

Payday Lending 2009 Legislation

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NCSL Contact: [Heather Morton](#), Denver, (303) 364-7700

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States	Bill Summaries
Alabama	none
Alaska	none
Arizona	H.B. 2225 Regulates payday loans. H.B. 1935
Arkansas	Repeals the Check-Cashers Act, §23-52-101 <i>et seq.</i> , which the Supreme Court of Arkansas ruled unconstitutional in <i>McGhee v. Arkansas State Board of Collection Agencies and Rusty Guinn</i> . A.B. 377 Requires specified applicants for licensure under the California Deferred Deposit Transaction Law, including, but not limited to, corporations, partnerships, and sole proprietorships, to include in their applications fingerprints and a completed statement of identity and questionnaire, as specified, for certain individuals, and other information, as specified. Requires a licensee to notify the department in writing of changes to the individuals named in the licensee's original application for licensure or if the licensee or any of those individuals has been found to have violated the laws of another state relative to deferred deposit transactions. Requires a licensee to notify the department in writing when offering a new product or service that will generate more than five percent of the revenues of an office. Makes advertisements on the Internet by a licensee subject to the provisions regulating deferred deposit transaction advertisements and requires a licensee to maintain a file of all advertising copy for a period of two years from the date of its use. Prohibits a deferred deposit transaction customer from being threatened with criminal penalties for a failure to comply with the terms of an agreement and prohibits a licensee from referring or delivering a check taken in a deferred deposit transaction to a prosecutor or other law enforcement official for purposes of collection or criminal prosecution unless that information is requested as part of an investigation. Requires a specified notice that is separate and distinct from the deferred deposit transaction agreement to be provided to and initialed by a customer before entering into the agreement. Requires the notice to inform the customer that he or she may rescind a deferred deposit transaction at no cost by notifying the licensee and returning the proceeds of the transaction within a specified time period. Requires that, if the deferred deposit transaction is conducted over the Internet, the customer shall agree in the written agreement to conduct the transaction and to receive notices and the agreement
California	

electronically. Requires a licensee, when conducting deferred deposit transactions over the Internet, to make notices and the agreement available to a customer in a format that may be downloaded and printed or, if the customer is unable to download that information, to mail the documents to the customer within 24 hours of the transaction. Authorizes a customer who is unable to repay a deferred deposit transaction to elect, once in any 12-month period, to repay the deferred deposit transaction to the licensee pursuant to an extended payment plan, as specified. Requires a customer to be notified of his or her right to an extended payment plan.

[A.B. 545](#)

Authorizes the commissioner of Corporations, by contract with a vendor or service provider or otherwise, to develop and implement a system that enables a licensee to receive specified information regarding a consumer's history with deferred deposit transactions. Authorizes the commissioner to adopt rules to establish the system and for the retention, archiving, and deletion of the information entered into, or stored by, the system. Authorizes the operator of the system to charge licensees a fee, as specified. Imposes various requirements on licensees relative to information that would be required to be reported to the system, if it is developed and implemented.

Colorado none

[S.B. 950](#)

Connecticut Requires licensees who surrender a license to surrender such license to the Banking commissioner; authorizes the Banking commissioner to institute a license suspension, revocation or refusal to renew license proceeding within one year after a license is surrendered; to prevent the issuance of certain licenses if the applicants for such a license have been convicted within the past 10 years of any misdemeanor involving the type of business for which the license is sought, or of any felony; authorizes the Banking commissioner to deny an application for any such license within one year after such application is withdrawn; expands the definition of a "debt adjuster" to add provisions governing the making or renewing of payday loans; amends the statutes regarding money transmission licenses; to amend the statutes concerning bond requirements for certain licensees.

Delaware none

District of Columbia none

[H.B. 729](#)

Florida *Laid on table 4/28/09*
Requires that money services business keep records of certain transactions; revises terminology relating to authorized vendors.

[S.B. 120](#)

Provides that any deferred presentment transaction entered into by a drawer with a nonexempt person who is not registered under the Money Services Businesses law is void. Provides penalties and civil remedies. Provides that it is a felony of the third degree to collect on any deferred presentment transaction

known to be void. Provides criminal penalties.

[S.B. 1534](#)

Enrolled 4/29/09

Requires that a money services business keep records of certain transactions. Requires an applicant for a license as a money services business to submit an application that includes a nonrefundable fee for each branch office and for each location of an authorized vendor. Revises terminology relating to license fees for authorized vendors. Conforms terminology.

Georgia none

Guam none

[H.B. 447](#)

Passed House 3/10/09

Hawaii Requires check cashing (deferred deposit) businesses to post and provide consumers with rate, fee, and other information, provides for payment plans; eliminates exemption from law of retailers who occasionally cash checks.

[S.B. 543](#)

Prohibits check cashers or assignees who enter into deferred deposit agreements from recovering damages under Chapter 490. Allows a check casher to charge a late fee and a return fee for checks dishonored by a financial institution. Allows a check casher to enter into a payment plan if a check is dishonored.

[H.B. 172](#)

Idaho

Amends §28-46-402, Idaho Code, to provide that a lender which is not a supervised financial organization may not deposit a consumer's check, withdraw funds electronically from a consumer's account or otherwise collect the principal of, interest on, or any fees or charges for a loan subject to this part, if at the time the lender makes the loan, the lender does not have a current and valid license to make loans in this state; amends §28-46-412, Idaho Code, to revise payday loan procedures; amends §28-46-413, Idaho Code, to provide correct code references and to provide procedures upon the third renewal of a payday loan.

[H.B. 227](#)

Amends §28-46-402, Idaho Code, to provide that a payday loan made in this state in violation of the licensing requirement of the Department of Finance is void, uncollectible and unenforceable, provides that for any such payday loan the debtor is not obligated to pay the principal or any fee associated with such payday loan, provides procedures and provides for cease and desist actions by the director of the Department of Finance; amends §28-46-412, Idaho Code, to revise payday loan procedures and to make technical corrections; amends §28-46-413, Idaho Code, to provide procedures upon the third renewal of a payday loan, to provide for a payment plan and to make a technical correction.

[S.B. 1093](#)

Amends existing law to provide that a lender which is not a supervised financial organization may not deposit a consumer's check, withdraw funds electronically from a consumer's account or otherwise collect the principal of, interest on or any fees or charges for a loan subject to this part if at the time the

lender makes the loan, the lender does not have a current and valid license to make loans in this state.

[S.B. 1151](#)

Signed by governor 4/17/09, Chapter 175

Provides that a payday loan made in this state in violation of the licensing requirement of the Department of Finance is void, uncollectible and unenforceable, provides that for any such payday loan the debtor is not obligated to pay the principal or any fee associated with such payday loan, provides procedures, and provide for cease and desist actions by the director of the Department of Finance.

[H.B. 2083](#)

Illinois

Amends the Payday Loan Reform Act. Makes a technical change in a section concerning the short title.

[H.B. 2980](#)

Amends the Payday Loan Reform Act. Makes a technical change in a section concerning the short title.

[H.B. 2981](#)

Amends the Payday Loan Reform Act. Makes a technical change in a section concerning the short title.

[H.B. 3901](#)

Amends the Payday Loan Reform Act. Changes the definition of "payday loan" to include any loan with a finance charge exceeding an annual percentage rate of 36 percent (instead of with a finance charge exceeding an annual percentage rate of 36 percent and with a term that does not exceed 120 days). Deletes a provision that a specified charge is considered fully earned as of the date on which the loan is made. Provides that no lender may make a payday loan with installment payments unless the installment payments are substantially equal term payments, and when a consumer repays a payday loan in full before its due date, the lender shall rebate the unearned finance charges to the consumer on a straight-line amortization basis as of the date of repayment. Requires the licensee, as part of the information that he or she must collect and maintain, to include the total number of lawsuits filed by the licensee or its agent against consumers to collect on payday loans from consumers during the preceding calendar year. Prohibits a licensee or a person making payday loans from evading the requirements and prohibitions of the Act by use of a device or subterfuge including, but not limited to, (i) disguising a payday loan as a different type of transaction, or (ii) characterizing a required fee as a purchase of a good or service in connection with a payday loan. Authorizes the Department of Financial and Professional Regulation to develop rules to determine if any person or entity seeks to evade the applicability of this Act by any device, subterfuge, or pretense.

[H.R. 295](#)

Urges sponsors of HR1214, the Payday Loan Reform Act, to (i) withdraw their support of the legislation's current provisions; (ii) support reforms that will be effective in stopping the payday lending cycle of debt; and (iii) only support

proposals that do not undermine state efforts to reform the payday lending practice. Also urges members of Congress to enact a cap on annual interest rates of 36 percent.

[S.B. 1118](#)

Amends the Payday Loan Reform Act. Makes a technical change in a section concerning the short title.

[S.B. 1376](#)

Amends the Consumer Installment Loan Act. Defines the terms "Class A loan", "Class B loan", "Class C loan", and "payday loan". Specifies the charges allowed for interest bearing and precomputed Class A loans and Class B loans. In the provisions concerning Class C loans, sets forth provisions concerning (1) loan amortization, (2) use of consumer reporting services in comportment with the Payday Loan Reform Act, (3) lenders' prohibited acts, (4) protections for members of the military in comportment with the Payday Loan Reform Act, (5) allowable fees in the case of a defaulted loan, (6) disclosure requirements, and (7) controlling terms of the Consumer Installment Loan Act. Amends the Payday Loan Reform Act. Provides that no payday loan may be made to a consumer if the loan would result in the consumer being indebted to one or more payday lenders for a period in excess of 56 consecutive days (now 45 consecutive days). Provides that no lender may charge more than \$17 per \$100 loaned (now \$15.50 per \$100 loaned). Provides that lenders may seek and may be awarded court costs, but not attorney's fees, in the event of a customer default on the repayment plan. Provides that lenders may seek and may be awarded court costs and attorney's fees when a customer is in default and refuses to enter into the repayment plan.

Indiana none

Iowa none

Kansas none

[H.B. 444](#)

Signed by governor 3/25/09, Act 98

Amends KRS 286.9-010 to define terms relating to deferred deposit service transactions and creation of a database; amends KRS 286.9-070 to amend licensing requirements for applications for a license to engage in the business of cashing checks or deferred deposit transactions; amends KRS 286.9-080 to amend license renewal requirements for a license to engage in the business of cashing checks or deferred deposit transactions; amends KRS 286.9-100 to require disclosure in writing of any fee charged for entering into a deferred deposit transaction to be deemed a service fee and not interest, but provides the fee imposed in Section 8 of this Act for database access shall not be deemed a service fee; substitutes the term "payment instrument" for "check, draft, or money order" and substitutes the prosecutor or county law enforcement authority for the Commonwealth's attorney for enforcement purposes; provides that a licensee shall not have more than two, rather than one, deferred deposit transactions with a customer at any one time and the face amount of the transactions shall not exceed \$500; clarifies that a licensee shall not enter into a

Kentucky

deferred deposit transaction with a customer whose total transaction proceeds equal or exceed \$500 and requires verification; prohibits licensees from entering into a deferred deposit transaction with a customer who has two open transactions and require verification via the licensees own database or the state's database established by this Act if operational; amends KRS 286.9-110 to increase the actions the executive director of financial institutions may take against a license and increase the grounds for such actions against a license; provides that license denial shall prevent licensing for one year and provides that license revocation shall result in licensing ineligibility for three years unless revoked twice which shall be deemed permanent revocation of the license; provide that surrender or expiration of a license does not affect civil or criminal liability nor impair obligation under preexisting contracts; authorizes the executive director of financial institutions to notify the Department of Revenue to institute an action for the recovery of any penalty, fine, cost or fee assessed under Subtitle 9 of KRS Chapter 286; authorizes the executive director of financial institutions to seek a temporary restraining order or injunction against any person who has violated or is about to violate Subtitle 9 of KRS chapter 286 and provides that the court shall have jurisdiction over the proceeding and may assess a penalty as set forth in this Act; amends KRS 286.9-040 to increase the amount of the required irrevocable letter of credit for applicants with 21 or more business locations and allows deposit of a corporate surety bond and that the instruments shall be made payable to the executive director and shall be subject to suit thereon within three years of the act upon which recovery is sought; creates a new section of Subtitle 9 of KRS chapter 286 to provide that a deferred deposit transaction made by a person who is not licensed is void and provide that the executive director may void a transaction in violation of Subtitle 9 of KRS chapter 286; creates a new section of Subtitle 9 of KRS Chapter 286 to require the executive director of financial institutions to establish a database for deferred deposit service business licensees, establishes a \$1 fee per transaction for data and specify who may operate the database and the requirements for the database; requires a licensee who ceases the business of deferred deposit transactions to report to the database provider and submit a plan for updating the database on outstanding transactions, subject to review by the executive director; requires licensees to utilize the database within 30 days of implementation; authorizes the executive director to determine by rule or order data to be maintained, archived, and deleted; and authorizes the executive director to utilize the database to administer and enforce Subtitle 9 of KRS Chapter 286; creates a new section of Subtitle 9 of KRS Chapter 286 to authorize the executive director to levy civil penalties for violation of Subtitle 9 of KRS Chapter 286 in amount of \$1,000 to \$5,000 per violation, plus costs and expenses; creates a new section of Subtitle 9 of KRS Chapter 286 to authorize the executive director to enter a consent order to resolve any matter arising under Subtitle 9 of KRS Chapter 286; creates a new section of Subtitle 9 of KRS Chapter 286 to authorize the executive director, upon request of the affected person or licensee, to stay, suspend or postpone an order; creates a new section of Subtitle 9 of KRS Chapter 286 to require every

licensee to comply with all applicable federal and state laws, in addition to Subtitle 9 of KRS Chapter 286; creates a new section of Subtitle 9 of KRS Chapter 286 to require every licensee required to register with the United States Treasury Financial Crimes Enforcement Network to report to the executive director as required under the federal Bank Secrecy Act; creates a new section of Subtitle 9 of KRS Chapter 286 to require each licensee to maintain an agent for service of process; creates a new section of Subtitle 9 of KRS Chapter 286 to establish licensee recordkeeping requirements; creates a new section of KRS Chapter 286 to authorize the executive director to enter emergency orders affecting licensees if the licensee has engaged in unsafe, unsound, or illegal practices that pose an imminent threat to the public interest and to specify the grounds for an emergency order; amends KRS 286.9-104 to require licensees to file report by March 1st, rather than September 1st of each year and to include specified information; amends KRS 286.9-120 to authorize the executive director to file an administrative complaint against any person if sufficient grounds exist that a potential or actual violation of this subtitle may be violated, subject to administrative hearing in compliance with KRS Chapter 13 B; amends KRS 286.9-090 to authorize the executive director to adopt reasonable administrative regulations relating to the records and documents of every check cashing and deferred deposit service business license and provide that the maintained records are subject to examination by the executive director without notice; provides that such records are not subject to the Kentucky Open Records Act unless ordered by a court of competent jurisdiction; authorizes the executive director to share information with other state, federal, and international regulatory agencies and with other local, state, federal and international regulatory agencies law enforcement authorities; amends KRS 286.9-075, KRS 286.9-030 and KRS 286.9-102 to conform; and amends KRS 286.9-990 to provide that intentionally engaging in the check cashing or deferred deposit service business without a license shall be a Class D felony and each transaction constitutes a separate violation; provide that any person who intentionally violates relevant sections of Subtitle 9 of KRS chapter 286 or regulations promulgated pursuant thereto shall be guilty of a Class A misdemeanor; and provides that Sections 1 through 7 and Sections 9 through 23 of this Act take effect January 1, 2010; amends to permit the transfer or assignment of a license from one licensee to another licensee under certain conditions; amends to require the executive director to give written notice to licensees when the database is fully operational and require licensees to enter transaction information into the database upon receipt of the written notice from the executive director; establishes that licensees have 90 days from the date of the operational notice determined by the executive director to have all transactions entered in the database; creates a new section of Subtitle 9 of KRS Chapter 286 to prohibit the executive director from issuing new licenses After July 1, 2009 for a period of 10 years; define "annual percentage rate" and limit the annual percentage rate for making a deferred deposit transaction to 36 percent and prohibit any fees in addition to the annual percentage rate.

[H.B. 516](#)

Amends KRS 286.9-010 to define "annual percentage rate," "borrower," "interest," and "short-term loan" and deletes the definition of "deferred deposit transaction"; amends KRS 286.9-020 to delete deferred deposit transactions and to require any person engaged in the business of making short-term loans in Kentucky to obtain a license from the executive director of the Department of Financial Institutions; amends KRS 286.9-050 to specify the requirements for the application form for engaging in the business of making short-term loans; amends KRS 286.9-070 to delete deferred deposit transactions and insert short-term loans; amends KRS 286.9-075 to delete deferred deposit transactions and insert short-term loans; amends KRS 286.9-100 to prohibit licensees from making a loan to a borrower who is not physically present in the licensee's business location; prohibits a person from making a short-term loan from an office not in Kentucky to a borrower who is physically present in Kentucky and provides that an out-of-state lender may make a loan to a borrower from Kentucky who physically visits the out-of-state office of the lender; prohibits making a short-term loan by telephone, mail, or Internet; require written disclosure of all interest and fees to be charged to the borrower prior to making the short-term loan; limits the annual percentage rate to 36 percent for a short-term loan; deletes the maximum \$15 dollar service fee per \$100 for deferred deposit transactions; provides that the making of a short-term loan that violates the provisions of Subtitle 9 of KRS Chapter 286 also violates KRS 367.170 and authorizes the attorney general or the executive director of the Department of Financial Institutions to enforce the provisions of Subtitle 9 of KRS Chapter 286 and authorizes a borrower to bring an action pursuant to KRS 367.220 and if the violation involves interest rate limits the borrower may bring an action under KRS 360.020; limits a borrower to one outstanding short-term loan at one time with a face value not to exceed \$500 and requires a licensee to inquire whether a person seeking a short-term loan has obtained a short-term loan within the previous 90 days and delete deferred deposit transactions; limits the duration of a short-term loan to 30 days; prohibits renewal, roll over, refinancing or otherwise consolidating a short-term loan for a fee; prohibits a licensee from making a loan to a borrower who has had a short-term loan within the previous 90 days; prohibits a licensee from engaging in activity that would evade the requirements of Subtitle 9 of KRS Chapter 286 including disguising a short-term loan as personal property sales and leaseback transactions, or disguising loan proceeds as cash rebates of an installment sale of good or services; prohibits licensees from drafting funds electronically or billing any credit card in connection with a short-term loan; provides that a short-term loan in violation of Subtitle 9 of KRS Chapter 286 is void from inception of the loan; prohibits licensees from entering into a short-term loan with a member of the United States armed forces or a member's dependent that does not comply with 10 U.S.C. 987 and any violation of this federal law is a violation of Subtitle 9 of KRS Chapter 286; amends KRS 286.9-102 to delete deferred deposit transactions and to provide that a short-term loan licensee shall give the borrower a signed statement of the applicable annual percentage rate and a clear description of the payment obligations of the terms of the agreement

before the agreement is signed; and, requires that each short-term loan licensee comply with the federal Fair Debt Collection Practices Act when collecting on a short-term loan.

[H.R. 217](#)

Urges licensees who engage in the business of check cashing or deferred deposit transactions to reduce the maximum fees, charges, and interest to a maximum annual percentage rate of 36 percent.

[S.B. 179](#)

Creates a new section of Subtitle 9 of KRS Chapter 286 to authorize the executive director of the Office of Financial Institutions to develop and implement a deferred deposit transaction database system by contract with an outside contractor or otherwise and establishes the minimum requirements for the database with authority to further specify the requirements by administrative regulation; prohibits public inspection or disclosure of the database system except by compulsory process in an action brought pursuant to this subtitle; authorizes the provider that operates or administers the system to charge a fee not to exceed \$1 per transaction for access or use of the system and authorizes a licensee to pass on all or part of the fee to the borrower; requires licensees to utilize the system, if implemented, at the time a transaction is conducted; requires licensees to enter and update required information into the system; requires licensees who cease making loans to submit a plan for continued compliance to the executive director within 10 days of cessation and requires the executive director to promptly act upon the plan to ensure compliance; creates a new section of Subtitle 9 of KRS Chapter 286 to authorize extended payment plans for outstanding deferred deposit transactions upon request of the customer and signature of the customer on an amendment to the written agreement; requires the licensee to enter the written plan agreement information into the database system; requires that a plan's terms allow the customer to repay the transaction in equal installments over no less than 60 days at no additional cost and requires that the installments coincide with the date of the customer's receipt of regular income; authorizes the customer to prepay the plan in full without penalty; provides that if a customer fails to make a payment on the due date in accordance with the plan the licensee may immediately collect the entire transaction balance; provides that the licensee may return the customer's prior held check with each payment and requires a new check for the remaining balance under the plan.

[H.B. 382](#)

Louisiana	Provides for notification requirements on deferred presentments and small loans.
Maine	none
Maryland	none
Massachusetts	none
Michigan	none
Minnesota	<u>H.F. 914</u> <i>Indefinitely postponed 4/27/09</i>

[S.F. 806](#)

Passed Senate 4/24/09

Relates to financial institutions; regulates payday lending; provides penalties and remedies.

[H.F. 1147](#)

Relates to financial institutions; regulates payday lending; provides penalties and remedies.

[H.F. 1471](#)

[S.F. 628](#)

Relates to commerce; eliminates the ability of financial institutions to make payday loans.

[H.F. 2029](#)

[S.F. 1849](#)

Passed Senate 4/22/09

Relates to commerce; regulates consumer small loan lenders and residential mortgage originators and servicers; modifies bank restrictions on holding real estate; provides for the calculation of reserves and nonforfeiture values of preneed funeral insurance contracts; revises annual audit requirements for insurers; regulates life and health guaranty association benefit limits and notices; removes inflation indexing; regulates the powers of, and surplus requests for, township mutuals; imposes penalties.

[H.B. 1259](#)

Died in committee 2/3/09

Mississippi

Creates new code §75-67-541, Mississippi Code of 1972, to require check casher licensees to file annual reports with the commissioner of Banking and Consumer Finance; requires the commissioner to compile an annual report containing certain data regarding all deferred deposit loans made in the preceding year.

[H.B. 1544](#)

Died in committee 2/3/09

Creates the "Mississippi Alternative Loan Act"; defines certain terms; prohibits any person from engaging in the business of lending money, except as authorized by this act; provides for applications for a license for such loans; authorizes licensing fees; provides for the revocation or suspension of licenses by the commissioner of Banking and Consumer Finance; authorizes an examination fee; provides record keeping requirements; authorizes the commissioner of Banking and Consumer Finance to promulgate rules and regulations for administration of this act; authorizes certain loan charges by the licensee; prescribes certain terms of the loan contract; requires all borrower contracts and records of the licensee to be open to the inspection of the commissioner or his duly authorized representatives; provides that certain finance charges contracted for or received in excess of that authorized by this act shall be forfeited and may be recovered.

[S.B. 2018](#)

Died in committee 2/3/09

Creates the "Mississippi Short-Term Lender Law"; requires licensure of short-term lenders; provides application procedure and bond requirements; provides certain restrictions on short-term loans; limits the interest rate and fees on short-term loans; prohibits certain acts by short-term loan licensees; provides for the refusal, suspension or revocation of license; requires licensee records and reports; authorizes the commissioner of Banking and Consumer Finance to adopt rules and issue specific orders to enforce and carry out the provisions of the act; provides criminal penalties for certain violations; prohibits debt collector communications and conduct by short-term lenders; requires the commissioner of Banking to develop and maintain a statewide database of short-term loans; to provide reporting requirements by the commissioner of Banking; creates a consumer finance education board and provides for its membership; prescribes the duties of the board; repeals §§75-67-505 through 75-67-539, Mississippi Code of 1972, which creates the Mississippi Check Cashers Act.

[S.B. 2104](#)

Died in committee 2/3/09

Creates new code §75-67-541, Mississippi Code of 1972, to require check casher licensees to file annual reports with the commissioner of Banking and Consumer Finance; requires the commissioner to compile an annual report containing certain data regarding all deferred deposit loans made in the preceding year.

[S.B. 2509](#)

Died in committee 2/3/09

Creates the "Credit Enhancement Loan Act of 2009"; provides for findings of the legislature; defines certain terms as used in the act; requires licensing of lenders by the Department of Banking and Consumer Finance; prescribes penalties for violations; provides for fees payable to the department; establishes requirements necessary for issuance of a license by the department; provides for the form and contents of an application; provides for revocation or suspension of a license; provides for amounts of loans and interest rates; prohibits multiple loans in certain situations; provides for enforcement of loan agreements; provides for disclosure forms for the customer; provides for reports to credit bureaus; requires maintenance of financial records by licensees; provides for reports to be filed with the commissioner of Banking and Consumer Finance; provides for desist orders; provides for appeals from actions of the department; provides for nonenforcement of credit enhancement loans.

[S.B. 2890](#)

Died in committee 2/3/09

Declares legislative intent to prohibit activities commonly referred to as payday lending, deferred presentment services, advance cash services and other similar activities; provides that it shall be unlawful to engage in the business of making certain small loans; provides criminal penalties therefor; provides for collection of civil penalties in actions by the state or by private parties on behalf of the state; declares the site or location of a place of business where payday lending

takes place in the state of Mississippi as a public nuisance; repeals §§75-67-401 through 75-67-449, Mississippi Code of 1972, which create the Mississippi Title Pledge Act; repeals §§75-67-501 through 75-67-539, Mississippi Code of 1972, which create the Mississippi Check Cashers Act.

[S.B. 2987](#)

Died in committee 2/3/09

Creates the "Mississippi Alternative Loan Act"; defines certain terms; prohibits any person from engaging in the business of lending money, except as authorized by this act; provides for application of license for such loans; authorizes licensing fees; provides for the revocation or suspension of license by the commissioner of Banking and Consumer Finance; authorizes an examination fee; provides record keeping requirements; authorizes the commissioner of Banking and Consumer Finance to promulgate rules and regulations for administration of this act; authorizes certain loan charges by the licensee; prescribes certain terms of the loan contract; requires all borrower contracts and records of the licensee to be open to the inspection of the commissioner or his duly authorized representatives; provides that certain finance charges contracted for or received in excess of that authorized by this act shall be forfeited and may be recovered.

[H.B. 71](#)

Missouri

Requires lenders of unsecured loans of less than \$500, commonly known as payday loans, to notify borrowers of the balance owed on the principal, interest, and other fees at least every three months.

[H.B. 81](#)

Changes the laws regarding unsecured loans of \$500 or less, sometimes referred to as payday loans, and allows the attorney general to maintain an action to enforce compliance.

[H.B. 150](#)

Changes the laws regarding unsecured loans of \$500 or less, commonly known as payday loans. In its main provisions, the bill: (1) Limits the interest and other fees that may be charged on the loans to \$15 per \$100 of principal for the first 30 days of the loan and not more than three percent per month thereafter, which is an annual percentage rate of approximately 36 percent; (2) Prohibits repeated renewals of loans to circumvent interest rate restrictions; (3) Grants jurisdiction to the attorney general to issue cease and desist orders against violators; (4) Allows the attorney general to sue requesting a circuit court to issue an injunction, restraining order, or declaratory judgment; to impose a civil penalty; or to impose an order of rescission, restitution, or disgorgement against a person or entity who has violated any laws relating to consumer loans; (5) Specifies that the limitations apply to all lenders, whether or not they are properly licensed pursuant to Chapter 408, RSMo; and (6) Requires the Division of Finance in the Department of Insurance, Financial Institutions and Professional Registration to report annually to the General Assembly various information relating to loans issued by lenders.

[H.B. 505](#)

Beginning August 28, 2009, this bill prohibits any new lenders of unsecured loans of \$500 or less, commonly known as payday loans, from operating a business within one mile of the main entrance to a military base.

[S.B. 20](#)

Amends the law relating to unsecured loans of \$500 or less. Under current law, lenders may renew such loans upon the borrower's request. This act prohibits lenders from renewing such loans. Under current law, the director of the Division of Finance may issue a cease and desist order when lenders fail to make a good faith effort to comply with laws relating to consumer loans. This act allows the attorney general to do the same. The attorney general may also file an action in any circuit court to enjoin the practice; impose a civil penalty; or to obtain an order of rescission, restitution, or disgorgement. Under the act, a lender may only charge interest and fees up to the amount of \$15 per \$100 of principal for the first 30 days of the loan, and not more than three percent per month thereafter, which is an annual percentage rate of approximately 36 percent. Under current law, the Division of Finance must report to the General Assembly, the number of licenses issued under this section every other year. This act requires the division to report every year. The provisions in this section apply to all lenders, whether or not they are properly licensed.

[H.B. 396](#)

Missed Deadline for General Bill Transmittal 2/26/09

Montana

Revises the Montana Deferred Deposit Loan Act and the Montana Title Loan Act by capping the interest rate that may be charged on deferred deposit loans and title loans.

[S.B. 54](#)

Signed by governor 3/25/09, Chapter 81

Revises the Montana Deferred Deposit Loan Act to allow the Department of Administration to refuse to issue or renew a deferred deposit lender's license on various grounds including an applicant's making material misstatements of fact; provides that a person may not apply for a license for one year following a denial or refusal by the department to issue or renew a license; provides that the violation of certain specified federal acts, including the Truth in Lending Act and the Fair Credit Reporting Act, is also a violation of the Montana Deferred Deposit Loan Act; grants the department rulemaking authority; eliminates the exemption from the provisions of the Montana Deferred Deposit Loan Act for a collection agency that has entered into an agreement with a deferred deposit lender for the collection of claims; revises license application requirements; revises the department's fees for examining licensees; provides that a collection agency acting on behalf of a licensee may not collect certain damages; and amends §§31-1-704, 31-1-705, 31-1-711, and 31-1-722.

[S.B. 397](#)

Missed Deadline for General Bill Transmittal 2/26/09

Revises the Montana Deferred Deposit Loan Act and the Montana Title Loan Act by capping the interest rate that may be charged on deferred deposit loans and title loans; provides for repayment plans for a consumer with a deferred

deposit loan outstanding after the term of the loan.

[L.B. 293](#)

Indefinitely postponed 3/9/09

Nebraska

Adopts the Short-Term Lenders Act; provides a penalty; provides for finance education classes; creates a fund; eliminates the Delayed Deposit Services Licensing Act.

[L.B. 327](#)

Signed by governor 4/8/09

Changes provisions relating to a disciplinary action under the Delayed Deposit Services Licensing Act.

[L.B. 431](#)

Relates to the Delayed Deposit Services Licensing Act; amends §45-921, Reissue Revised Statutes of Nebraska, and §45-901, 45-906, 45-915, 45-919, 45-925, and 45-927, Revised Statutes Cumulative Supplement, 2008; provides for certain prohibited acts; to provide fees; provides penalties; creates a database; provides powers and duties for the director of Banking and Finance; to change provisions relating to fines.

Nevada

none

[S.B. 193](#)

Passed Senate 3/25/09

**New
Hampshire**

Establishes a maximum interest rate on small loans of \$10,000 or less. The bill also includes credit services organizations in the definition of lender for purposes of small loans, title loans, and payday loans.

New Jersey

none

[H.B. 558](#)

New Mexico
Relates to lending; amends the New Mexico Bank Installment Loan Act of 1959 and the New Mexico Small Loan Act of 1955; adds and amends certain definitions; imposes a cap on interest rates and fees for certain loans; amends payday loan disclosure requirements; repeals a section of the New Mexico Small Loan Act of 1955.

[S.B. 331](#)

Relates to lending; amends the New Mexico Bank Installment Loan Act of 1959 and the New Mexico Small Loan Act of 1955; adds and amends certain definitions; imposes a cap on interest rates and fees for certain loans; amends payday loan disclosure requirements; repeals a section of the New Mexico Small Loan Act of 1955.

[A.B. 1484](#)

New York
Prohibits foreign banking corporations from issuing payday loans; defines payday loans as any transaction in which a short-term cash advance is made to a consumer in exchange for (i) a consumer's personal check or share draft, in the amount of an advance plus a fee, where presentment or negotiation of such check or share draft is deferred by agreement of the parties until a designated future date; or (ii) a consumer's authorization to debit the consumer's transaction account, in the amount of the advance plus a fee, where such

account will be debited on or after a designated future date.

North Carolina none

[H.B. 1421](#)

North Dakota *Failed to pass House 2/3/09*

Relates to fees for deferred presentment services and provides a penalty.

[S.B. 2105](#)

Signed by governor 4/8/09

Relates to enforcement actions for money brokers, collection agencies, deferred presentment service providers, and money transmitters.

Ohio none

H.B. 1559

Oklahoma Relates to professions and occupations; creates the Deferred Deposit Lending Act of 2009.

S.B. 417

Relates to professions and occupations; relates to the Deferred Deposit Lending Act; modifies method of determining accuracy of affidavits; deletes requirements relating to reporting certain completion of a repayment plan; provides for loans made by an unlicensed person; makes certain borrowers not obligated to pay loans or finance charges.

Oregon none

Pennsylvania none

Puerto Rico none

[H.B. 5001](#)

Passed House 1/28/09

Rhode Island Gives the director of the Department of Administration authority to post required notices in languages he or she deems appropriate. The act also imposes certain consumer protection measures upon “check cashers” by allowing customers to rescind deferred deposit transactions.

[S.B. 51](#)

Passed Senate 2/25/09

Gives the director of the Department of Administration authority to post required notices in languages he or she deems appropriate. The act also imposes certain consumer protection measures upon “check cashers” by mandating a grace period subsequent to the designated repayment date, and allowing customers to rescind deferred deposit transactions.

[H.B. 3035](#)

South Carolina Adds §16-13-480 to create the crime of engaging in the business of deferred presentment in this state, provides that a violation is a felony, and provides for a mandatory minimum penalty; and repeals Chapter 39 of Title 34 relating to the South Carolina Deferred Presentment Services Act.

[H.B. 3048](#)

Amends §34-39-130, relating to licensure requirements in connection with a person engaging in the business of deferred presentment services, so as to

prohibit a nonresident from engaging in those services in this state without a license and to further differentiate between a person required to be licensed and a bona fide state or federally chartered bank, thrift, savings association, or credit union; amends §34-39-180, relating to restrictions and requirements for deferred presentment or deposit of a check, so as to cap the annual interest rate chargeable at 36 percent; amends §34-39-200, relating to limitations on licensees, so as to limit the licensee to one contract with a customer at a time; and amends §34-39-230, relating to civil penalties for violations, so as to void a violating contract, provide for damages, make a violation an unfair trade practice, make the penalties in this chapter cumulative of all remedies, both legal and equitable, prohibit the enforcement of an unconscionable arbitration provision, and outline factors for determining unconscionability.

[H.B. 3050](#)

Adds §16-13-480 to create the crime of engaging in the business of deferred presentment in this state, provides that a violation is a felony, and provides for a mandatory minimum penalty; and repeals Chapter 39 of Title 34 relating to the South Carolina Deferred Presentment Services Act.

[H.B. 3056](#)

Amends §34-29-140 relating to charges permitted and other provisions allowed in consumer finance transactions, so as to exclude "payday loans", known as deferred presentment transactions; amends §34-39-140, relating to application of the provisions requiring licensing of a person engaged in the business of deferred presentment transactions, so as to make the provisions applicable to a person actually engaged in that business while purporting to act as an entity that would not be required otherwise to be licensed; amends §34-39-180, relating to restrictions and requirements for deferred presentment, so as to limit the number and the amount of a transaction for each customer and to cap the annual interest rate chargeable in a deferred presentment transaction to 36 percent; amends §34-39-200, relating to limitations on licenses, so as to restate the limit of one contract with a customer at a time; amends §37-3-201, relating to the allowable loan finance charge for consumer loans, and §37-3-305, as amended, relating to the posting of a maximum rate schedule for consumer loans, both so as to exclude their applicability to a deferred presentment transaction.

[H.B. 3157](#)

Amends §34-39-150, relating to application for licensure as a deferred presentment service, so as to provide that the Board of Financial Advisors notify the Office of the Secretary of State of the name and address of each licensee; amends §34-39-160, relating to qualifications for licensure as a deferred presentment service, so as to provide that the applicant may not place a licensed location within a three-mile radius of an existing licensed location or the location of a check-cashing service; amends §34-39-180, relating to restrictions and requirements for presentment or deposit, so as to limit the aggregate total of advanced monies to one customer in any 31 day period to \$300; and amends §34-39-190, relating to books, accounts, and records of a deferred presentment service, so as to provide that they must be accessible by the Department of Consumer Affairs.

H.B. 3159

Adds §34-39-175 so as to provide for a common database of deferred presentment transactions implemented by the Consumer Finance Division of the Board of Financial Institutions and accessible to deferred presentment providers to verify if an applicant has an existing or recently terminated deferred presentment transaction for purposes of determining eligibility to enter into a new transaction, to provide for the information required, and to allow a fee up to \$1 for submitted data; adds §34-39-205 so as to prohibit misleading advertising on the premises of a deferred presentment provider; adds §34-39-270 so as to prohibit a new deferred presentment transaction with a person who has an existing transaction, an extended payment plan, or has ended a transaction earlier than seven days from application, to provide further for the submission of and access to information in the common database, and to provide for a fee and for confidentiality; adds §34-39-280 so as to provide for an extended payment plan for payment of an outstanding deferred presentment transaction and the required terms; adds §34-39-290 so as to require an annual report of these transactions by the Board of Financial Institutions to the General Assembly; amends §34-39-130, relating to licensure requirements in connection with a person engaging in the business of deferred presentment services, so as to prohibit business in this state without a license, to further differentiate between a person required to be licensed and a bona fide state or federally chartered bank, thrift, savings association, or credit union, and to require compliance with state and federal law when acting for a third party lender; amends §34-39-150, relating to application for licensure, so as to increase the application fee and annual renewal fee from \$250 to \$500 and the multiple location fee from \$50 to \$100; amends §34-39-170, relating to restrictions on the advancement of monies, so as to prohibit an electronic funds transfer for automatic payment of a deferred presentment transaction; amends §34-39-180, relating to restrictions and requirements for a deferred presentment transaction, so as to limit the total amount advanced to the lesser of \$500 or 25 percent of the customer's gross income during the loan period, to require disclosure of the nature of the transaction and the customer's rights, to prohibit a loan to a person who is engaged in an extended payment plan, and to provide for forms for calculation of permissible loan amounts; and amends §34-39-200, relating to limitations on licensees, so as to require compliance with law when acting for a third-party lender.

H.B. 3301

Passed House 2/12/09

Adds §34-39-175 so as to require the Consumer Finance Division of the Board of Financial Institutions to implement a real-time internet accessible database for deferred presentment providers to verify if deferred presentment transactions are outstanding for a particular person; adds §34-39-270 so as to prohibit a deferred presentment provider from entering into a deferred presentment transaction with a person who has an outstanding deferred presentment transaction or who has entered into an extended payment plan agreement and to require a deferred presentment provider to verify whether an

individual is eligible to enter into a deferred presentment transaction; adds §34-39-280 so as to require those applying for licenses to engage in the business of deferred presentment to provide certain information regarding extended payment plans; amends §34-39-130, relating to licensure requirements for deferred presentment providers, so as to prohibit a person from engaging in the business of deferred presentment services with a resident of South Carolina except in accordance with the provisions of Chapter 39, Title 34; amends §34-39-180, relating to deferred presentment restrictions and requirements, so as to provide that the total amount advanced to a customer for deferred presentment or deposit, exclusive of permissible fees, may not exceed \$600.

S.B. 15

Amends Chapter 39 of Title 34 of the 1976 code, relating to deferred presentment services, by adding §34-39-175 to provide that the consumer finance division of the board of financial institutions must implement a deferred presentment loan tracking database and to provide for information required in the database; adds §34-39-270 to limit consumers to one deferred presentment loan at a time, to provide for a seven day waiting period between loans, to require deferred presentment providers to verify a consumers eligibility for a loan prior to entering a deferred presentment transaction, to provide for the process to determine eligibility; adds §34-39-280 to provide that under certain circumstances a consumer may utilize a payment plan to satisfy an outstanding loan, to provide for the circumstances under which a payment plan may be used, and the requirements for a payment plan; adds §34-39-290 to provide that the board must make annual reports and to provide for the contents of those reports; amends §34-39-130 to provide for the applicability of Chapter 39 of Title 34; amends §34-39-150 to provide that the application fee for new licenses and license renewal fees are increased from \$250 to \$500; amends §34-39-180 to provide for a maximum loan amount based upon the consumer's gross income or \$500, to provide for consumer warning statements, to provide that deferred presentment providers may not enter into a loan with a consumer satisfying another loan pursuant to an extended payment plan, and to provide that the board must develop a form to be used by deferred presentment providers to calculate the maximum amount that may be lent to a consumer; amends §34-39-200 to provide additional limitations on the activities of licensed deferred presentment providers; amends Chapter 39 of Title 34 by adding §39-34-205 to place on-premises advertising limitations; and amends §34-39-170 to provide that consumers and deferred presentment providers may not enter into agreements that allow for automatic debited loan payments.

S.B. 47

Amends Chapter 39 of Title 34 of the 1976 code, relating to deferred presentment services, by adding §34-39-175, to provide that the Consumer Finance Division of the Board of Financial Institutions must implement a deferred presentment loan tracking database and to provide for the information required in the database; adds §34-39-270, to place a limit on the amount of outstanding principal a borrower may have, to provide for a two day waiting period between loans, to require deferred presentment lenders to verify a

consumer's eligibility for a loan prior to entering into a deferred presentment transaction, and to provide for the process to determine eligibility; adds §34-39-280, to provide that under certain circumstances a borrower may utilize a payment plan to satisfy outstanding loans, to provide for the circumstances under which a payment plan may be used, and the requirements for a payment plan; adds §34-39-290, to provide that the board must make annual reports and to provide for the contents of the reports; amends §34-39-130, to provide for the applicability of Chapter 39; amends §34-39-150 to provide that the application fee for new licenses and the license renewal fees are each increased from \$250 to \$500 and to provide that half of the fees must be credited to the attorney general's office to establish a division to enforce the provisions of this act; amends §34-39-180, to provide for a maximum loan amount that may not exceed the lesser of 20 percent of the borrower's gross income during the term of the loan or \$500 and to provide for consumer warning statements; and amends §34-39-200 to provide additional limitations on the activities of licensed deferred presentment providers.

S.B. 87

Amends the Code of Laws of South Carolina, 1976, by adding §34-39-175 so as to provide for a common database of deferred presentment transactions implemented by the Consumer Finance Division of the Board of Financial Institutions and accessible to deferred presentment providers to verify if an applicant has an existing or recently terminated deferred presentment transaction for purposes of determining eligibility to enter into a new transaction, to provide for the information required, and to allow a fee up to \$1 for submitted data; adds §34-39-205 so as to prohibit misleading advertising on the premises of a deferred presentment provider; adds §34-39-270 so as to prohibit a new deferred presentment transaction with a person who has an existing transaction, an extended payment plan, or has ended a transaction earlier than seven days from application, to provide further for the submission of and access to information in the common database, and to provide for a fee and for confidentiality; adds §34-39-280 so as to provide for an extended payment plan for payment of an outstanding deferred presentment transaction and the required terms; adds §34-39-290 so as to require an annual report of these transactions by the Board of Financial Institutions to the General Assembly; amends §34-39-130, relating to licensure requirements in connection with a person engaging in the business of deferred presentment services, so as to prohibit business in this state without a license, to further differentiate between a person required to be licensed and a bona fide state or federally chartered bank, thrift, savings association, or credit union, and to require compliance with state and federal law when acting for a third party lender; amends §34-39-150, relating to application for licensure, so as to increase the application fee and annual renewal fee from \$250 to \$500 and the multiple location fee from \$50 to \$100; amends §34-39-170, relating to restrictions on the advancement of monies, so as to prohibit an electronic funds transfer for automatic payment of a deferred presentment transaction; amends §34-39-180, relating to restrictions and requirements for a deferred presentment

transaction, so as to limit the total amount advanced to the lesser of \$500 or 25 percent of the customer's gross income during the loan period, to require disclosure of the nature of the transaction and the customer's rights, to prohibit a loan to a person who is engaged in an extended payment plan, and to provide for forms for calculation of permissible loan amounts; and amends §34-39-200, relating to limitations on licensees, so as to require compliance with law when acting for a third-party lender.

[S.B. 112](#)

Adds §16-13-480 to create the crime of engaging in the business of deferred presentment in this state, provides that a violation is a felony, and provides for a mandatory minimum penalty; and repeals Chapter 39 of Title 34 relating to the South Carolina Deferred Presentment Services Act.

[S.B. 113](#)

Amends Chapter 39 of Title 34 of the 1976 code, relating to deferred presentment services, by adding §34-39-175 to provide that the Consumer Finance Division of the Board of Financial Institutions must implement a deferred presentment loan tracking database and to provide for information required in the database; adds §34-39-270 to limit consumers to one deferred presentment loan at a time, to provide for a seven day waiting period between loans, to require deferred presentment providers to verify a consumers eligibility for a loan prior to entering a deferred presentment transaction, and to provide for the process to determine eligibility; adds §34-39-280 to provide that under certain circumstances a consumer may utilize a payment plan to satisfy an outstanding loan, to provide for the circumstances under which a payment plan may be used, and the requirements for a payment plan; adds §34-39-290 to provide that the board must make annual reports and to provide for the contents of those reports; amends §34-39-130 to provide for the applicability of Chapter 39 of Title 34; amends §34-39-150 to provide that the application fee for new licenses and license renewal fees are increased from \$250 to \$500; amends §34-39-180 to provide for a maximum loan amount based upon the consumer's gross income or \$500, to provide for consumer warning statements, to provide that deferred presentment providers may not enter into a loan with a consumer satisfying another loan pursuant to an extended payment plan, and to provide that the board must develop a form to be used by deferred presentment providers to calculate the maximum amount that may be lent to a consumer; amends §34-39-200 to provide additional limitations on the activities of licensed deferred presentment providers; amends Chapter 39 of Title 34 by adding §39-34-205 to place on-premises advertising limitations; and amends §34-39-170 to provide that consumers and deferred presentment providers may not enter into agreements that allow for automatic debited loan payments.

[S.B. 279](#)

Amends Chapter 39 of Title 34, Code of Laws of South Carolina, 1976, relating to deferred presentment services by adding to §34-39-130, so as to provide that persons engaging in the business of deferred presentment services must obtain a license pursuant to Chapter 39, Title 34; adds §34-39-175, so as to establish a deferred presentment transaction database; amends §34-39-180, so as to limit

the amount advanced to a customer for deferred presentment to \$600; adds §34-39-270, so as to establish regulations for licensees of deferred presentment transactions; and adds §34-39-280, so as to determine provisions for deferred presentment extended payment plans.

[H.B. 1168](#)

South Dakota Prohibits multiple payday loan transactions with the same person or within a specified time period and provides for a database to verify transactions.

[H.B. 701](#)

Withdrawn 4/2/09

Tennessee

[S.B. 715](#)

As introduced, lowers fee that deferred presentment licensees may charge to lesser of 10 percent of the face amount of check or \$20.

[H.B. 914](#)

Withdrawn 4/9/09

[S.B. 1233](#)

Authorizes payee of a worthless check to charge \$5.00 for giving notice by certified mail to the maker of the bad check.

[H.B. 1713](#)

[S.B. 1427](#)

Decreases ownership required to be determined in control of a corporation and increases the length of time that a licensee must notify the Department of Financial Institutions of a change in location or name before such change.

[H.B. 2231](#)

[S.B. 1762](#)

As introduced, requires deferred presentment licensees to charge no more than 28 percent annual interest rate and to report the annual profits and employees' total compensation to the commissioner of financial institutions.

[H.B. 3021](#)

[S.B. 248](#)

Texas

Relates to the interest and fees that may be charged for certain consumer loans; providing a criminal penalty.

[S.B. 242](#)

Relates to the regulation of a person who offers, services, or brokers a deferred presentment transaction.

[S.B. 244](#)

Relates to restrictions on the authority of certain persons to act as or on behalf of, or associate with, a lender.

[S.B. 1285](#)

Relates to the interest and fees that may be charged for certain consumer loans; provides a criminal penalty.

[H.B. 111](#)

Utah

Enacting clause struck 3/12/09

Modifies the Check Cashing and Deferred Deposit Lending Registration Act; defines terms; modifies the time period for which a deferred deposit loan may

be rolled over; imposes restrictions on interest or fees; and makes technical and conforming amendments.

Vermont

none

[H.B. 1709](#)

Signed by governor 4/8/09, Chapter 784

[S.B. 1470](#)

Signed by governor 4/8/09, Chapter 860

Virginia

Prohibits licensed payday lenders from extending credit under open-end credit plans. Third parties are prohibited from making such loans at a payday lender's place of business. The prohibition does not apply to such loans if secured by a lien on a motor vehicle title. If a licensed payday lender relinquishes its license and then makes open-end loans, it may not be re-licensed to make payday loans for a period of 10 years. The measure is emergency legislation that will take effect upon passage.

[S.B. 996](#)

Repeals provisions of the Payday Loan Act that authorize lenders to charge a loan fee or verification fee, thereby limiting permissible charges on payday loans to simple interest at a maximum annual rate of 36 percent.

[H.B. 1073](#)

Finds that consumers should be able to access loans at reasonable rates. Paying the interest rates associated with payday loans can cause a borrower to need a loan to pay off their loan. By turning to payday loans again and again, the borrower can become trapped in a debt cycle. Requires the director of the Department of Financial Institutions to: (1) Ensure compliance with laws prohibiting rollovers by thorough and regular examinations and investigations; (2) Study the merits of implementing a real-time database that allows licensees to verify if a consumer has an outstanding small loan; (3) Study the cost of a database and the effectiveness of a database in limiting the possibility of an excessive number of contemporaneous loans; and (4) Provide findings of the study to the legislative committees that address financial regulation.

Washington

[H.B. 1709](#)

Sent to governor 4/25/09

Provides fee and installment plan assistance for borrowers at risk of default on small loans.

West Virginia

none

[A.B. 55](#)

Creates a maximum finance charge for certain motor vehicle title and payday loans. The bill defines "motor vehicle title loan" as a loan that is secured by an interest, other than a purchase money security interest, in the borrower's motor vehicle, and that has an original term of three months or less. The bill defines "payday loan" as a transaction between a person and an issuer of a check in which all of the following are satisfied: 1) the person agrees to hold the check for a period of time before negotiating or presenting the check for payment; and 2) the person pays the issuer, upon accepting the check, the amount of the check less any finance charge. Under the bill, a lender, other than a bank,

Wisconsin

savings bank, savings and loan association, or credit union, who makes motor vehicle title or payday loans in the regular course of business, may not assess a finance charge that exceeds two percent per month. In addition, such a lender who makes such loans must obtain the license described above. Also, the bill requires the division to enforce the bill's prohibition. The bill also allows a borrower to bring an action against a person who violates the bill's requirements to recover damages in an amount equal to the greater of the following: 1) twice the amount of the finance charge in connection with the loan made to the borrower; or 2) the actual damages, including incidental and consequential damages, sustained by the borrower by reason of the violation. In addition, the bill allows the borrower to recover the costs of the action, including reasonable attorney fees.

[H.B. 216](#)

Wyoming

Relates to the Uniform Consumer Credit Code; provides for a limit on the amount of post-dated check financing; provides for the suspension of post-dated check casher's license.