

2002 SESSION

INTRODUCED

026254740

HOUSE BILL NO. 1197

Offered January 14, 2002

*A BILL to amend the Code of Virginia by adding in Article 5 of Chapter 7.3 of Title 6.1 a section numbered 6.1-330.59:1, relating to prohibited lending practices; short-term cash advances secured by checks, share drafts or debit authorizations.*

Patron—Dudley

Referred to Committee on Commerce and Labor

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Article 5 of Chapter 7.3 of Title 6.1 a section numbered 6.1-330.59:1, as follows:**

*§ 6.1-330.59:1. Prohibition on short-term cash advances secured by checks, share drafts or debit authorizations.*

*No person shall engage in the business of making, arranging or brokering short-term cash advances pursuant to agreements under which consumer checks, share drafts or authorizations to debit accounts of consumers are used as security for such advances, and the payment of such checks or share drafts, or the debit of such accounts, is deferred until a future designated date.*

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