

SB0217/203321/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 217
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, before “Fees” insert “Payments and”; in line 7, after “borrowers;” insert “requiring a person to accept certain types of payment made by or on behalf of the borrower in cases of certain loans made to certain consumer borrowers;”; and in the same line, after “to” insert “payments made and”.

AMENDMENT NO. 2

On page 2, in line 1, strike “OR”; in line 2, strike “AND” and substitute “OR”; after line 2, insert:

“(IV) AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE;”;

in line 3, strike “MUST OFFER TO” and substitute “SHALL”; in line 4, strike “FREE OF CHARGE IN AT LEAST ONE COMMONLY ACCEPTED FORM” and substitute “BY CHECK, MONEY ORDER, AND AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE; AND

(3) (I) MAY CEASE ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE AFTER PRIOR NOTICE TO THE BORROWER IF TWO PAYMENTS MADE BY CHECK OR ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE BY OR ON BEHALF OF THE BORROWER WERE DISHONORED IN THE IMMEDIATELY PRECEDING 6-MONTH PERIOD; AND

(II) SHALL ACCEPT SUBSEQUENT PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE IF THREE REGULAR PAYMENTS ARE TIMELY MADE BY OR ON BEHALF OF THE BORROWER AFTER THE PERSON CEASED ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE UNDER ITEM (I) OF THIS ITEM”;

in line 7, after “MAY” insert “NOT”; in the same line, after “PAY” insert “, DIRECTLY OR INDIRECTLY,”; in line 8, strike “IF” and substitute “UNLESS”; strike beginning with “(1)” in line 9 down through “(I)” in line 11 and substitute “(1)”; in lines 13 and 14, strike “(II)” and “(III)”, respectively, and substitute “(2)” and “(3)”, respectively; and strike beginning with the second “THE” in line 14 down through “TRANSACTION” in line 16 and substitute “EITHER:”

(I) THE ACTUAL COST CHARGED TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTION; OR

(II) THE AVERAGE COST OF CHARGES TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTIONS FROM SIMILARLY SITUATED BORROWERS”.

AMENDMENT NO. 3

On page 3, in line 7, strike “OR”; in line 8, strike “AND” and substitute “OR”; after line 8, insert:

“(IV) AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE;”;

in line 9, strike “MUST OFFER TO” and substitute “SHALL”; in line 10, strike “FREE OF CHARGE IN AT LEAST ONE COMMONLY ACCEPTED FORM” and substitute “BY CHECK, MONEY ORDER, AND AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE; AND”

(3) (I) MAY CEASE ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE AFTER PRIOR NOTICE TO THE BORROWER IF TWO PAYMENTS MADE BY CHECK OR ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE BY OR ON BEHALF OF THE BORROWER WERE DISHONORED IN THE IMMEDIATELY PRECEDING 6-MONTH PERIOD; AND

(II) SHALL ACCEPT SUBSEQUENT PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE IF THREE REGULAR PAYMENTS ARE TIMELY MADE BY OR ON BEHALF OF THE BORROWER AFTER THE PERSON CEASED ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE UNDER ITEM (I) OF THIS ITEM;

in line 13, after “MAY” insert “NOT”; in the same line, after “PAY” insert “, DIRECTLY OR INDIRECTLY,”; in line 14, strike “IF” and substitute “UNLESS”; strike beginning with “(1)” in line 15 down through “(I)” in line 17 and substitute “(1)”; in lines 19 and 20, strike “(II)” and “(III)”, respectively, and substitute “(2)” and “(3)”, respectively; and strike beginning with the second “THE” in line 20 down through “TRANSACTION” in line 22 and substitute “EITHER:”

(I) THE ACTUAL COST CHARGED TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTION; OR

(II) THE AVERAGE COST OF CHARGES TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTIONS FROM SIMILARLY SITUATED BORROWERS".

AMENDMENT NO. 4

On page 4, in line 12, strike "OR"; in line 13, strike "AND" and substitute "OR"; after line 13, insert:

"(IV) AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE;";

in line 14, strike "MUST OFFER TO" and substitute "SHALL"; in line 15, strike "FREE OF CHARGE IN AT LEAST ONE COMMONLY ACCEPTED FORM" and substitute "BY CHECK, MONEY ORDER, AND AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE; AND

(3) (I) MAY CEASE ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE AFTER PRIOR NOTICE TO THE BORROWER IF TWO PAYMENTS MADE BY CHECK OR ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE BY OR ON BEHALF OF THE BORROWER WERE DISHONORED IN THE IMMEDIATELY PRECEDING 6-MONTH PERIOD; AND

(II) SHALL ACCEPT SUBSEQUENT PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE IF THREE REGULAR PAYMENTS ARE TIMELY MADE BY OR ON BEHALF OF THE BORROWER AFTER THE PERSON CEASED ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE UNDER ITEM (I) OF THIS ITEM";

in line 18, after “MAY” insert “NOT”; in the same line, after “PAY” insert “, DIRECTLY OR INDIRECTLY,”; in line 19, strike “IF” and substitute “UNLESS”; strike beginning with “(1)” in line 20 down through “(I)” in line 22 and substitute “(1)”; in lines 24 and 25, strike “(II)” and “(III)”, respectively, and substitute “(2)” and “(3)”, respectively; and strike beginning with the second “THE” in line 25 down through “TRANSACTION” in line 27 and substitute “EITHER:”

(I) THE ACTUAL COST CHARGED TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTION; OR

(II) THE AVERAGE COST OF CHARGES TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTIONS FROM SIMILARLY SITUATED BORROWERS”.

AMENDMENT NO. 5

On page 5, in line 20, strike “OR”; in line 21, strike “AND” and substitute “OR”; after line 21, insert:

“(IV) AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE;”;

in line 22, strike “MUST OFFER TO” and substitute “SHALL”; in line 23, strike “FREE OF CHARGE IN AT LEAST ONE COMMONLY ACCEPTED FORM” and substitute “BY CHECK, MONEY ORDER, AND AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE; AND”

(3) (I) MAY CEASE ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE AFTER PRIOR NOTICE TO THE BORROWER IF TWO PAYMENTS MADE BY CHECK OR

ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE BY OR ON BEHALF OF THE BORROWER WERE DISHONORED IN THE IMMEDIATELY PRECEDING 6-MONTH PERIOD; AND

(II) SHALL ACCEPT SUBSEQUENT PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE IF THREE REGULAR PAYMENTS ARE TIMELY MADE BY OR ON BEHALF OF THE BORROWER AFTER THE PERSON CEASED ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE UNDER ITEM (I) OF THIS ITEM;

in line 26, after “MAY” insert “NOT”; in the same line, after “PAY” insert “, DIRECTLY OR INDIRECTLY,”; and in line 27, strike “IF” and substitute “UNLESS”.

On pages 5 and 6, strike beginning with “**(1)**” in line 28 on page 5 down through “**(1)**” in line 1 on page 6 and substitute “**(1)**”.

On page 6, in lines 3 and 4, strike “**(II)**” and “**(III)**”, respectively, and substitute “**(2)**” and “**(3)**”, respectively; and strike beginning with the second “THE” in line 4 down through “TRANSACTION” in line 6 and substitute “EITHER:”

(I) THE ACTUAL COST CHARGED TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTION; OR

(II) THE AVERAGE COST OF CHARGES TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTIONS FROM SIMILARLY SITUATED BORROWERS”.

On page 6, in line 26, strike “OR”; in line 27, strike “AND” and substitute “OR”; after line 27, insert:

“(IV) AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE;”;

in line 28, strike “MUST OFFER TO” and substitute “SHALL”; and in line 29, strike “FREE OF CHARGE IN AT LEAST ONE COMMONLY ACCEPTED FORM” and substitute “BY CHECK, MONEY ORDER, AND AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE; AND”

(3) (I) MAY CEASE ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE AFTER PRIOR NOTICE TO THE BORROWER IF TWO PAYMENTS MADE BY CHECK OR ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE BY OR ON BEHALF OF THE BORROWER WERE DISHONORED IN THE IMMEDIATELY PRECEDING 6-MONTH PERIOD; AND

(II) SHALL ACCEPT SUBSEQUENT PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE IF THREE REGULAR PAYMENTS ARE TIMELY MADE BY OR ON BEHALF OF THE BORROWER AFTER THE PERSON CEASED ACCEPTING PAYMENT BY CHECK OR AN ELECTRONIC FUNDS TRANSFER THROUGH THE AUTOMATED CLEARING HOUSE UNDER ITEM (I) OF THIS ITEM”.

On page 7, in line 3, after “MAY” insert “NOT”; in the same line, after “PAY” insert “, DIRECTLY OR INDIRECTLY,”; in line 4, strike “IF” and substitute “UNLESS”; strike beginning with “(1)” in line 5 down through “(I)” in line 7 and substitute “(1)”; in lines 9 and 10, strike “(II)” and “(III)”, respectively, and substitute “(2)” and “(3)”,

respectively; and strike beginning with the second “THE” in line 10 down through “TRANSACTION” in line 12 and substitute “EITHER:”

(I) THE ACTUAL COST CHARGED TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTION; OR

(II) THE AVERAGE COST OF CHARGES TO THE PERSON BY AN UNAFFILIATED THIRD PARTY FOR THE PROCESSING OF THE PAYMENT TRANSACTIONS FROM SIMILARLY SITUATED BORROWERS”.

AMENDMENT NO. 7

On page 7, after line 24, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That the Commissioner of Financial Regulation may adopt regulations to implement the provisions of this Act.”;

in line 25, strike “2.” and substitute “3.”; and in lines 25 and 26, strike “July 1, 2022” and substitute “January 1, 2023”.