

Legislative Analysis



REPORT TO LEGISLATURE REGARDING DEFERRED PRESENTMENT SERVICE PROVIDERS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5389 as introduced
Sponsor: Rep. Sherry Gay-Dagnogo, M.Ed.
Committee: Financial Services
Complete to 1-25-18

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5389 would amend the Deferred Presentment Service Transactions Act to require the director of the Department of Insurance and Financial Services to submit, within 90 days after the effective date of the bill, a report to the standing committees of the Senate and House of Representatives on banking and financial services issues that includes the following:

- The number of persons engaged in the business of providing deferred presentment service (payday lending) transactions in the state on November 28, 2005; on June 30, 2007; and on the effective date of the bill. (November 28, 2005, was the effective date of the Deferred Presentment Service Transactions Act.)
- A general report on the business of providing such transactions in the state as of the effective date of the bill, including the number of licensees and customers, the number and amount of transactions, and other financial information requested by the legislature or considered relevant by the director.
- The number of complaints filed with the department against licensees in the period from November 28, 2005, to the effective date of the bill.

The bill would take effect 90 days after being enacted into law.

MCL 487.2171

FISCAL IMPACT:

House Bill 5389 would not have a significant fiscal impact on the Department of Insurance and Financial Services or on other units of state or local government. The bill would require the department to produce a one-time report regarding deferred presentment service transactions and the providers of such services. Any costs associated with producing the report would be minor and would likely be supported by existing departmental appropriations.

Legislative Analyst: E. Best
Fiscal Analyst: Marcus Coffin

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.