

State Corporation Commission 2020 Fiscal Impact Statement

1. Bill Number: HB1265

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

2. Patron: Carroll Foy

3. Committee: Labor and Commerce

4. Title: Consumer finance companies.

5. Summary: Requires the State Corporation Commission, as a condition of licensing a consumer finance company, to find that the applicant will not make consumer finance loans at the same location at which the applicant makes payday loans or motor vehicle title loans. The measure also (i) sets the minimum and maximum amounts of a consumer finance loan at \$500 and \$35,000, respectively; (ii) requires that such loans be installment loans with a term that is not less than six months nor more than 120 months; (iii) sets the maximum annual interest rate on such loans at 36 percent; (iv) authorizes late payment fees of \$20, provided that they are set forth in a contract; (v) authorizes loan processing fees of the greater of \$75 or five percent of the principal amount of the loan but not to exceed \$150; and (vi) increases from \$15 to \$25 the amount of a bad check fee.

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: State Corporation Commission and the Commission's Bureau of Financial Institutions.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

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