

## State Corporation Commission 2014 Fiscal Impact Statement

**1. Bill Number:** HB1004

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Yancey

**3. Committee:** Commerce and Labor

**4. Title:** Open-end credit agreements.

**5. Summary:** Open-end credit agreements. Allows only a seller of goods to extend credit under an open-end credit agreement at such interest rates as the seller and borrower agree, provided a finance charge is not imposed if payment in full of the unpaid balance is received prior to the next billing date, which follows a 25-day grace period. To extend credit under such a plan, the loan must be for the sole purpose of financing the bona fide purchase price of goods used for personal, family, or household purposes. Currently, any lender may make such loans under an open-end credit plan. Sellers of such goods under an open-end credit agreement are prohibited from engaging in the extension of credit under any other chapter of Title 6.2. The measure provides that licensed consumer finance companies may not make loans under such open-end credit agreements.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** No Fiscal Impact on the State Corporation Commission

**8. Fiscal Implications:** None on the State Corporation Commission

**9. Specific Agency or Political Subdivisions Affected:** Virginia State Corporation Commission and the Commission's Bureau of Financial Institutions.

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None.