

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 834** HLS 14RS 1424

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 4, 2014 8:12 AM	Author: GREENE
Dept./Agy.: Office of Financial Institutions	Analyst: Travis McIlwain
Subject: Consumer Loans	

COMMERCE

OR NO IMPACT See Note

Page 1 of 1

Provides relative to the regulation of consumer credit transactions by the Office of Financial Institutions

Proposed bill provides that the Office of Financial Institutions (OFI) may collect and compile information and data from all licensees concerning the operation, function, and extent of all consumer loan activities. Proposed bill provides that the information and data required to be collected by the OFI shall be reported by the licensee through the Nationwide Mortgage Licensing System and Registry. Effective August 1, 2014.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. This bill authorizes the commissioner to collect certain data from consumer lending entities. This information will be submitted through the National Mortgage Licensing System, which is currently being utilized by industry. Collecting this information will allow the OFI to report statewide information such as the volume of loan originations, value of the loans, the number defaults, loan interest, etc.

REVENUE EXPLANATION

To the extent a consumer lending entity does not adhere to the reporting requirements included within the proposed bill, these entities may be subject to the assessment of penalties as contained in R.S. 9:3556.3.

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|---|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Red. {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux

Evan Brasseaux
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