

GREEN SHEET REDIGEST

HB 582

2025 Regular Session

LaCombe

FINANCIAL INSTITUTIONS: Provides relative to deferred presentment transactions and small loans.

DIGEST

Present law defines "commissioner", "Consumer Price Index for All Urban Consumers", "deferred presentment transaction", "licensee", "partial payment", "prepayment", and "small loan".

Present law includes in the definition of "deferred presentment transaction" a cap on the monetary amount of \$350, authorized by present law to be paid to the issuer of the check.

Proposed law increases the monetary amount provided for in the deferred presentment transaction definition from \$350 to \$700. Proposed law otherwise retains present law.

Present law allows a licensee, in conjunction with a deferred presentment transaction or small loan, to charge a fee not to exceed a certain percentage as specified in present law (R.S. 9:3578.4(A)) of the face amount of the check issued, or in the case of a small loan, the equivalent rate of interest, provided, however, that such fee or interest does not exceed \$45.00, regardless of the name or type of charge.

Proposed law removes the provision that allows a licensee to charge the equivalent rate of interest on a small loan and further removes the provision that prohibits the fee or interest from exceeding \$45.00. Proposed law otherwise retains present law.

Proposed law requires the office of financial institutions, beginning on or before Sept. 1st of each year, to publish a new maximum outstanding principal balance permitted on its website. Proposed law further provides the formula for how the new amount shall be calculated.

Proposed law prohibits a licensee from reporting negative information about its customers to any credit bureau or credit reporting service.

(Amends R.S. 9:3578.3 and 3578.4(A)(1); adds R.S. 9:3578.4(D) and 3578.6(A)(9))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Proposed law prohibits a licensee from reporting negative information about its customers to any credit bureau or credit reporting service.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the reengrossed bill

1. Define "Consumer Price Index for All Urban Consumers".
2. Remove the provision that allows a licensee to change the equivalent rate of interest on a small loan.
3. Require the office of financial institution to publish a new maximum principal outstanding balance permitted on its website beginning on or before Sept. 1st of each year.
4. Make technical changes.