

# Regulatory Analysis Form

(Completed by Promulgating Agency)

INDEPENDENT REGULATORY  
REVIEW COMMISSION

(All Comments submitted on this regulation will appear on IRRC's website)

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(1) Agency

Department of Banking and Securities

(2) Agency Number: 3

Identification Number: 52

IRRC Number: 3056

(3) PA Code Cite:

10 Pa. Code Chapter 91

(4) Short Title:

Debt Management Services Act Continuing Education

(5) Agency Contacts (List Telephone Number and Email Address):

Primary Contact: Sarah E. Sedlak, Assistant Counsel, (717) 787-1471, [ssedlak@pa.gov](mailto:ssedlak@pa.gov)

Secondary Contact: Begene A. Bahl, Senior Deputy Chief Counsel, (717) 787-1471, [bbahl@pa.gov](mailto:bbahl@pa.gov)

(6) Type of Rulemaking (check applicable box):

- Proposed Regulation  
 Final Regulation  
 Final Omitted Regulation

- Emergency Certification Regulation;  
 Certification by the Governor  
 Certification by the Attorney General

(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

The proposed rulemaking sets forth the continuing education requirements for credit counselors and supervisors employed by a debt management services licensee. The proposed regulation will satisfy the Department's obligation under Section 9(c) of the Debt Management Services Act (DMSA) to promulgate a regulation delineating the continuing education requirements for credit counselors and supervisors employed by debt management services licensees. See 63 P.S. § 2409(c).

(8) State the statutory authority for the regulation. Include specific statutory citation.

Section 9(c) and 17(4) of the DMSA, 63 P.S. §§ 2409(c) and 2417(4).

(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

Yes. The DMSA required the Department to promulgate the regulation within three years of the enactment of the DMSA. *See* 63 P.S. § 2409(c).

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

The proposed rulemaking is necessary because the DMSA requires the Department to promulgate a regulation delineating the continuing education requirements for credit counselors and supervisors employed by debt management services licensees.

It is in the public interest that credit counselors and supervisors employed by debt management services licensees participate in continuing education because those employees counsel Pennsylvania consumers about personal finance issues. Debt management services licensees include both for profit and nonprofit organizations. Licensees offer counseling to consumers on topics including credit card debt, budget techniques, debt prioritization, housing debt and bankruptcy.

It is not possible to quantify the benefits of the regulation or approximate the number of people who will benefit. The proposed regulation ensures that credit counselors and supervisors keep up-to-date on topics related to the debt management services industry, which should benefit the Pennsylvania consumers who use debt management services.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

There are no provisions of the regulation that are more stringent than federal standards because there are no federal requirements for continuing education related to the debt management services industry.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

Not every state regulates the debt management services industry. Of those states that regulate the debt management industry, some consider the providers to be "debt adjusters" or "credit/debt counselors" therefore the applicable laws vary significantly from the DMSA. This regulation is in the minority of other states that regulate the debt management industry because the majority does not require continuing education.

The proposed regulation will not affect Pennsylvania's ability to compete with other states because it is a relatively small industry that offers services to consumers nationally. As an example, of the Department's 45 debt management services licensees, only 6 are headquartered in Pennsylvania. The other 39 are licensed so that the Department can oversee the services provided to Pennsylvania consumers even though the licensees are not physically located in Pennsylvania. In addition, of those 6 licensees headquartered in Pennsylvania, all 6 are nonprofit organizations.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

The proposed regulation will not affect any other regulations of the Department or any other state agency.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. ("Small business" is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

Per Executive Order 1996-1, the Department sought input on the proposed regulation from the regulated community and trade associations. Specifically, 46 for-profit and nonprofit entities and trade associations related to debt management services were sent a previous draft of the proposed regulation in order to provide comments.

The Department received no comments from the trade associations. The Department received six comments from the regulated community. The prior draft regulation included, as part of the list of information that a licensee must maintain in its records, the social security numbers and dates of birth for its credit counselors and supervisors. All six commentators requested that this information be removed for security reasons. In the proposed regulation, the Department complied with the request and removed the social security numbers and dates of birth from the list of information required to be maintained by licensees.

In addition, the Department drafted and submitted an earlier version of this proposed regulation to the Independent Regulatory Review Commission (Commission). Both the regulated community and the Commission commented on the prior draft. The Department largely incorporated the comments of the regulated community and the Commission into the proposed regulation.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

The proposed regulation does not affect any individual persons or organizations.

The regulation affects all 45 debt management services licensees. Section 3 of the Regulatory Review Act, Act 76 of 2012, defines a small business "in accordance with the size standards described by the Small Business Administration's small business size regulations under 13 CFR CH. 1 Part 121." See 71 P.S. § 745.3. The Small Business Administration's regulations reference the small business size standards established by the NAICS Industry Classification System ("System").

The System does not specifically name debt management services providers as a classification. However, debt management services providers could fit into two classifications, "All Other Non-Depository Credit Intermediation" or "Other Activities Related to Credit Intermediation." See 13 CFR § 121.201, NAICS Nos. 522298 & 522390. Both classifications define an entity as a small business concern if the entity has less than \$7 million in assets. Applying either classification to the 45 debt management services licensees, 28 have less than \$7 million in assets. However, the System also defines a "small business concern" as "...a business concern eligible for assistance from SBA as a small business is a business entity *organized for profit*, with a place of business located in the United States..." See 13 CFR § 121.105 (*emphasis added*). Of the 28 debt management services licensees with less than \$7 million in assets, 16 are nonprofits and do not fit into the definition of "small businesses." Therefore, of the 45 debt management services licensees affected by the

proposed regulation, 12 are small businesses as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012).

Because the proposed regulation requires only the minimum of continuing education standards already set by the industry itself, there is no adverse effect on the debt management services licensees that are considered small businesses.

(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

Debt management services licensees are required to comply with the proposed regulation. Currently, there are 45 debt management services licensees, 12 of which are small businesses.

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

There is no financial impact anticipated on individuals, small businesses, business and labor communities and other public and private organizations as a result of this regulation.

There is no economic impact anticipated on individuals, small businesses, business and labor communities and other public and private organizations as a result of this regulation.

There is no social impact anticipated on individuals, small businesses, business and labor communities and other public and private organizations as a result of this regulation.

The Department does not expect any benefits as a result of this regulation to either the Department or the regulated community. There is a benefit to the Pennsylvania consumers who use the debt management services because the licensees will need to demonstrate compliance with continuing education requirements.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

There are no adverse effects of this regulation.

Any costs to the regulated community or the state government will be minimal. The minimal increase in costs is outweighed by the benefit of ensuring that the credit counselors and supervisors who interact with Pennsylvania consumers complete continuing education courses to stay current with issues in the debt management services industry.

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

This regulation will require only minimal additional costs to the regulated community associated with compliance. The DMSA provides that a debt management services license applicant must ensure that all credit counselors, plus any supervisors and managers with direct supervisory duties of credit counselors performing the consumer education program, are certified within six months of the issuance of a license. *See* 63 P.S. § 2405(11). Those individuals obtain certification from an independent certifying organization. To maintain that certification, the independent certifying organizations typically require the credit counselors, managers and

supervisors to take continuing education courses. The regulation does not require any more continuing education credits than what is minimally required to obtain and maintain credit counselor certification. Therefore, most licensees should already be incurring expenses related to obtaining continuing education.

The Department does not anticipate that the regulated community will incur any legal, accounting or consulting costs. However, in order to comply with the regulation, licensees are to maintain certain continuing education documentary verification longer than they would independent of the regulation.

There are no specific anticipated savings for the regulated community associated with compliance with the regulation.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

This regulation does not affect local governments.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

There are no anticipated costs or savings to the state government associated with the implementation of this regulation. The Department currently regulates those debt management service licensees and employees covered under the DMSA. Any additional cost to the Department will be associated with monitoring whether the licensed debt management service licensees and employees meet the continuing education requirements during the scope of an investigation or examination. The Department anticipates that cost will be de minimus.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

No legal, accounting or consulting procedures or additional reporting, recordkeeping or other paperwork will be required for the implementation of the regulation because the Department already licenses debt management services providers and performs examinations and investigations when applicable.

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

This chart is not applicable because the regulation does not result in any fiscal savings or costs associated with implementation and compliance for the regulated community, local government and state government in the current year or in five subsequent years.

	<b>Current FY Year (12-13)</b>	<b>FY +1 Year (13 -14)</b>	<b>FY +2 Year (14 -15)</b>	<b>FY +3 Year (15 -16)</b>	<b>FY +4 Year (16 -17)</b>	<b>FY +5 Year (17 -18)</b>
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
<b>Regulated Community</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Local Government</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>State Government</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Savings</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>COSTS:</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Regulated Community</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Local Government</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>State Government</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Costs</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>REVENUE LOSSES:</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Regulated Community</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Local Government</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>State Government</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenue Losses</b>	\$0	\$0	\$0	\$0	\$0	\$0

(23a) Provide the past three year expenditure history for programs affected by the regulation.

This chart is not applicable because the proposed regulation does not affect a program of the Department.

<b>Program</b>	<b>FY -3</b>	<b>FY -2</b>	<b>FY -1</b>	<b>Current FY</b>

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.
- (b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.
- (c) A statement of probable effect on impacted small businesses.
- (d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

As stated above (under 15), the regulation does not adversely impact small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012).

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

The Department did not develop any special provisions because the affected debt management services licensees which qualify as small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) do not have any particular needs different than those applicable to all of the debt management services licensees. The proposed regulation does not affect any other group.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

The Department attempted to draft a non-burdensome regulation. However, the Department did receive comments on a prior draft from four entities in the regulated community. The comments requested that the requirement that supervisors and managers attend continuing education classes be removed. The commentators requested this because: (1) the certifying organization used by the debt management services company did not allow for individuals who do not counsel clients to be certified; and (2) some trade associations do not allow supervisors and managers to be members.

The Department considered the comments, but did not make the requested changes. The DMSA specifically requires credit counselors, supervisors and managers to attend the continuing education courses so that condition cannot be removed whether or not it is burdensome. Neither the DMSA nor the proposed regulation requires trade association membership.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

- a) The establishment of less stringent compliance or reporting requirements for small businesses;
- b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
- c) The consolidation or simplification of compliance or reporting requirements for small businesses;
- d) The establishment of performing standards for small businesses to replace design or operational standards required in the regulation; and
- e) The exemption of small businesses from all or any part of the requirements contained in the regulation.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

Not applicable. Data is not the basis for this regulation.

(29) Include a schedule for review of the regulation including:

- |   |   |
|---|---|
| A. The date by which the agency must receive public comments:                               | <u>May 5, 2014</u>  |
| B. The date or dates on which public meetings or hearings will be held:                     | <u>No public meetings are anticipated at this time.</u>   |
| C. The expected date of promulgation of the proposed regulation as a final-form regulation: | <u>August 2014</u>  |
| D. The expected effective date of the final-form regulation:                                | <u>Immediately upon publication in the <i>Pennsylvania Bulletin</i>.</u>                          |
| E. The date by which compliance with the final-form regulation will be required:            | <u>Compliance with the regulation will not be required until the 2015 license renewal period.</u> |
| F. The date by which required permits, licenses or other approvals must be obtained:        | <u>N/A</u>  |

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

The Department shall review the regulation on an ongoing basis.



FACE SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU  
(Pursuant to Commonwealth Documents Law)

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<p>Copy below is hereby approved as to form and legality. Attorney General</p> <p><i>[Signature]</i></p> <p>BY: _____ (DEPUTY ATTORNEY GENERAL)</p> <p><b>APR 17 2014</b></p> <p>_____ DATE OF APPROVAL</p> <p><input type="checkbox"/> Check if applicable Copy not approved. Objections attached.</p>	<p>Copy below is here by certified to be a true and correct copy of a document issued, prescribed or promulgated by:</p> <p><u>Department of Banking and Securities</u> (AGENCY)</p> <p>DOCUMENT/FISCAL NOTE NO. <u>3-52</u></p> <p>DATE OF ADOPTION: _____</p> <p>BY: <i>[Signature]</i></p> <p>TITLE: <u>Secretary of Banking and Securities</u> (EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)</p>	<p>Copy below is hereby approved as to form and legality. Executive or Independent Agencies.</p> <p><i>[Signature]</i></p> <p>BY: _____</p> <p><b>APR 02 2014</b></p> <p>_____ DATE OF APPROVAL</p> <p><u>Deputy General Counsel</u> (<del>Chief Counsel, Independent Agency</del>) (Strike inapplicable title)</p> <p><input type="checkbox"/> Check if applicable. No Attorney General approval or objection within 30 days after submission.</p>
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NOTICE OF PROPOSED RULEMAKING

DEPARTMENT OF BANKING AND SECURITIES

10 Pa. Code Chapter 91 § 91.1 – 91.33

DEBT MANAGEMENT SERVICES ACT CONTINUING EDUCATION

**PROPOSED RULEMAKING  
DEPARTMENT OF BANKING  
[10 PA. CODE CH. 91]**

**Preamble**

The Department of Banking and Securities (Department) proposes to add Chapter 91 (relating to continuing education) to read as set forth in Annex A. This chapter is proposed under the authority of Section 9(c) of the Debt Management Services Act (63 P.S. § 2409(c)).

***Purpose***

The proposed rulemaking sets forth the continuing education requirements for credit counselors and supervisors employed by a debt management services licensee. The proposed regulation will satisfy the Department's obligation under Section 9(c) of the Debt Management Services Act ("DMSA") to promulgate a regulation delineating the continuing education requirements for credit counselors and supervisors employed by debt management services licensees. *See* 63 P.S. § 2409(c).

***Explanation of Regulatory Requirements***

Proposed § 91.1 (relating to definitions) defines the words and terms used in Chapter 91.

Proposed § 91.11 (relating to continuing education requirements) sets forth the continuing education requirements for credit counselors and supervisors.

Proposed § 91.12 (relating to course format) clarifies the acceptable formats for continuing education units.

Proposed § 91.13 (relating to former registered certifying organizations) explains how the Department will treat continuing education units obtained from a certifying organization which is no longer on the provider list.

Proposed § 91.21 (relating to reporting) sets forth what information a licensee must report to the Department and how and when the information is to be reported.

Proposed § 91.22 (relating to recordkeeping) sets forth the recordkeeping requirements for licensees.

Proposed § 91.23 (relating to compliance) explains how the Department will verify compliance.

Proposed § 91.24 (relating to enforcement) sets forth the Department's enforcement powers.

Proposed § 91.31 (relating to registration) explains the method for registering as an acceptable certifying organization.

Proposed § 91.32 (relating to criteria) sets forth the Department's criteria for the designation of an acceptable continuing education provider.

Proposed § 91.33 (relating to verification) explains how the Department will verify that a certifying organization continues to meet the criteria of § 91.32.

### ***Affected Parties***

The proposed rulemaking would affect all debt management services providers licensed by the Department.

### ***Fiscal Impact***

#### ***State Government***

The proposed rulemaking would have a de minimus impact on the Department. The Department already regulates the debt management services providers. The regulation only adds another item which the Department must review in its investigations and examinations. It will have no impact on the Commonwealth and its political subdivisions.

#### ***Regulated Community***

The proposed rulemaking would have a de minimus impact on the regulated community. Credit counselors employed by debt management services licensees must already complete continuing education in order to obtain and maintain credit counselor certification. The regulation would only add the cost of attendance of continuing education for supervisors if the supervisors are not also certified as credit counselors.

### ***Paperwork***

The final-form rulemaking would require the regulated community to maintain documentation to verify that the credit counselors and supervisors in its employ completed the continuing education requirements.

### ***Effective Date / Sunset Date***

Chapter 91 will be effective upon final-form publication in the *Pennsylvania Bulletin*. The regulation does not have a sunset date because the Department will periodically review the effectiveness of the regulation.

### ***Regulatory Review***

Under Section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on April 24, 2014, the Department submitted a copy of this proposed rulemaking and a copy of the Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the

House Commerce Committee and the Senate Banking and Insurance Committee. A copy of this material is available to the public upon request.

Under Section 5(g) of the Regulatory Review Act, IRRC may convey comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections must specify the regulatory review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Department, the General Assembly and the Governor of comments, recommendations or objections raised.

***Public Comments***

Interested persons are invited to submit written comments, suggestions or objections regarding the proposed rulemaking to the Office of Chief Counsel, Department of Banking and Securities, Attention: Public Comment on Regulation 3-52, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101-2290, fax (717) 783-8427, ra-pabankreg@pa.gov within 30 days after publication in the *Pennsylvania Bulletin*.

GLENN E. MOYER,  
*Secretary*

Annex A.

TITLE 10. BANKING AND SECURITIES  
PART VII. BUREAU OF CONSUMER CREDIT AGENCIES  
CHAPTER 91. DEBT MANAGEMENT SERVICES ACT CONTINUING EDUCATION

Subchap.

- A. GENERAL PROVISIONS...91.1
- B. CREDIT COUNSELORS and SUPERVISORS...91.11
- C. LICENSEES...91.21
- D. CERTIFYING ORGANIZATIONS...91.31

Authority

The provisions of this Chapter 91 are issued under sections 9(c) and 17(4) of the Debt Management Services Act (63 P.S. §§ 2409(c) and 2417(4)), unless otherwise noted.

Source

The provisions of this Chapter 91 adopted \_\_\_\_\_, effective \_\_\_\_\_, Pa.B. \_\_\_\_, unless otherwise noted.

Subchapter A. General Provisions

Sec.

91.1. Definitions.

§ 91.1. Definitions.

The following words and terms, when used in this part, have the following meanings, unless the context clearly indicates otherwise:

*Act* – The Debt Management Services Act (63 P.S. § 2401-2449).

*Certifying organization* – An independent third-party offering debt management services certification for credit counselors and continuing education courses for supervisors.

*Continuing education unit* – An hour of continuing education.

*Credit counselor* – An individual who interacts, corresponds or otherwise communicates with a consumer on behalf of a licensee to discuss, develop, implement or maintain a consumer education program for the consumer regarding debt management services.

*Licensee* – A debt management service provider licensed by the department under the act.

*Supervisor*— An individual with direct responsibility for the actions of one or more credit counselors: for example a manager.

## **Subchapter B. Credit Counselors and Supervisors**

Sec.

91.11. Continuing education requirements.

91.12. Course format.

91.13. Former registered certifying organizations.

### **§ 91.11. Continuing education requirements.**

The following continuing education requirements must be met:

(a) A credit counselor must maintain valid certification through a registered certifying organization.

(b) A supervisor must complete a minimum of 16 continuing education units every two years through a registered certifying organization.

### **§ 91.12. Course format.**

A credit counselor or supervisor may complete continuing education units through any course format offered by a registered certifying organization including live instruction, web and teleconference formats.

### **§ 91.13. Former registered certifying organizations.**

If a credit counselor or supervisor completes courses with a certifying organization that the department removes from the provider list, the department will consider the continuing education units:

(a) Valid if the credit counselor or supervisor completed the units before the department's removal of the certifying organization from the list and the department will take no action against the licensee.

(b) Invalid if the credit counselor or supervisor completed the units after the department's removal of the certifying organization from the list and the department will consider taking action against the licensee.

## **Subchapter C. Licensees**

Sec.

91.21. Reporting.

- 91.22. Recordkeeping.
- 91.23. Compliance.
- 91.24. Enforcement.

**§ 91.21. Reporting.**

(a) The licensee shall prepare a statement verifying that the credit counselors and supervisors employed by the licensee meet the continuing education requirements.

(b) The statement must include a list for each credit counselor that contains the credit counselor's:

- (1) Name.
- (2) Job title.
- (3) Work address.
- (4) Certification number.
- (5) Hire date.
- (6) Certification effective date.
- (7) Certification expiration date.
- (8) Certifying organization.

(c) The statement must include a list for each supervisor that contains the supervisor's:

- (1) Name.
- (2) Job title.
- (3) Work address.
- (4) Completed continuing education units within the past 24 months.
- (5) Hire date.
- (6) Certifying organization.

(d) The licensee shall submit the statement to the department as part of each debt management license renewal application.

**§ 91.22. Recordkeeping.**

The licensee shall keep all records relating to completion of the continuing education requirements for at least four license renewal periods.

**§ 91.23. Compliance.**

The department will verify compliance with this chapter through the methods statutorily available to it under the act including examination. If the department conducts an examination, it will assess examination costs on the licensee consistent with section 17(1) of the act.

**§ 91.24. Enforcement.**

(a) A violation of this chapter is a violation of the act.

(b) If the licensee violates this chapter, the department will use the enforcement options statutorily available to it under the act including revocation of the license, suspension of the license or assessment of a penalty.

### **Subchapter D. Certifying Organizations**

Sec.

91.31. Registration.

91.32. Criteria.

91.33. Verification.

#### **§ 91.31. Registration.**

(a) The certifying organization shall submit a completed registration form to the department to be considered an acceptable certifying organization. The department will provide the form on the department's website.

(b) The department will maintain a list of registered certifying organizations on its website located at [www.dobs.state.pa.us](http://www.dobs.state.pa.us).

#### **§ 91.32. Criteria.**

The department will consider the certifying organization to be an acceptable continuing education provider if the certifying organization:

- (1) Submits the registration form to the department.
- (2) Requires at least 16 continuing education units for credit counselor certification.
- (3) Offers credit counselor certification that is valid for no longer than 24 months.
- (4) Permits supervisors to attend continuing education courses.

#### **§ 91.33. Verification.**

(a) The department will periodically request that the registered certifying organization resubmit the form provided by the department to verify that the certifying organization continues to meet the criteria.





**pennsylvania**  
DEPARTMENT OF BANKING  
AND SECURITIES

MARKET SQUARE PLAZA | 17 N SECOND STREET, Suite 1300 | HARRISBURG, PA 17101  
Ph 717.787.2112 Fx 717.214.0808 W www.dobs.state.pa.us

**Date:** April 24, 2014  
**To:** Independent Regulatory Review Commission  
**From:** Paul H. Wentzel, Jr.  
Senior Legislative and Policy Liaison  
**Subject:** Proposed Regulation – Debt Management Services Act Continuing Education

Attached please find the Proposed Regulation Packet for the Department of Banking and Securities' Debt Management Services Act Continuing Education Regulation #3-52.

The Packet includes the:

1. Legislative Reference Bureau Face Sheet
2. Preamble
3. Annex A – Proposed Regulation
4. Regulatory Analysis Form
5. Fully Completed IRRC Transmittal Sheet

Secretary Moyer is available to discuss this proposed regulation with you and your staff at your convenience.

Attachments

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE  
REGULATORY REVIEW ACT**

**I.D. NUMBER:** 3-52

**SUBJECT:** DEBT MANAGEMENT SERVICES ACT CONTINUING EDUCATION

**AGENCY:** DEPARTMENT OF BANKING AND SECURITIES

**TYPE OF REGULATION**

- Proposed Regulation
- Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
  - a.  With Revisions
  - b.  Without Revisions

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**FILING OF REGULATION**

<u>DATE</u>	<u>SIGNATURE</u>	<u>DESIGNATION</u>
<i>HOUSE COMMITTEE ON COMMERCE</i>		
<u>4-24-14</u>	<u><i>Deane L. Missick</i></u>	MAJORITY CHAIR <u>Honorable Chris Ross</u>
<u>4/25/14</u>	<u><i>Keith Horne Beachy</i></u>	MINORITY CHAIR <u>Honorable W. Curtis Thomas</u>
<i>SENATE COMMITTEE ON BANKING &amp; INSURANCE</i>		
<u>4/24/14</u>	<u><i>G. Cole Jre</i></u>	MAJORITY CHAIR <u>Honorable Donald C. White</u>
<u>4/24/14</u>	<u><i>Alvin Stack</i></u>	MINORITY CHAIR <u>Honorable Michael J. Stack</u>
<i>INDEPENDENT REGULATORY REVIEW COMMISSION</i>		
<u>N/A</u>	<u>N/A</u>	<i>ATTORNEY GENERAL</i> (for Final Omitted only)
<u>4/24/14</u>	<u><i>Courine Grant</i></u>	<i>LEGISLATIVE REFERENCE BUREAU</i> (for Proposed only)

April 4, 2014