

## Department of Planning and Budget 2009 Fiscal Impact Statement

**1. Bill Number:** SB 1470

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

**2. Patron:** Saslaw

**3. Committee:** Passed in both houses

**4. Title:**        **Open-end loans by payday lenders.**

**5. Summary:** The bill 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.

**6. Fiscal Impact Estimates:** The bill has no fiscal impact.

**7. Budget Amendment Necessary:** No

**8. Fiscal Implications:** None

**9. Specific Agency or Political Subdivisions Affected:** The Department of Labor and Industry

**10. Technical Amendment Necessary:** No

**11. Other Comments:** The second enactment clause states that nothing in subsection E of §6.1-330.78 of the Code of Virginia shall prohibit the collection of any outstanding loan or extension of credit made under §6.1-330.78 by licensee, as defined in §6.1-444 of the Code of Virginia, in accordance with the terms of a loan agreement made prior to the effective date of this act; however, no additional extensions of credit or advances shall be made under such a loan agreement on or after the effective date of this act.

This bill is identical to HB 1709.

**Date:** 3/17/2009    dpbbrb

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cc: Secretary of Commerce and Trade