The 194th General Court of the Commonwealth of Massachusetts

2025-2026

Bill Summary

Bill No: H1273

Title: AN ACT ESTABLISHING UNIFORM CONFIDENTIALITY AND CONFIDENTIALITY PROVISIONS RELATIVE TO CERTAIN LICENSEES UNDER THE JURISDICTION OF THE DIVISION OF BANKS

Sponsor: Representative James Murphy

Committee: Financial Services

Hearing Date: 10/7/25

Reporting Date: 12/3/25

Similar Matters: S750

Prior History: H1057, Study (2019-2020), H1167 (2021-2022) Favorable to HWM (H1105)

(2023-2024) Favorable to HWM

Current Law:

M.G.L. Chapter 94 and Chapter 24D governs the regulation of licenses. The Division of Banks regulates eleven (11) separate licensees under ten (10) different licensing statutes. Many of the licensing statutes were drafted more than forty years ago and this has resulted in inconsistent enforcement provisions for the Division of Banks, which varies by licensees.

Summary:
This bill seeks to establish a uniform set of regulatory enforcement powers and exemptions for regulated financial institutions with respect to several licensees under the jurisdiction of the Division of Banks (the Division). These amendments seeks to establish regulatory consistency by providing the Commissioner of Banks the same regulatory enforcement powers to take certain actions when enforcing laws against certain licensees under their jurisdiction in eight of these statutes.

The bill adds provisions for enhanced regulatory enforcement for violations of individual licensing statutes and adds a uniform set of regulatory actions. This petition seeks to establish a uniform listing of financial institutions which would be exempt from the Division's licensing statutes. Current exemption listings are inconsistent. The purpose of this exemption is to come into compliance with the licensing statutes applicable only to non-bank entities.

Additionally, this bill seeks to establish the confidentiality of examination reports and examination-related documents of certain licensees of the Division. Currently, bank and credit union examinations, as well as mortgage lender, mortgage broker, mortgage loan originator and

debt collector examinations by statute are deemed confidential and not public records. The amendments on the confidentiality of certain documents and examinations would provide certainty and consistency in all licensing statutes.

One section has been added since last session's version of the bill regarding investigations and examinations by the Commissioner of Banks in the possession of student loan servicers as confidential and privileged communications.