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House Bill 5253 (Substitute H-3 as passed by the House) Sponsor: Representative Sherry Gay-Dagnogo, M.Ed.

House Committee: Regulatory Reform

Ways and Means

Senate Committee: Regulatory Reform

Date Completed: 12-1-20

## **CONTENT**

The bill would amend the Deferred Presentment Service Transaction Act to require the Department of Insurance and Financial Services (DIFS) to submit to the Legislature and post on its website an annual report regarding deferred presentment service transactions.

The bill would take effect 90 days after its enactment.

The Act required the Director of Insurance and Financial Services to submit, by January 31, 2007, a report to the standing committees of the Senate and House of Representatives concerned with regulatory reform issues that includes certain information.

Under the bill, by January 31, 2021, and by each January 31 after that through January 31, 2027, the Director would have to submit to the Senate and House standing committees concerned with banking and financial services issues a report that included the following information:

- -- The number of people engaged in the business of providing deferred presentment service transactions in the State during the immediately preceding calendar year.
- -- The number of complaints filed with DIFS against licensees for the immediately preceding calendar year.
- -- A general report on the business of providing deferred presentment service transactions in the State during the immediately preceding calendar year.

The general report would have to include information about the number of licensees, the number of customers, and the number and amount of transactions, reported in the following format:

- -- A summary of the deferred presentment service transaction program fees received by DIFS.
- -- Statewide statistics concerning transaction volumes by month, transaction amounts, fees, and averages, active license locations, the total number of customers of providers, consumer usage of deferred presentment service transactions, and consumer usage of repayment plans.
- -- Statistics, reported by zip code, concerning provider locations, identification of the county in which the zip code was located, transaction volumes, total amount of advances, total

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-- fees for advances, average advance amounts, average advance fees, and the total amount of licensee locations.

Beginning January 31, 2021, and on January 31 of each year after that through January 31, 2027, DIFS would have to publish on its website an annual report on deferred presentment licensees in the State. The report would have to include for the calendar year preceding the publication date the number of licensees, customers served, and transaction that took place in the State, the number of complaints against licensees and nonlicensees arising from transactions that took place in the State, and any additional information that the Director considered relevant.

MCL 487.2171 Legislative Analyst: Stephen Jackson

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Raczkowski

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

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