

State Corporation Commission

2006 Fiscal Impact Statement

1. Bill Number HB225

House of Origin	Introduced	Substitute	Engrossed
Second House	In Committee	Substitute	Enrolled

2. Patron Jones, D.C.

3. Committee Commerce and Labor

4. Title Payday lending; rollovers; database.

5. Summary/Purpose:

Payday lending; rollovers; database. Requires the State Corporation Commission on or before July 1, 2007, to contract with a third party to establish and administer a database with real-time access through an Internet connection to ensure compliance with the Payday Loan Act. The measure also prohibits payday lenders from entering into a payday loan with a person who has an outstanding payday loan with that licensee or affiliate or with any other payday lender, or with a person whose previous payday loan has been terminated for less than 30 days, and from extending or continuing a payday loan where the lender continues to hold the borrower's check or substitutes a new check.

6. Fiscal Impact Estimates are not available. See Item # 8.

7. Budget amendment necessary: No.

8. Fiscal implications: Exact fiscal impact figures cannot be determined without further, detailed study. The Florida Office of Financial Regulation established and monitors such a database. Based on discussions among senior staff of the Virginia Bureau of Financial Institutions and the Florida Office of Financial Regulation, the fiscal impact to the Bureau of Financial Institutions would appear to be minimal or insignificant. Amendments or substitutes to the legislation could significantly change fiscal impact estimates.

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

10. Technical amendment necessary: None noted at this time.

11. Other comments: None

Date: 01/09/06 / EJP, Jr.

cc: Secretary of Commerce and Trade