

Bill as Introduced

HB 1218 - AS INTRODUCED

2006 SESSION

06-2648
06/10

HOUSE BILL **1218**

AN ACT relative to the unauthorized use of the name of a financial institution.

SPONSORS: Rep. Stepanek, Hills 6; Rep. Reardon, Merr 11; Sen. Flanders, Dist 7

COMMITTEE: Commerce

ANALYSIS

This bill:

I. Requires anyone using the name of a financial institution in a written, electronic, or verbal advertisement or solicitation to first obtain permission from the institution.

II. Creates an exception for comparisons of the products of different financial institutions.

III. Permits the bank commissioner to suspend or revoke a license and impose a fine for unauthorized use of a financial institution's name.

Explanation: Matter added to current law appears in **bold italics**.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Six

AN ACT relative to the unauthorized use of the name of a financial institution.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Cease and Desist Order; Penalty Added. Amend RSA 384:12-a, IV to read as follows:

2 IV. If, in the opinion of the commissioner, an individual or business entity is engaging in or
3 has engaged in the unauthorized [~~and deceptive~~] use of the name or trademark of any *financial*
4 *institution, including a* bank, as defined in RSA 384-B:1, I, national bank, federally chartered
5 savings bank or association, federally or state chartered credit union, any mortgage lender as
6 defined in RSA 397-A and 397-B, or any affiliate or subsidiary thereof, *or any other financial*
7 *institution as defined in the Gramm-Leach-Bliley Act (PL 106-102)* in violation of RSA 384:67,
8 the commissioner may issue and serve an order upon the individual or business entity requiring the
9 individual or business entity to cease and desist from such unauthorized [~~and deceptive~~] use.

10 V. *Any person who knowingly violates any order of the commissioner made*
11 *pursuant to paragraph IV of this section or RSA 384:68 may, upon notice and after*
12 *opportunity for hearing be subject to suspension or revocation of any registration or*
13 *license, and imposition of an administrative fine not to exceed \$2,500 for each violation.*
14 *Each act shall constitute a separate violation.*

15 2 Unauthorized Use of a Financial Institution's Name. Amend RSA 384:67 to read as follows:
16 384:67 Unauthorized [~~and Deceptive~~] Use. *Except as provided herein,* no individual or
17 business entity shall use [~~in an unauthorized and deceptive manner~~] the name or trademark of any
18 bank, as defined in RSA 384-B:1, I, national bank, federally chartered savings bank or association,
19 federally or state chartered credit union, any mortgage lender as defined in RSA 397-A and 397-B, or
20 any affiliate or subsidiary thereof, or any other financial institution as defined in the Gramm-Leach-
21 Bliley Act (PL 106-102) in any written, *electronic,* or oral advertisement or solicitation *unless such*
22 *use is first authorized by such financial institution in writing.* Prior written consent of the
23 financial institution shall [~~constitute authorization and shall~~] be an affirmative defense to any
24 violation of this paragraph. *The individual or business entity shall furnish a copy of such*
25 *written authorization to the bank commissioner upon request.*

26 3 New Section; Exceptions to Unauthorized Use of a Financial Institution's Name. Amend
27 RSA 384 by inserting after section 67 the following new section:

28 384:67-a Exceptions to Unauthorized Use of a Financial Institution's Name. Notwithstanding
29 the provisions of RSA 384:67, the use of a financial institution's name in a comparative written
30 advertisement or solicitation by another individual or business entity, which is limited solely to
31 comparing the relative attributes of similar products or services offered by such financial institution

1 and the individual or business entity, shall be permitted and shall not require prior written
2 authorization of the financial institution, provided that the name of the financial institution is not
3 visible to the addressee in the case of a letter or other form of written communication, before opening
4 the document containing the comparison or the envelope in which it is sent or delivered or in the
5 case of an electronic transmission, within its subject line.

6 4 Cease and Desist Order; Deceptive Use Removed. Amend RSA 384:68 to read as follows:

7 384:68 Cease and Desist Order. The bank commissioner may issue a cease and desist order, as
8 provided in RSA 384:12-a, IV, against any individual or business entity which uses in an
9 unauthorized [~~and deceptive~~] manner the name or trademark of any bank, as defined in RSA 384-
10 B:1, I, national bank, federally chartered savings bank or association, federally or state chartered
11 credit union, any mortgage lender as defined in RSA 397-A and 397-B, or any affiliate or subsidiary
12 thereof, in violation of RSA 384:67. The insurance commissioner may issue a cease and desist order,
13 as provided in RSA 400-A:14, against any individual or business entity which uses in an
14 unauthorized [~~and deceptive~~] manner the name or trademark of any financial institution subject to
15 the jurisdiction of the insurance commissioner in violation of RSA 384:67.

16 5 Effective Date. This act shall take effect January 1, 2007.

Amendments

Amendment to HB 1218

1 Amend RSA 384:12-a, IV as inserted by section 1 of the bill by replacing it with the following:

2

3 IV. If, in the opinion of the commissioner, an individual or business entity is engaging in or
4 has engaged in the unauthorized [~~and deceptive~~] use of the name or trademark of any **financial**
5 **institution, including a** bank, as defined in RSA 384-B:1, I, national bank, federally chartered
6 savings bank or association, federally or state chartered credit union, any mortgage lender as
7 defined in RSA 397-A and 397-B, or any affiliate or subsidiary thereof, in violation of RSA 384:67,
8 the commissioner may issue and serve an order upon the individual or business entity requiring the
9 individual or business entity to cease and desist from such unauthorized [~~and deceptive~~] use.

10 V. **Any person who knowingly violates any order of the commissioner made**
11 **pursuant to paragraph IV of this section or RSA 384:68 may, upon notice and after**
12 **opportunity for hearing be subject to suspension or revocation of any registration or**
13 **license, and/or imposition of an administrative fine not to exceed \$2,500 for each violation.**
14 **Each act shall constitute a separate violation.**

15

16 Amend RSA 384:67 as inserted by section 2 of the bill by replacing it with the following:

17

18 384:67 Unauthorized [~~and Deceptive~~] Use. **Except as provided herein,** no individual or
19 business entity shall use [~~in an unauthorized and deceptive manner~~] the name or trademark of any
20 bank, as defined in RSA 384-B:1, I, national bank, federally chartered savings bank or association,
21 federally or state chartered credit union, any mortgage lender as defined in RSA 397-A and 397-B, or
22 any affiliate or subsidiary thereof, [~~or any other financial institution as defined in the Gramm-Leach-~~
23 ~~Bliley Act (PL 106-102)] in any written, **electronic,** or oral advertisement or solicitation **unless**
24 **such use is first authorized by such financial institution in writing.** Prior written consent of
25 the financial institution shall [~~constitute authorization and shall~~] be an affirmative defense to any
26 violation of this paragraph. **The individual or business entity shall furnish a copy of such**
27 **written authorization to the bank commissioner upon request.**~~

Speakers

Hearing Minutes

HOUSE COMMITTEE ON COMMERCE

PUBLIC HEARING ON HB 1218

BILL TITLE: relative to the unauthorized use of the name of a financial institution.

DATE: January 17, 2006

LOB ROOM: 302 **Time Public Hearing Called to Order:** 3:05 pm

Time Adjourned: 3:30 pm

(please circle if present)

Committee Members: Reps. S. Francoeur, Stepanek, Belanger, Langle, D. Flanders, Marshall Quandt, Matthew Quandt, C. Clark, S. Scamman, Headd, Kidder, J. Martin, Pelkey, Kathleen Taylor, Reardon, DeStefano, Kopka, DeVries, Egbers, McLeod and Mitchell.

Bill Sponsors: Reps. Stepanek and Reardon and Sen. Flanders

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

***Rep. Stephen B. Stepanek** – Introduced the bill. Provided written testimony.

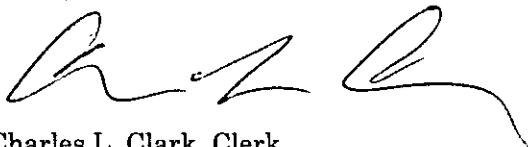
Rep. Tara Reardon, cosponsor – Supports the bill.

***Donna Soucy, NH Banking Department** – Supports the bill. See written testimony.

***Jerry Little & Roy Wilbur, NH Bankers' Association** – Support the bill. See written testimony.

James Demers, NEFSA & Mortgage Bankers – Supports the bill per pink card but not present to testify.

Respectfully Submitted:



Charles L. Clark, Clerk

SUBC. — REP MARTIN SCAMMAN OR
KOPKA

HOUSE COMMITTEE ON COMMERCE

PUBLIC HEARING ON HB 1218

BILL TITLE: relative to the unauthorized use of the name of a financial institution.

DATE: January 17, 2006

LOB ROOM: 302

Time Public Hearing Called to Order:

{Time}

3:05

Time Adjourned:

{Time}

3:30

(please circle if present)

Committee Members: Reps. S. Francoeur, Stepanek, Belanger, Langley, D. Flanders, Marshall Quandt, Matthew Quandt, C. Clark, S. Scamman, Headd, Kidder, J. Martin, Pelkey, Kathleen Taylor, Reardon, DeStefano, Kopka, DeVries, Egbers, McLeod and Mitchell.

Bill Sponsors: Rep. Stepanek and Reardon and Sen. Flanders

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

* REP STEPANEK — FOR —
REP REARDON — FOR —
* DONNA SOUCY — FOR —
* JERRY LITTLE — FOR —

Testimony

HB 1218
House Commerce Committee
Tuesday, January 17, 2006
Representative Stepanek
Sponsor Explanation

House Bill 1218 is a refinement of a law we passed in 2003 to address the issue of providers of financial products and services who distribute marketing pieces designed in a way that causes consumers to believe that they are coming from someone else. The most common products marketed this way are mortgage life insurance and bi-monthly mortgage payment services. Consumer deception occurs during the delivery of the marketing information.

Specifically, these businesses monitor filings at the county Registries of Deeds and send their materials to the borrowers listed on new home mortgages recorded.

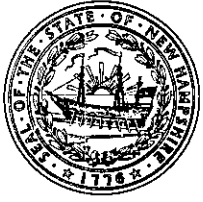
There is nothing wrong with the practice generally, but, as you will see, there are those who present their materials in a manner designed to cause consumers to believe that they are receiving important communication about their mortgage from their lender, when in fact, their financial institution has not authorized the marketing. In doing so, these companies may deceive consumers, but definitely cause harm to the financial institution whose identity and reputation they have usurped.

The legislation we passed three years ago prohibits the unauthorized *and* deceptive use of a financial institution's name. Following the enactment of that law, some marketers of these products placed language at the end of their marketing pieces disclosing that they were not authorized by the lending institution whose name they are using. Others simply ignore the law because it does not currently carry an effective penalty provision.

The corrective legislation before you today does five things:

1. It removes the word "deceptive" from the statute so that we would simply prohibit the "unauthorized" use of a financial institution's name.
2. It sets a standard for determining authorized use of a bank name.
3. It adds language allowing reasonable exceptions to the unauthorized use of a financial institution's name, such as consumer-benefiting comparative advertising.
4. It clarifies that the prohibition extends to electronic marketing such as e-mail and "spam" as well as printed and mailed marketing pieces.
5. It adds a penalty section.

The practice this bill seeks to address is on-going in New Hampshire today. It harms consumers by misleading them into thinking that they are considering a product recommended to them by a trusted financial institution they have chosen to do business with, and it hurts those financial institutions whose reputations they are usurping by creating the appearance of violation of privacy agreements promising to hold the customers' personal information in confidence.



State of New Hampshire

Banking Department

64B Old Suncook Road
Concord, New Hampshire 03301

Telephone: (603) 271-3561

FAX: Banking (603) 271-1090

FAX: Consumer Credit (603) 271-0750

PETER C. HILDRETH
BANK COMMISSIONER

ROBERT A. FLEURY
DEPUTY BANK COMMISSIONER

January 17, 2006

Honorable Sheila Francoeur
House Commerce Committee
Legislative Office Building
Concord, New Hampshire 03301

Re: HB 1218 relative to the unauthorized use of the name of a financial institution

Dear Chairman Francoeur:

On behalf of the New Hampshire Banking Department I testify in support of House Bill 1218.

Over the past few years the department has received numerous calls from consumers, complaining that their financial institution shared their personal financial information with a third party. In all the cases that we have investigated, the financial institution has proven that they did not in fact share information but, rather information was gathered from the Registry of Deeds and used without the financial institution's knowledge in a deceptive manner, implying that a relationship exists between the financial institution and the third party.

Just this past year the department issued four Cease and Desist Orders pursuant to the provisions of RSA 384:68. Three of those orders were resolved with consent agreements and the fourth is still pending resolution.

If enacted HB 1218 will provide greater consumer protection and make it easier for the department to assist New Hampshire financial institutions in safeguarding their reputations.

Sincerely yours,

A handwritten signature in cursive script that reads "Donna M. Soucy".

Donna M. Soucy
General Counsel

HB 1218
House Commerce Committee
Tuesday, January 17, 2006
Testimony of
Gerald H. Little, President
New Hampshire Bankers Association

My name is Jerry Little. I am President of the New Hampshire Bankers Association, and we are here today in strong support of House Bill 1218. We also supported the legislation in 2003 that resulted in RSA 384:67 to prohibit the unauthorized and deceptive use of the name of a financial institution as it stands today.

The ability of consumers to have trust and faith in the financial institutions they choose to use is fundamental to the personal relationships that are our business. Indeed, it's why an important, contemporary facet of bank safety and soundness regulation is examination for so-called "reputation risk". The activities we hope to control with this legislation damages bank reputations through activities we cannot control. It also deceives consumers.

The New Hampshire Bankers Association promoted the concept of prohibiting the unauthorized use of a financial institution's name when it became law three years ago. Imagine my surprise this past summer when, after purchasing a home, I received a stack of mail within one month for mortgage-related products and services which appeared to violate that law.

It was from personal experience then that I learned that, following enactment of the 2003 law, some marketers modified their mailings for mortgage life insurance and bi-monthly mortgage payment services to comply with it, some added language to go around it, and others simply ignored it.

HB 1218 would amend and clarify RSA 384:67 to:

- Prohibit the unauthorized use of a financial institution's name for marketing purposes other than consumer-benefiting comparative advertising, and
- Enhance the authority of our regulatory agencies to enforce the law.

Attached to my testimony are copies of several of the direct-mail marketing pieces I received this past July. As I mentioned before, they fall into several categories; those that were clearly designed to deceive me into thinking that my mortgage lender had sent them, those that made an effort to go around the law, and those that complied.

It's important to point out that the last category exists. We are not saying that these mailings should not be allowed, or that information gleaned from public records should not be used to address them to targeted groups of people who are more likely to have an interest in the products being sold. We are simply saying that, if a business is marketing

products, they should do so under their own name, and only use the name of another business with authorization or for comparative advertising.

Attachment A represents the group of businesses who comply with current law. I received one from this category. It is from American Family, which does not reference my mortgage lender either on the outside of the envelope or in the enclosed materials.

(Note that, for all exhibits, there is a view of the envelope, followed by a copy of the contents. This is important, as the manner in which the mailing is initially presented in the envelope is generally part of the deception.)

Attachment B represents businesses who technically comply with current law, but still cause consumers to think that their lender is involved. The name of the mortgage lender does not appear through the envelope window. However, when the mailing is removed from the envelope, the name of the lender is used several times, as is the loan amount. These details more often cause the recipients to call their lender than the company trying to sell them the product or service. Through the prominent use of the lender's name and the loan amount, these firms are trying to create a link between themselves and the trusted lender, and they succeed. Unfortunately, what they succeed in doing is angering the customer, who thinks the lender either provided or sold their mortgage information in violation of federally-required privacy disclosures. That's reputation risk defined.

Note that, this group ends their marketing piece with disclosure that they are not affiliated with the lender. Most consumers are so irate that they've dialed the telephone to lodge a complaint long before they get to the end of the letter, and never see the disclosure.

When the Banking Department has challenged these mailings as a violation of RSA 384:67, the companies have pointed to the disclosure and the fact that current law prohibits "unauthorized *and* deceptive" use of a bank name, arguing that, because of the disclosure, both conditions are not met.

Attachment C is a more aggressive form of the category just discussed. It is also the category I received the most marketing from. There is a small disclosure at the end of the marketing piece designed to go around current law by saying the company is not affiliated with the lender. In these cases, the piece was designed to display the lender's name through the envelope window. The purpose of the deception is to get the customer to open the envelope. It is often accompanied by language such as "Mortgage Information Enclosed" to enhance and strengthen the misperception that the consumer is receiving an important communication from their lender.

Attachment D represents the group who we believe clearly violate current law. The lender's name is prominently displayed through the envelope window and on the mailing inside. There is no disclosure that the lender has not authorized the marketing piece. In fact, there is language inferring that the lender has authorized the mailing, such as the statement in the New England Financial of Manchester mailing that "It has come to our attention that you may not have taken the mortgage protection plan offered to you on

your recent loan through Merrimack County Savings..." The clear inference is that someone representing the bank sent information along. I've confirmed with my lender that was not the case.

I received 10 of these mailings during the first month following the closing on our home. With one exception, they use, without authorization, the name of my lender, with the intent of causing me to believe that the mailing has either come from my lender or was enabled and encouraged by them. Neither situation is the truth. These mailings cause numerous angry phone calls to mortgage lenders each month, damaging reputations. We wouldn't know how to go about collecting figures on consumers who are deceived into buying products or services based on the misperception that they've been suggested by their trusted lender.

The New Hampshire legislature felt strongly enough about this to act on it once before. We ask you to support that decision by passing HB 1218.

Section 1 of the bill would add tougher penalty provisions better enabling the Banking Department to enforce the statute.

Section 2 extends the bill to electronic marketing as well as mailings, and clarifies that anyone wanting to use a financial institution's name for advertising or solicitation purposes must first receive that institution's permission in writing.

Section 2 also creates a clear exception to allow the use of the name of a financial institution without authorization for consumer-benefiting comparative advertising.

In Section 3, the only change is the deletion of the word "deceptive". This change also takes place in the other sections. As it was originally drafted three years ago, the proposal was to prevent the "unauthorized" use of a financial institution's name. There was concern on this committee that the bill would prohibit comparative advertising that might help consumers, so the reference to "deceptive" was added. Ironically, that change seems to have primarily increased the amount of consumer deception taking place in this manner.

In this case, it is the unauthorized use of the financial institution's name that is deceptive, and damaging, to the reputation of the institution.

We feel that by adding in Section 2 a clear exception to allow comparative advertising, consumers and financial institutions in New Hampshire will be well-served by the proposed changes in HB 1218.

The NHBA asks you to support House Bill 1218.

A



43B Birch Street
Unit 3C
Derry, NH 03038

POSTAGE PAID
STND LTR
PERMIT #22
DERRY, NH

43B Birch Street (Day Phone Number)
 Unit 3C
 Derry, NH 03038
 (603) 432-2944
 (603) 432-4732

GERALD LITTLE
 [REDACTED]
 WEARE, NH 03281

06 [POSTNET]

Please provide information on how Life Insurance can help complete my mortgage obligation in the event of my death.
RETURN PROMPTLY - SIMPLY MAIL THIS CARD



43B Birch Street
Unit 3C
Derry, NH 03038

Bus: (603) 432-2944
Fax: (603) 432-4732

GERALD LITTLE
 [REDACTED]
 WEARE, NH 03281

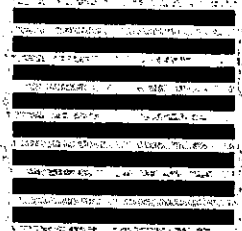
Month/Day/Year _____
 (Date of Birth) _____
 (Home Phone Number) _____
 (Day Phone Number) _____



BUSINESS REPLY MAIL
FIRST-CLASS MAIL PERMIT NO. 22 DERRY NH

POSTAGE WILL BE PAID BY ADDRESSEE

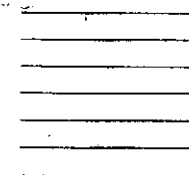
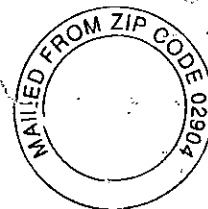
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



AMERICAN FAMILY FINANCIAL GROUP LLC
43B BIRCH ST STE 3
DERRY NH 03038-9906



Associated Mortgage Protection
6 Alcazar Avenue
Johnston, RI 02919-4039



PRSRT STD
AUTO
U.S. POSTAGE
PAID
PERMIT NO. 359

DATED MATERIAL OPEN IMMEDIATELY

Gerald H Little
Heidi H Little

[REDACTED]
Weare, NH 03281-4641



B1

MORTGAGE DATA CARD FOR

Gerald H Little

Heidi H Little

B2

*****PLEASE COMPLETE AND RETURN*****

August 26, 2005

Lender: Merrimack Cnty Svgsnh
Amount: [REDACTED]

Gerald H Little
Heidi H Little
[REDACTED]
Weare, NH 03281-4641



Dear Gerald H and Heidi H

You are eligible to participate in Associated Mortgage's low cost Mortgage Protection Life Insurance / Disability Program. This program can protect your \$[REDACTED] loan with Merrimack Cnty Svgsnh In the event of an unexpected occurrence. Without this plan, your family would still be responsible to make your monthly mortgage payments.

Your benefits can include:

- DEATH BENEFIT: Pays the \$[REDACTED] loan in the event of death.
DISABILITY: Provides monthly income including your mortgage payment in the event you cannot work.
RETURN OF PREMIUM: Returns all of your premiums at the end of the mortgage term.
UNEMPLOYMENT: Pays the policy premium if you are out of work.

For information that would best suit your needs please complete and return this mortgage data card in the enclosed postage paid envelope.



Lender: Merrimack Cnty Svgsnh
LOAN AMOUNT: \$[REDACTED]

Borrower

Spouse / Co. Borrower

Date of Birth, Male, Female, Height, Weight, Smoker Yes/No for both Borrower and Spouse/Co. Borrower.

Have you ever been treated for:
High blood Pressure?
Cholesterol?
Heart Attack / Stroke / Cancer?
Diabetes?

Yes/No response lines for each health condition for both Borrower and Spouse/Co. Borrower.

Occupation, Home Phone, Work Phone, Best time to call, Name of Person completing this form.

Coverage not underwritten with lender. Information obtained through public record. Programs offered through Associated Mortgage Protection, LLC. (866) 785-0267

PSR1



00.20

H METER 480301

MERRIMACK CNTY SVGS/NH

Gerald & Heidi Little



4964

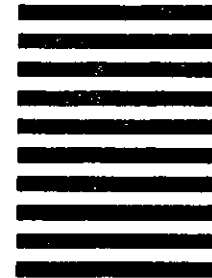
Weare, NH 03281-4641



C1



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



BUSINESS REPLY MAIL
FIRST-CLASS MAIL PERMIT NO. 26 MORGANVILLE NJ

POSTAGE WILL BE PAID BY ADDRESSEE

**PROCESSING CENTER
470 STATE ROUTE 79 STE 1
MORGANVILLE NJ 07751-9967**



03

NEF
NEW ENGLAND FINANCIAL™
A MetLife Affiliate

NEW ENGLAND FINANCIAL

1155 ELM STREET, 5TH FL.
MANCHESTER
NH 03101


GERALD H & HEIDI H LITTLE
████████████████████
WEARE, NH 03281-4641

MERRIMACK CTY SVGS

03281+4641 06



neopost N046J81000436
\$00.370
07/15/2005
Mailed From 03101
00 146755



US POSTAGE

11

GERALD H & HEIDI H LITTLE

██████████
WEARE, NH 03281-4641

MERRIMACK CTY SVGS

Dear GERALD H & HEIDI H:

It has come to our attention that you may not have taken the mortgage protection plan offered to you on your recent loan through MERRIMACK CTY SVGS for \$██████████ Mortgage protection, which is funded with life or disability insurance, is used to pay your mortgage in the event of death or disability.

Please take a few moments to complete the attached form and return it in the postage-paid envelope provided so that we may furnish you with specific information about your mortgage protection options.

Request for Mortgage Protection Review

Yes, I would like to receive a Mortgage Protection review. I understand that I am under no obligation.

GERALD H & HEIDI H LITTLE
██████████
WEARE, NH 03281-4641

MERRIMACK CTY SVGS
Mortgage Amount: \$██████████

Home Phone: _____ Business Phone: _____

Best time to call: _____

- | | | |
|----------------------------------------|---------------------------------|------------------------------------|
| <input type="checkbox"/> His DOB _____ | <input type="checkbox"/> Smoker | <input type="checkbox"/> Nonsmoker |
| <input type="checkbox"/> Her DOB _____ | <input type="checkbox"/> Smoker | <input type="checkbox"/> Nonsmoker |

I would also like no-obligation information on:

- | | |
|--------------------------------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> 401(k) Rollovers | <input type="checkbox"/> Estate Planning |
| <input type="checkbox"/> Retirement Planning | <input type="checkbox"/> Long Term Care Insurance |
| <input type="checkbox"/> Tax Advantaged College Funding Strategies | <input type="checkbox"/> Business Continuation Planning |
| <input type="checkbox"/> Income Protection Plans | |

CD200400003
Expires 12/31/2007

NEW ENGLAND FINANCIAL
1155 ELM STREET, 5TH FLR., MANCHESTER, NEW HAMPSHIRE 03101

T 603-668-8380 F 603-668-7199

Voting Sheets

HOUSE COMMITTEE ON COMMERCE

EXECUTIVE SESSION on HB 1218

BILL TITLE: relative to the unauthorized use of the name of a financial institution.

DATE: February 8, 2006

LOB ROOM: 302

Amendments:

Sponsor: Rep. J. Martin OLS Document #: 2006 0829h

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Martin

Seconded by Rep. Clark

Vote: 18-0 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Martin

Seconded by Rep. Clark

Vote: 9-9 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Martin

Seconded by Rep. DeVries

Vote: 11-7 (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,
Rep. Charles L. Clark, Clerk

HOUSE COMMITTEE ON COMMERCE

EXECUTIVE SESSION on HB 1218

BILL TITLE: relative to the unauthorized use of the name of a financial institution.

DATE: {Type DATE} 2/8/06

LOB ROOM: 302

Amendments:

Sponsor: Rep. J. MARTIN OLS Document # 2006-0829A
Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. MARTIN

Seconded by Rep. CLARK

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: 9-9 (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: {Type VOTE}

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,
Rep. Charles L. Clark, Clerk

MARTIN
DEVERIES

COMMERCE

Bill #: _____ Title: _____

PH Date: 1 1

Exec Session Date: 218106

Motion: OTPA

Amendment #: 2006-0829A

MEMBER	YEAS	NAYS
Francoeur, Sheila T, Chairman	✓	
Stepanek, Stephen B, V Chairman	✓	
Belanger, Ronald J	✓	
Langley, Jane S	✓	
Flanders, Donald H	✓	
Clark, Charles L, Clerk	✓	
Quandt, Marshall Lee	✓	
Quandt, Matthew J	✓	
Scamman, Stella		
Headd, James F		
Kidder, David H	✓	
Martin, James R	✓	
Pelkey, Stephen T	✓	
Taylor, Kathleen N	✓	
Reardon, Tara G		
DeStefano, Stephen T	✓	
Kopka, Angeline A	✓	
DeVries, Betsi L	✓	
Egbers, Fran M	✓	
McLeod, Martha S	✓	
Mitchell, Bonnie G	✓	
TOTAL VOTE:	18	0

COMMERCE

Bill #: HB 1218 Title: _____

PH Date: 1 1 Exec Session Date: 2 1 8 1 0 6

Motion: OTPA Amendment #: _____

MEMBER	YEAS	NAYS
Francoeur, Sheila T, Chairman	✓	
Stepanek, Stephen B, V Chairman	✓	
Belanger, Ronald J	✓	
Langley, Jane S		✓
Flanders, Donald H	✓	
Clark, Charles L, Clerk		✓
Quandt, Marshall Lee	✓	
Quandt, Matthew J	✓	
Scamman, Stella	✓	
Headd, James F		
Kidder, David H		
Martin, James R		✓
Pelkey, Stephen T		✓
Taylor, Kathleen N		✓
Reardon, Tara G		
DeStefano, Stephen T		✓
Kopka, Angeline A	✓	
DeVries, Betsi L		✓
Egbers, Fran M		✓
McLeod, Martha S	✓	
Mitchell, Bonnie G		✓
TOTAL VOTE:	9	9

COMMERCE

Bill #: HB 1218 Title: _____

PH Date: 1/1/

Exec Session Date: 2.8.06

Motion: 1 TL Final Vote CC

Amendment #: _____

MEMBER	YEAS	NAYS
Francoeur, Sheila T, Chairman		✓
Stepanek, Stephen B, V Chairman	✓	✓
Belanger, Ronald J	✓	
Langley, Jane S	✓	
Flanders, Donald H	✓	
Clark, Charles L, Clerk	✓	
Quandt, Marshall Lee		✓
Quandt, Matthew J		✓
Scamman, Stella		✓
Headd, James F		
Kidder, David H		
Martin, James R	✓	
Pelkey, Stephen T	✓	
Taylor, Kathleen N	✓	
Reardon, Tara G		
DeStefano, Stephen T	✓	
Kopka, Angeline A	✓	✓
DeVries, Betsi L	✓	
Egbers, Fran M	✓	
McLeod, Martha S		✓
Mitchell, Bonnie G	✓	
TOTAL VOTE:	21	2

Committee Report

COMMITTEE REPORT

COMMITTEE: Commerce

BILL NUMBER: HB 1218

TITLE: relative to the unauthorized use of the name of a financial institution.

DATE: February 8, 2006

CONSENT CALENDAR YES NO

- OUGHT TO PASS
- OUGHT TO PASS WITH AMENDMENT
- INEXPEDIENT TO LEGISLATE
- REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT (Include Committee Vote)

RSA 384:12-a, IV prohibits the use of the name of a financial institution in a "deceptive" manner. This bill would amend that RSA by deleting the word "deceptive" thus prohibiting any use of the name of a financial institution. Violation could result in license revocation and an administrative fine of \$2500 for each violation with each individual piece of mail constituting a violation in the case of mailed advertising. The committee believes that the legislature should not prohibit the use of the name of a financial institution where the information is in the public domain and the use is not deceptive.

Vote 11-7.

Rep. James R. Martin
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT

CONSENT CALENDAR

Commerce

HB 1218, relative to the unauthorized use of the name of a financial institution. **INEXPEDIENT TO LEGISLATE**

Rep. James R. Martin for Commerce: RSA 384:12-a, IV prohibits the use of the name of a financial institution in a "deceptive" manner. This bill would amend that RSA by deleting the word "deceptive" thus prohibiting any use of the name of a financial institution. Violation could result in license revocation and an administrative fine of \$2500 for each violation with each individual piece of mail constituting a violation in the case of mailed advertising. The committee believes that the legislature should not prohibit the use of the name of a financial institution where the information is in the public domain and the use is not deceptive. **Vote 11-7.**

Blurb on HB 1218

Relative to the unauthorized use of
the name of a financial institution

IT L James R. Martin for the majority

~~This bill would prevent anyone from using the name of a financial institution even if the use is not deceptive. Current law (RSA 384:12-a, IV) prohibits the use of the name~~

RSA 384:12-a, IV prohibits the use of the name of a financial institution in a "deceptive" manner. This bill would amend that RSA by deleting the word "deceptive" thus ~~making~~ ^{prohibiting} any use of the name of a financial institution. Violation could result in license revocation and an administrative fine of \$2,500 for each violation with each ^{individual} piece of mail constituting a violation in the case of mailed ~~to~~ advertising. The Committee believes that the legislature should not prohibit the use of the ^{name} ~~names~~ of financial institutions where the information is in the public domain and the use is not deceptive.

Vote 11-7

James R. Martin

STB