government and any other state, and of any foreign government which are
507 considered confidential by such agency or foreign government and which are in possession of the
508 commissioner. In any proceeding before a court, the court may issue a protective order to seal the
509 record protecting the confidentiality of any such record, other than any such record on file with
510 the court or filed in connection with the court proceeding, and the court may exclude the public
511 from any portion of the proceeding at which any such record may be disclosed. Copies of such
512 reports of examination shall be furnished to a licensee for its use only and shall not be exhibited
513 to any other person, organization or agency without prior written approval by the commissioner.

514 The commissioner may, in his or her discretion, furnish to regulatory agencies of the federal
515 government, of other states, or of foreign countries, and any law enforcement agency, such
516 information, reports, inspections and statements relating to the licensees under the
517 commissioner's supervision.

518 The commissioner, or the commissioner's examiners or such other assistants as the
519 commissioner may designate, may summon the directors, officers or agents of a licensee, or any
520 other witnesses, and examine them relative to the affairs, transactions and condition of the
521 licensee, and, for that purpose, may administer oaths. Whoever, without justifiable cause, refuses
522 to appear and testify when so required or obstructs the person making such examination in the
523 performance of their duty, shall be punished by a fine of not more than \$1,000 or by
524 imprisonment for not more than one year.

525 SECTION 21. Chapter 169A of the General Laws, as so appearing, is hereby amended by
526 striking out section 13 and inserting in place thereof the following two sections:—

527 Section 13. (a) Whenever the commissioner finds that any licensee or exempt person
528 under section two of this chapter has violated any provision of this chapter or any rule or
529 regulation adopted thereunder, or any other law of the Commonwealth applicable to the conduct
530 of the business of cashing checks, drafts or money orders, the commissioner may, by order, in
531 addition to any other action authorized under this chapter or any rule or regulation made
532 thereunder, impose a penalty upon such person which shall not exceed \$5,000 for each violation,
533 up to a maximum of \$100,000 for such violation plus the costs of investigation. The
534 commissioner may impose a penalty which shall not exceed \$5,000 for each violation of this

535 chapter, or any rule or regulation adopted thereunder, by a person other than a licensee or exempt
536 person under section two of this chapter, plus the costs of investigation.

537 (b) In addition to any other action authorized under this chapter or any rule of regulation
538 made thereunder, whoever violates any provision of section two or any rule or regulation made
539 thereunder by the commissioner may be punished by imprisonment for not more than 6 months.
540 Each day a violation continues shall be deemed a separate offense. The penalty provision of this
541 section shall be in addition to, and not in lieu of, any other provision of law applicable to a
542 licensee or other person for violating section two or any rule or regulation made thereunder.

543 (c) Nothing in this section shall limit the right of any individual or entity who has been
544 injured as a result of any violation of this chapter by a licensee, or any person other than a
545 licensee or exempt person under section two of this chapter, to bring an action to recover
546 damages or restitution in a court of competent jurisdiction.

547 (d) Any findings or order issued by the commissioner pursuant to this section shall be
548 subject to review as provided in chapter thirty A.

549 Section 14. (a) Whenever the commissioner determines that any person has, directly or
550 indirectly, violated any section of this chapter or any rule or regulation adopted thereunder,
551 applicable to the conduct of the business of cashing checks, drafts or money orders; or any order
552 issued by the commissioner under this chapter or any written agreement entered between such
553 licensee and the commissioner; the commissioner may serve upon such person a written notice of
554 intention:

555 (1) to prohibit such person from performing in the capacity of a principal employee on
556 behalf of any licensee for a period of time that the commissioner deems necessary;

557 (2) to prohibit the person from applying for or obtaining a license from the commissioner
558 for a period up to 36 months following the effective date of an order issued under subsection (b)
559 or (c); or

560 (3) to prohibit such person from any further participation, in any manner, in the conduct
561 of the affairs of person or entity engaged in the cashing of checks, drafts or money orders in
562 Massachusetts or to prohibit such person from being employed by, an agent of, or operating on
563 behalf of a licensee under this chapter or any other business which requires a license from the
564 commissioner.

565 (b) A written notice issued under subsection (a) shall contain a written statement of the
566 facts that support the prohibition and shall give notice of an opportunity for a hearing to be held
567 thereon. The hearing shall be fixed for a date not more than 30 days after the date of service upon
568 the commissioner of such request for a hearing. If such person fails to submit a request for a
569 hearing within 20 days of service of notice under subsection (a), or otherwise fails to appear in
570 person or by a duly authorized representative, such party shall be deemed to have consented to
571 the issuance of an order of such prohibition in accordance with the notice.

572 (c) In the event of such consent under subsection (b), or if after a hearing the
573 commissioner finds that any of the grounds specified in such notice have been established, the
574 commissioner may issue an order of prohibition in accordance with subsection (a) as the
575 commissioner finds appropriate.

576 (d) An order issued under subsection (b) or (c) shall be effective upon service upon the
577 person. The commissioner shall also serve a copy of the order upon the licensee of which the
578 person is an employee or on whose behalf the person is performing. The order shall remain in

579 effect and enforceable until it is modified, terminated, suspended, or set aside by the
580 commissioner or a court of competent jurisdiction.

581 (e) Except as consented to in writing by the commissioner, any person who, pursuant to
582 an order issued under subsection (b) or (c), has been prohibited from participating in whole or in
583 part in the conduct of the affairs of a person or entity engaged in the cashing of checks, drafts or
584 money orders in Massachusetts may not, while such order is in effect, continue or commence to
585 perform in the capacity of a principal employee, or otherwise participate in any manner, if so
586 prohibited by order of the commissioner, in the conduct of the affairs of:

587 (1) any licensee under this chapter;

588 (2) any other business which requires a license from the commissioner; and

589 (3) any bank, as defined under section one of chapter one hundred sixty-seven, or any
590 subsidiary thereof.

591 SECTION 22. Section 1 of chapter 255B of the General Laws, as so appearing, is hereby
592 amended by striking out the definition of "Sales finance company" and inserting in place thereof
593 the following definition:— "Sales finance company",. (1) a bank as defined in section one of
594 chapter one hundred and sixty-seven, a national banking association, federal savings bank,
595 federal savings and loan association, federal credit union, or any bank, trust company, savings
596 bank, savings and loan association or credit union organized under the laws of any other state of
597 the United States, or any subsidiary of the above;

598 (2) any person engaged, in whole or in part, in the business of purchasing retail
599 installment contracts from one or more retail sellers; and

600 (3) a retail seller engaged, in whole or in part, in the business of holding retail installment
601 contracts acquired from retail buyers. The term "sales finance company" does not include the
602 pledgee of an aggregate number of such contracts to secure a bona fide loan thereon.

603 SECTION 23. Section 2 of chapter 255B, as amended by section 9 of chapter 144 of the
604 acts of 2012, is hereby amended by striking out the fourth and fifth sentences.

605 SECTION 24. Section 3 of Chapter 255B, as so appearing, is hereby amended by
606 inserting after the first paragraph the following two paragraphs:—

607 The commissioner shall preserve a full record of each such examination of a licensee
608 including a statement of its condition. All records of investigations and reports of examinations
609 by the commissioner, including workpapers, information derived from such reports or responses
610 to such reports, and any copies thereof in the possession of any licensee under the supervision of
611 the commissioner, shall be confidential and privileged communications, shall not be subject to
612 subpoena and shall not be a public record under clause twenty-sixth of section 7 of chapter 4. For
613 the purpose of this paragraph, records of investigation and reports of examinations shall include
614 records of investigation and reports of examinations conducted by a financial regulatory agency
615 of the federal government and any other state, and of any foreign government which are
616 considered confidential by such agency or foreign government and which are in possession of the
617 commissioner. In any proceeding before a court, the court may issue a protective order to seal the
618 record protecting the confidentiality of any such record, other than any such record on file with
619 the court or filed in connection with the court proceeding, and the court may exclude the public
620 from any portion of the proceeding at which any such record may be disclosed. Copies of such
621 reports of examination shall be furnished to a licensee for its use only and shall not be exhibited

622 to any other person, organization or agency without prior written approval by the commissioner.
623 The commissioner may, in his or her discretion, furnish to regulatory agencies of the federal
624 government, of other states, or of foreign countries, and any law enforcement agency, such
625 information, reports, inspections and statements relating to the licensees under the
626 commissioner's supervision.

627 The commissioner, or the commissioner's examiners, or such other assistants as the
628 commissioner may designate, may summon the directors, officers or agents of a licensee, or any
629 other witnesses, and examine them relative to the affairs, transactions and condition of the
630 licensee, and, for that purpose, may administer oaths. Whoever, without justifiable cause, refuses
631 to appear and testify when so required or obstructs the person making such examination in the
632 performance of their duty, shall be punished by a fine of not more than \$1000 or by
633 imprisonment for not more than one year.

634 SECTION 25. Section 4 of said chapter 255B of the General Laws, as so appearing, is
635 hereby amended by adding the following sentence:— Each day such violation occurs or
636 continues shall be deemed a separate offense.

637 SECTION 26. Chapter 255B of the General Laws, as so appearing, is hereby amended by
638 striking out section 7, and inserting in place thereof the following section:—

639 Section 7. The commissioner may suspend or revoke any license issued pursuant to this
640 chapter if the commissioner finds that:

641 (i) the licensee has violated any provision of this chapter or any rule or regulation
642 adopted hereunder, or any other law applicable to the conduct of its business; or

643 (ii) any fact or condition exists which, if it had existed at the time of the original
644 application for such license, would have warranted the commissioner in refusing to issue such
645 license.

646 Except as provided in section eight, no license shall be revoked or suspended except after
647 notice and a hearing thereon pursuant to chapter thirty A.

648 A licensee may surrender a license by delivering to the commissioner written notice that
649 it thereby surrenders such license, but such surrender shall not affect the civil or criminal liability
650 of the licensee for acts committed before such surrender.

651 No revocation, suspension or surrender of any license shall impair or affect the obligation
652 of any pre-existing lawful contract between the licensee and any person.

653 SECTION 27. Chapter 255B of the General Laws, as so appearing, is hereby amended by
654 striking out section 8 and inserting in place thereof the following two sections:—

655 Section 8. (a) If the commissioner determines, after giving notice of and opportunity for a
656 hearing, that a licensee has engaged in or is about to engage in an act or practice constituting a
657 violation of a provision of this chapter or a rule, regulation or order hereunder, the commissioner
658 may order such licensee to cease and desist from such unlawful act or practice and take such
659 affirmative action as in his or her judgment will effect the purposes of this chapter.

660 (b) If the commissioner makes written findings of fact that the public interest will be
661 irreparably harmed by delay in issuing an order under subsection (a) the commissioner may issue
662 a temporary cease and desist order. Upon the entry of a temporary cease and desist order, the
663 commissioner shall promptly notify, in writing, the licensee affected thereby that such order has

664 been so entered, the reasons therefor, and that within 20 days after the receipt of a written request
665 from such licensee, the matter will be scheduled for a hearing to determine whether or not such
666 temporary order shall become permanent and final. If no such hearing is requested and none is
667 ordered by the commissioner, the order shall remain in effect until it is modified or vacated by
668 the commissioner. If a hearing is requested or ordered, the commissioner, after giving notice of
669 and opportunity for a hearing to the licensee subject to the order, shall, by written finding of facts
670 and conclusions of law, vacate, modify or make permanent the order.

671 (c) No order under this section, except an order issued pursuant to subsection (b), may be
672 entered without prior notice of and opportunity for a hearing. The commissioner may vacate or
673 modify an order under this section upon finding that the conditions which required such an order
674 have changed and that it is in the public interest to so vacate or modify.

675 Any order issued pursuant to this section shall be subject to review as provided in chapter
676 thirty A.

677 Section 8A. The commissioner may enforce the provisions of this chapter, or restrain any
678 violations thereof, by filing a civil action in any court of competent jurisdiction.

679 SECTION 28. Chapter 255B of the General Laws, as so appearing, is hereby amended by
680 adding after section 25 the following two sections:—

681 Section 26. (a) Whenever the commissioner finds that any licensee or exempt person
682 under section two of this chapter has violated any provision of this chapter or any rule or
683 regulation adopted thereunder, or any other law of the Commonwealth applicable to the conduct
684 of the business of a sales finance company, the commissioner may, by order, in addition to any
685 other action authorized under this chapter or any rule or regulation made thereunder, impose a

686 penalty upon such person which shall not exceed \$5,000 for each violation, up to a maximum of
687 \$100,000 for such violation plus the costs of investigation. The commissioner may impose a
688 penalty which shall not exceed \$5,000 for each violation of this chapter, or any rule or regulation
689 adopted thereunder, by a person other than a licensee or exempt person under section two of this
690 chapter, plus the costs of investigation.

691 (b) In addition to any other action authorized under this chapter or any rule of regulation
692 made thereunder, whoever violates any provision of this chapter or any rule or regulation made
693 thereunder by the commissioner may also be punished by imprisonment for not more than 6
694 months. The penalty provision of this section shall be in addition to, and not in lieu of, any other
695 provision of law applicable to a licensee or other person for violating provision of this chapter or
696 any rule or regulation made thereunder.

697 (c) Nothing in this section shall limit the right of any individual or entity who has been
698 injured as a result of any violation of this chapter by a licensee, or any person other than a
699 licensee or exempt person under section two of this chapter, to bring an action to recover
700 damages or restitution in a court of competent jurisdiction.

701 (d) Any findings or order issued by the commissioner pursuant to this section shall be
702 subject to review as provided in chapter thirty A.

703 Section 27. (a) Whenever the commissioner determines that any person has, directly or
704 indirectly, violated any section of this chapter or any rule or regulation adopted thereunder,
705 applicable to the conduct of the business of a sales finance company; or any order issued by the
706 commissioner under this chapter or any written agreement entered between such licensee and the
707 commissioner; the commissioner may serve upon such person a written notice of intention:

708 (1) to prohibit such person from performing in the capacity of a principal employee on
709 behalf of any licensee for a period of time that the commissioner deems necessary;

710 (2) to prohibit the person from applying for or obtaining a license from the commissioner
711 for a period up to 36 months following the effective date of an order issued under subsection (b)
712 or (c); or

713 (3) to prohibit the person from any further participation, in any manner, in the conduct of
714 the affairs of a sales finance company in Massachusetts or to prohibit the person from being
715 employed by, an agent of, or operating on behalf of a licensee under this chapter or any other
716 business which requires a license from the commissioner.

717 (b) A written notice issued under subsection (a) shall contain a written statement of the
718 facts that support the prohibition and shall give notice of an opportunity for a hearing to be held
719 thereon. The hearing shall be fixed for a date not more than 30 days after the date of service upon
720 the commissioner of the request for a hearing. If the person fails to submit a request for a hearing
721 within 20 days of service of notice under subsection (a), or otherwise fails to appear in person or
722 by a duly authorized representative, the party shall be deemed to have consented to the issuance
723 of an order of prohibition in accordance with the notice.

724 (c) In the event of a consent under subsection (b), or if after a hearing the commissioner
725 finds that any of the grounds specified in such notice have been established, the commissioner
726 may issue an order of prohibition in accordance with subsection (a) as the commissioner finds
727 appropriate.

728 (d) An order issued under subsection (b) or (c) shall be effective upon service upon the
729 person. The commissioner shall also serve a copy of the order upon the licensee of which the

730 person is an employee or on whose behalf the person is performing. The order shall remain in
731 effect and enforceable until it is modified, terminated, suspended, or set aside by the
732 commissioner or a court of competent jurisdiction.

733 (e) Except as consented to in writing by the commissioner, any person who, pursuant to
734 an order issued under subsection (b) or (c), has been prohibited from participating in whole or in
735 part in the conduct of the affairs of a sales finance company in Massachusetts may not, while the
736 order is in effect, continue or commence to perform in the capacity of a principal employee, or
737 otherwise participate in any manner, if so prohibited by order of the commissioner, in the
738 conduct of the affairs of:

739 (1) any licensee under this chapter;

740 (2) any other business which requires a license from the commissioner; and

741 (3) any bank, as defined under section one of chapter one hundred sixty-seven, or any
742 subsidiary thereof.

743 SECTION 29. Chapter 255C of the General Laws, as amended by section 11 of chapter
744 144 of the acts of 2012, is hereby amended by striking out section 2 and inserting in place
745 thereof the following section:—

746 Section 2. No person, other than a bank as defined in section one of chapter one hundred
747 sixty-seven, a national banking association, a federally-chartered credit union, a federal savings
748 and loan association, a federal savings bank, or any subsidiary of the above, or a bank, a trust
749 company, savings bank, savings and loan association or credit union organized under the laws of
750 any other state, or any subsidiary of the above, a sales finance company, as defined in section

751 one of chapter two hundred fifty-five B, and a company licensed to carry on the business of
752 making small loans, shall engage in the business of premium finance agency unless licensed by
753 the commissioner, as provided in section three; provided, however, that no property and casualty
754 insurance agent or broker, including an insurance agent or insurance broker conducting an
755 insurance premium financing agency business under a subsidiary or different company name,
756 who provides premium financing only to their own customers for purposes of financing payment
757 of premiums on contracts of insurance, which contracts of insurance are exclusively limited to
758 commercial insurance policies, shall be required to be licensed pursuant to this section or any
759 other section of this chapter. The commissioner may adopt, amend or repeal rules and
760 regulations, which may include an adequate capitalization requirement for sales finance
761 companies, to aid in the administration and enforcement of this chapter.

762 The license shall allow the holder to maintain only one office from which the business
763 may be conducted, but more than one license may be issued to any person. Any change of
764 location of an office of a licensee shall require the prior approval of the commissioner. The
765 request for relocation shall be in writing setting forth the reason or reasons for the request, and
766 shall be accompanied by a relocation investigation fee to be determined annually by the secretary
767 of administration and finance under section 3B of chapter 7. If an applicant has more than one
768 office, the applicant may obtain a license for each office from which the applicant intends to
769 conduct the business.

770 SECTION 30. Section 4 of chapter 255C, as so appearing, is hereby amended by striking
771 out the second sentence.

772 SECTION 31. Section 4 of chapter 255C is hereby further amended by adding the
773 following paragraph: —

774 If a licensee intends to carry on the business at any place in addition to the address on the
775 license, the licensee shall so notify the commissioner, in writing, at least 30 days prior thereto,
776 and the licensee shall pay a fee for the additional location in an amount to be determined
777 annually by the commissioner of administration under the provision of section three B of chapter
778 seven. The license shall not be transferable or assignable and shall expire annually on a date
779 determined by the commissioner.

780 SECTION 32. Chapter 255C of the General Laws, as so appearing, is hereby amended by
781 striking out section 5, and inserting in place thereof the following three sections:—

782 Section 5. The commissioner may suspend or revoke any license issued pursuant to this
783 chapter if the commissioner finds that:

784 (i) the licensee has violated any provision of this chapter or any rule or regulation
785 adopted hereunder, or any other law applicable to the conduct of its business; or

786 (ii) any fact or condition exists which, if it had existed at the time of the original
787 application for the license, would have warranted the commissioner in refusing to issue the
788 license.

789 The commissioner shall have sufficient cause to suspend or revoke a license whenever
790 the commissioner learns from the commissioner of insurance or from any other source that the
791 licensee has failed to return the full amount of a return premium to the person whose insurance

792 policy has been cancelled or to the person's assignee, as required by section one hundred and
793 seventy-six A of chapter one hundred and seventy-five.

794 A licensee may surrender a license by delivering to the commissioner written notice that
795 it thereby surrenders the license, but the surrender shall not affect the civil or criminal liability of
796 the licensee for acts committed before the surrender. A revocation or suspension or surrender of
797 any license shall not impair or affect the obligation of an insured under any lawful premium
798 finance agreement previously acquired or held by the licensee.

799 No revocation, suspension or surrender of any license shall impair or affect the obligation
800 of any pre-existing lawful contract between the licensee and any person.

801 Whenever the commissioner revokes or suspends a license, the commissioner shall
802 forthwith execute in duplicate a written order to that effect, and shall file one copy of the order in
803 the office of the secretary of state and mail one copy to the licensee. A suspension or revocation
804 of a license shall not be subject to the provisions of chapter thirty A.

805 Section 5A. (a) If the commissioner determines, after giving notice of and opportunity for
806 a hearing, that a licensee has engaged in or is about to engage in an act or practice constituting a
807 violation of a provision of this chapter or a rule, regulation or order hereunder, the commissioner
808 may order the licensee to cease and desist from the unlawful act or practice and take affirmative
809 action as in his or her judgment will effect the purposes of this chapter.

810 (b) If the commissioner makes written findings of fact that the public interest will be
811 irreparably harmed by delay in issuing an order under subsection (a) the commissioner may issue
812 a temporary cease and desist order. Upon the entry of a temporary cease and desist order, the
813 commissioner shall promptly notify, in writing, the licensee affected thereby that the order has

814 been so entered, the reasons therefor, and that within 2 days after the receipt of a written request
815 from the licensee, the matter will be scheduled for hearing to determine whether or not the
816 temporary order shall become permanent and final. If no hearing is requested and none is ordered
817 by the commissioner, the order shall remain in effect until it is modified or vacated by the
818 commissioner. If a hearing is requested or ordered, the commissioner, after giving notice of and
819 opportunity for a hearing to the licensee subject to the order, shall, by written finding of facts and
820 conclusions of law, vacate, modify or make permanent the order.

821 (c) No order under this section, except an order issued pursuant to subsection (b), may be
822 entered without prior notice of and opportunity for a hearing. The commissioner may vacate or
823 modify an order under this section upon finding that the conditions which required the order
824 have changed and that it is in the public interest to so vacate or modify.

825 Any order issued pursuant to this section shall be subject to review as provided in chapter
826 thirty A.

827 Section 5B. The commissioner may enforce the provisions of this chapter, or restrain any
828 violations thereof, by filing a civil action in any court of competent jurisdiction.

829 SECTION 33. Section 6 of chapter 255C, as amended by section 14 of chapter 44 of the
830 acts of 2012, is hereby amended by striking out the second paragraph and inserting in place
831 thereof the following two paragraphs:—

832 The commissioner shall preserve a full record of each examination of a licensee including
833 a statement of its condition. All records of investigations and reports of examinations by the
834 commissioner, including workpapers, information derived from the reports or responses to the
835 reports, and any copies thereof in the possession of any licensee under the supervision of the

836 commissioner, shall be confidential and privileged communications, shall not be subject to
837 subpoena and shall not be a public record under clause twenty-sixth of section 7 of chapter 4. For
838 the purpose of this paragraph, records of investigation and reports of examinations shall include
839 records of investigation and reports of examinations conducted by a financial regulatory agency
840 of the federal government and any other state, and of any foreign government which are
841 considered confidential by the agency or foreign government and which are in possession of the
842 commissioner. In any proceeding before a court, the court may issue a protective order to seal the
843 record protecting the confidentiality of any such record, other than any such record on file with
844 the court or filed in connection with the court proceeding, and the court may exclude the public
845 from any portion of the proceeding at which any such record may be disclosed. Copies of such
846 reports of examination shall be furnished to a licensee for its use only and shall not be exhibited
847 to any other person, organization or agency without prior written approval by the commissioner.
848 The commissioner may, in his or her discretion, furnish to regulatory agencies of the federal
849 government, of other states, or of foreign countries, and any law enforcement agency, the
850 information, reports, inspections and statements relating to the licensees under the
851 commissioner's supervision.

852 The commissioner, or the commissioner's examiners or other assistants as the
853 commissioner may designate, may summon the directors, officers or agents of a licensee, or any
854 other witnesses, and examine them relative to the affairs, transactions and condition of the
855 licensee, and, for that purpose, may administer oaths. Whoever, without justifiable cause, refuses
856 to appear and testify when so required or obstructs the person making the examination in the
857 performance of their duty, shall be punished by a fine of not more than \$1,000 or by
858 imprisonment for not more than one year.

859 SECTION 34. Section 9 of chapter 255C of the General Laws, as so appearing, is hereby
860 amended by striking out the first paragraph:—

861 SECTION 35. Chapter 255C of the General Laws, as so appearing, is hereby amended by
862 adding after section 23 the following two sections:—

863 Section 24. (a) Whenever the commissioner finds that any licensee or exempt person
864 under section two of this chapter has violated any provision of this chapter or any rule or
865 regulation adopted thereunder, or any other law of the Commonwealth applicable to the conduct
866 of the business of a premium finance agency, the commissioner may, by order, in addition to any
867 other action authorized under this chapter or any rule or regulation made thereunder, impose a
868 penalty upon the person which shall not exceed \$5,000 for each violation, up to a maximum of
869 \$100,000 for the violation plus the costs of investigation. The commissioner may impose a
870 penalty which shall not exceed \$5,000 for each violation of this chapter, or any rule or regulation
871 adopted thereunder, by a person other than a licensee or exempt person under section two of this
872 chapter, plus the costs of investigation.

873 (b)In addition to any other action authorized under this chapter or any rule of regulation
874 made thereunder, whoever violates any provision of this chapter, or knowingly makes any
875 incorrect statement of a material fact in any application, report or statement filed pursuant to this
876 chapter, or knowingly omits to state any material fact necessary to give the commissioner any
877 information lawfully required, may be punished by imprisonment for not more than 6 months.
878 The penalty provision of this section shall be in addition to, and not in lieu of, any other
879 provision of law applicable to a licensee or other person for violating any provision of this
880 chapter or any rule or regulation made thereunder.

881 (c) Nothing in this section shall limit the right of any individual or entity who has been
882 injured as a result of any violation of this chapter by a licensee, or any person other than a
883 licensee or exempt person under section two of this chapter, to bring an action to recover
884 damages or restitution in a court of competent jurisdiction.

885 (d) Any findings or order issued by the commissioner pursuant to this section shall be
886 subject to review as provided in chapter thirty A.

887 Section 25. (a) Whenever the commissioner determines that any person has, directly or
888 indirectly, violated any section of this chapter or any rule or regulation adopted thereunder,
889 applicable to the conduct of the business of a premium finance agency; or any order issued by
890 the commissioner under this chapter or any written agreement entered between the licensee and
891 the commissioner; the commissioner may serve upon the person a written notice of intention:

892 (1) to prohibit the person from performing in the capacity of a principal employee on
893 behalf of any licensee for a period of time that the commissioner deems necessary;

894 (2) to prohibit the person from applying for or obtaining a license from the commissioner
895 for a period up to 36 months following the effective date of an order issued under subsection (b)
896 or (c); or

897 (3) to prohibit the person from any further participation, in any manner, in the conduct of
898 the affairs of a premium finance agency in Massachusetts or to prohibit the person from being
899 employed by, an agent of, or operating on behalf of a licensee under this chapter or any other
900 business which requires a license from the commissioner.

901 (b) A written notice issued under subsection (a) shall contain a written statement of the
902 facts that support the prohibition and shall give notice of an opportunity for a hearing to be held
903 thereon. The hearing shall be fixed for a date not more than 30 days after the date of service upon
904 the commissioner of the request for a hearing. If the person fails to submit a request for a hearing
905 within 20 days of service of notice under subsection (a), or otherwise fails to appear in person or
906 by a duly authorized representative, the party shall be deemed to have consented to the issuance
907 of an order of prohibition in accordance with the notice.

908 (c) In the event of a consent under subsection (b), or if after a hearing the commissioner
909 finds that any of the grounds specified in the notice have been established, the commissioner
910 may issue an order of prohibition in accordance with subsection (a) as the commissioner finds
911 appropriate.

912 (d) An order issued under subsection (b) or (c) shall be effective upon service upon the
913 person. The commissioner shall also serve a copy of the order upon the licensee of which the
914 person is an employee or on whose behalf the person is performing. The order shall remain in
915 effect and enforceable until it is modified, terminated, suspended, or set aside by the
916 commissioner or a court of competent jurisdiction.

917 (e) Except as consented to in writing by the commissioner, any person who, pursuant to
918 an order issued under subsection (b) or (c), has been prohibited from participating in whole or in
919 part in the conduct of the affairs of a premium finance agency in Massachusetts may not, while
920 the order is in effect, continue or commence to perform in the capacity of a principal employee,
921 or otherwise participate in any manner, if so prohibited by order of the commissioner, in the
922 conduct of the affairs of:

- 923 (1) any licensee under this chapter;
- 924 (2) any other business which requires a license from the commissioner; and
- 925 (3) any bank, as defined under section one of chapter one hundred sixty-seven, or any
- 926 subsidiary thereof.

927 SECTION 36. Section 1 of chapter 255D of the General Laws, as so appearing, is hereby

928 amended by striking out the definition of "Sales finance company" in lines 98 through 105,

929 inclusive, and inserting in place thereof the following definition:—

930 "Sales finance company",

931 (1) a bank as defined in section one of chapter one hundred and sixty-seven, or a national

932 banking association or a savings and loan association, federal savings bank, federal savings and

933 loan association, federal credit union, or any bank, trust company, savings bank, savings and

934 loan association or credit union organized under the laws of any other state of the United States,

935 or any subsidiary of the above,

936 (2) any person other than an installment seller engaged, in whole or in part, in the

937 business of purchasing retail installment sale agreements or revolving credit agreements of one

938 or more retail sellers. The term "sales finance company" shall not include the pledgee of an

939 aggregate number of such agreements to secure a bona fide loan thereon.

940 SECTION 37. The first paragraph of section 2 of chapter 255D, as amended by section

941 14 of chapter 144 of the acts of 2012, is hereby amended by striking out the fourth and fifth

942 sentences.

943 SECTION 38. Section 2 of chapter 255D, as so appearing, is hereby further amended by
944 striking out the ninth sentence.

945 SECTION 39. Section 3 of chapter 255D of the General Laws, as so appearing, is hereby
946 amended by inserting after the first paragraph the following two paragraphs:—

947 The commissioner shall preserve a full record of each examination of a licensee including
948 a statement of its condition. All records of investigations and reports of examinations by the
949 commissioner, including workpapers, information derived from the reports or responses to the
950 reports, and any copies thereof in the possession of any licensee under the supervision of the
951 commissioner, shall be confidential and privileged communications, shall not be subject to
952 subpoena and shall not be a public record under clause twenty-sixth of section 7 of chapter 4. For
953 the purpose of this paragraph, records of investigation and reports of examinations shall include
954 records of investigation and reports of examinations conducted by a financial regulatory agency
955 of the federal government and any other state, and of any foreign government which are
956 considered confidential by the agency or foreign government and which are in possession of the
957 commissioner. In any proceeding before a court, the court may issue a protective order to seal the
958 record protecting the confidentiality of any such record, other than any such record on file with
959 the court or filed in connection with the court proceeding, and the court may exclude the public
960 from any portion of the proceeding at which any such record may be disclosed. Copies of such
961 reports of examination shall be furnished to a licensee for its use only and shall not be exhibited
962 to any other person, organization or agency without prior written approval by the commissioner.
963 The commissioner may, in his or her discretion, furnish to regulatory agencies of the federal
964 government, of other states, or of foreign countries, and any law enforcement agency, the

965 information, reports, inspections and statements relating to the licensees under the
966 commissioner's supervision.

967 The commissioner, or the commissioner's examiners, or other assistants as the
968 commissioner may designate, may summon the directors, officers or agents of a licensee, or any
969 other witnesses, and examine them relative to the affairs, transactions and condition of the
970 licensee, and, for that purpose, may administer oaths. Whoever, without justifiable cause, refuses
971 to appear and testify when so required or obstructs the person making the examination in the
972 performance of their duty, shall be punished by a fine of not more than \$1,000 or by
973 imprisonment for not more than one year.

974 SECTION 40. Chapter 255D of the General Laws, as so appearing, is hereby amended by
975 striking out section 7 as so appearing, and inserting in place thereof the following section:—

976 Section 7. The commissioner may suspend or revoke any license issued pursuant to this
977 chapter if the commissioner finds that:

978 (i) the licensee has violated any provision of this chapter or any rule or regulation
979 adopted hereunder, or any other law applicable to the conduct of its business; or

980 (ii) any fact or condition exists which, if it had existed at the time of the original
981 application for the license, would have warranted the commissioner in refusing to issue the
982 license.

983 Except as provided in section eight, no license shall be revoked or suspended except after
984 notice and a hearing thereon pursuant to chapter thirty A.

985 A licensee may surrender a license by delivering to the commissioner written notice that
986 it thereby surrenders the license, but the surrender shall not affect the civil or criminal liability of
987 the licensee for acts committed before the surrender.

988 No revocation, suspension or surrender of any license shall impair or affect the obligation
989 of any pre-existing lawful contract between the licensee and any person.

990 SECTION 41. Said chapter 255D of the General Laws, as so appearing, is hereby further
991 amended by striking out section 8, as so appearing, and inserting in place thereof the following
992 two sections:—

993 Section 8. (a) If the commissioner determines, after giving notice of and opportunity for a
994 hearing, that a licensee has engaged in or is about to engage in an act or practice constituting a
995 violation of a provision of this chapter or a rule, regulation or order hereunder, the commissioner
996 may order the licensee to cease and desist from the unlawful act or practice and take affirmative
997 action as in his or her judgment will effect the purposes of this chapter.

998 (b) If the commissioner makes written findings of fact that the public interest will be
999 irreparably harmed by delay in issuing an order under subsection (a) the commissioner may issue
1000 a temporary cease and desist order. Upon the entry of a temporary cease and desist order, the
1001 commissioner shall promptly notify, in writing, the licensee affected thereby that the order has
1002 been so entered, the reasons therefor, and that within 20 days after the receipt of a written request
1003 from the licensee, the matter will be scheduled for hearing to determine whether or not the
1004 temporary order shall become permanent and final. If no hearing is requested and none is ordered
1005 by the commissioner, the order shall remain in effect until it is modified or vacated by the
1006 commissioner. If a hearing is requested or ordered, the commissioner, after giving notice of and

1007 opportunity for a hearing to the licensee subject to the order, shall, by written finding of facts and
1008 conclusions of law, vacate, modify or make permanent the order.

1009 (c) No order under this section, except an order issued pursuant to subsection (b), may be
1010 entered without prior notice of and opportunity for a hearing. The commissioner may vacate or
1011 modify an order under this section upon finding that the conditions which required the order
1012 have changed and that it is in the public interest to so vacate or modify.

1013 Any order issued pursuant to this section shall be subject to review as provided in chapter
1014 thirty A.

1015 Section 8A. The commissioner may enforce the provisions of this chapter, or restrain any
1016 violations thereof, by filing a civil action in any court of competent jurisdiction.

1017 SECTION 42. Section 30 of chapter 255D of the General Laws, as so appearing, is
1018 hereby repealed.

1019 SECTION 43. Chapter 255D of the General Laws, as so appearing, is hereby amended by
1020 adding after section 31 the following two sections:—

1021 Section 32. (a) Whenever the commissioner finds that any licensee or exempt person
1022 under section two of this chapter has violated any provision of this chapter or any rule or
1023 regulation adopted thereunder, or any other law of the Commonwealth applicable to the conduct
1024 of the business of a sales finance company, the commissioner may, by order, in addition to any
1025 other action authorized under this chapter or any rule or regulation made thereunder, impose a
1026 penalty upon the person which shall not exceed \$5,000 for each violation, up to a maximum of
1027 \$100,000 for the violation plus the costs of investigation. The commissioner may impose a

1028 penalty which shall not exceed \$5,000 for each violation of this chapter, or any rule or regulation
1029 adopted thereunder, by a person other than a licensee or exempt person under section two of this
1030 chapter, plus the costs of investigation.

1031 (b) In addition to any other action authorized under this chapter or any rule of regulation
1032 made thereunder, whoever violates any provision of this chapter may be punished by
1033 imprisonment for not more than 6 months. The penalty provision of this section shall be in
1034 addition to, and not in lieu of, any other provision of law applicable to a licensee or other person
1035 for violating section two or any rule or regulation made thereunder.

1036 (c) Nothing in this section shall limit the right of any individual or entity who has been
1037 injured as a result of any violation of this chapter by a licensee, or any person other than a
1038 licensee or exempt person under section two of this chapter, to bring an action to recover
1039 damages or restitution in a court of competent jurisdiction.

1040 (d) Any findings or order issued by the commissioner pursuant to this section shall be
1041 subject to review as provided in chapter thirty A.

1042 Section 33. (a) Whenever the commissioner determines that any person has, directly or
1043 indirectly, violated any section of this chapter or any rule or regulation adopted thereunder,
1044 applicable to the conduct of the business of a sales finance company; or any order issued by the
1045 commissioner under this chapter or any written agreement entered between the licensee and the
1046 commissioner; the commissioner may serve upon the person a written notice of intention:

1047 (1) to prohibit the person from performing in the capacity of a principal employee on
1048 behalf of any licensee for a period of time that the commissioner deems necessary;

1049 (2) to prohibit the person from applying for or obtaining a license from the commissioner
1050 for a period up to 36 months following the effective date of an order issued under subsection (b)
1051 or (c); or

1052 (3) to prohibit the person from any further participation, in any manner, in the conduct of
1053 the affairs of a sales finance company in Massachusetts or to prohibit the person from being
1054 employed by, an agent of, or operating on behalf of a licensee under this chapter or any other
1055 business which requires a license from the commissioner.

1056 (b) A written notice issued under subsection (a) shall contain a written statement of the
1057 facts that support the prohibition and shall give notice of an opportunity for a hearing to be held
1058 thereon. The hearing shall be fixed for a date not more than 30 days after the date of service upon
1059 the commissioner of the request for a hearing. If the person fails to submit a request for a hearing
1060 within 20 days of service of notice under subsection (a), or otherwise fails to appear in person or
1061 by a duly authorized representative, the party shall be deemed to have consented to the issuance
1062 of an order of prohibition in accordance with the notice.

1063 (c) In the event of a consent under subsection (b), or if after a hearing the commissioner
1064 finds that any of the grounds specified in the notice have been established, the commissioner
1065 may issue an order of prohibition in accordance with subsection (a) as the commissioner finds
1066 appropriate.

1067 (d) An order issued under subsection (b) or (c) shall be effective upon service upon the
1068 person. The commissioner shall also serve a copy of the order upon the licensee of which the
1069 person is an employee or on whose behalf the person is performing. The order shall remain in

1070 effect and enforceable until it is modified, terminated, suspended, or set aside by the
1071 commissioner or a court of competent jurisdiction.

1072 (e) Except as consented to in writing by the commissioner, any person who, pursuant to
1073 an order issued under subsection (b) or (c), has been prohibited from participating in whole or in
1074 part in the conduct of the affairs of a sales finance company in Massachusetts may not, while the
1075 order is in effect, continue or commence to perform in the capacity of a principal employee, or
1076 otherwise participate in any manner, if so prohibited by order of the commissioner, in the
1077 conduct of the affairs of:

1078 (1) any licensee under this chapter;

1079 (2) any other business which requires a license from the commissioner; and

1080 (3) any bank, as defined under section one of chapter one hundred sixty-seven, or any
1081 subsidiary thereof.

1082 SECTION 44. Section 8 of chapter 255E, as so appearing, is hereby amended by adding
1083 the following paragraph:--

1084 The commissioner, or the commissioner's examiners, or other assistants as the
1085 commissioner may designate, may summon the directors, officers or agents of a licensee, or any
1086 other witnesses, and examine them relative to the affairs, transactions and condition of the
1087 licensee, and, for that purpose, may administer oaths. Whoever, without justifiable cause, refuses
1088 to appear and testify when so required or obstructs the person making the examination in the
1089 performance of their duty, shall be punished by a fine of not more than \$1,000 or by
1090 imprisonment for not more than one year.