

State Corporation Commission 2004 Fiscal Impact Statement

1. Bill Number HB688

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron Morgan

3. Committee Passed Both Houses

4. Title Payday Loan Act; requirements; charges.

5. Summary/Purpose: Specifies borrowers' checks as records payday lenders must retain. The bill prohibits application of post-maturity interest to loan fees and limits borrowers' right to make partial payments to the period prior to loan maturity. The bill also requires payday lenders to return paid loan agreements to borrowers marked "paid" or "canceled" and to keep a copy. The bill codifies the exclusive applicability of Chapter 18 of Title 6.1 to post-judgment interest and other charges and expenses payday lenders may recover from borrowers.

6. No fiscal impact on state agencies

7. Budget amendment necessary: No

8. Fiscal implications: None on state agencies

9. Specific agency or political subdivisions affected: State Corporation Commission's Bureau of Financial Institutions

10. Technical amendment necessary: None

11. Other comments: This bill was introduced at the request of the State Corporation Commission's Bureau of Financial Institutions.

Date: 03/24/04 / EJF

cc: Secretary of Commerce and Trade