

A BILL

17-132

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Check Cashers Act of 1998 and Title 28 of the District of Columbia Official Code to restrict certain lending practices conducted by payday loan businesses.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Payday Loan Consumer Protection Amendment Act of 2007”.

Sec. 2. The Check Cashers Act of 1998, effective May 12, 1998 (D.C. Law 12-111; D.C. Official Code § 26-301 *et seq.*), is amended as follows:

(a) Section 2 (D.C. Code Official Code § 26-301(3)) is repealed.

(b) Section 18(a) (D.C. Official Code § 26-317(a)) is amended by striking the sentence “An additional verification, handling, and documentation processing fee may be charged, pursuant to section 20, for a personal check held for deferred deposit.”.

(c) Section 20(c) (D.C. Official Code § 26-319(c)) is repealed.

Sec. 3. Title 28 of the District of Columbia Official Code is amended as follows:

(a) Section 28-3301 is amended as follows:

(1) Subsection (d) is amended by striking the phrase “an amount in excess of \$1,000” and inserting the phrase “an amount in excess of \$2,500” in its place.

(2) New subsections (h) and (i) are added to read as follows:

“(h) Except as otherwise provided in this section, the provisions of this chapter shall apply to consumer credit transactions, including modifications (including refinancing, consolidations, and deferrals), occurring in the District of Columbia. For purposes of this

chapter, a consumer credit transaction occurs in the District of Columbia if: 1

“(1) A written agreement evidencing the obligation or offer of the consumer is 2
received by the creditor in the District of Columbia; or 3

“(2) A consumer who is a resident of the District of Columbia enters into the 4
transaction with a creditor who has solicited or advertised in the District of Columbia by any 5
means, including mail, brochure, telephone, print, radio, television, internet, or any other 6
electronic means.” 7

“(i) For purposes of this chapter, the term “consumer” shall have 8
the same meaning as in § 28-3901(a)(2).” 9

(b) Section 28-3904 is amended as follows: 10

(1) Subsection (cc) is amended by striking the phrase “; or” and inserting a semi- 11
colon in its place. 12

(2) Subsection (dd) is amended by striking the period and inserting a semi-colon 13
in its place. 14

(3) Subsection (ee) is amended by striking the period and inserting the phrase “; 15
or” in its place. 16

(4) A new subsection (ff) is added to read as follows: 17

“(ff) violate any provision of Chapter 33.”. 18

Sec. 2a. This act shall take effect following the certification by the Chief Financial 19
Officer, through a revised quarterly estimate of fiscal year 2008, that local funds exceed the 20
annual revenue estimates incorporated in the Fiscal Year 2008 budget and financial plan. The 21
Chief Financial Officer shall set aside revenue to account for the cost of fully implementing this 22
Act. 23

ENGROSSED ORIGINAL

Sec. 3. Fiscal impact statement 1

The Council adopts the fiscal impact statement in the committee report as the fiscal 2
impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, 3
approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)). 4

Sec. 4. Effective date. 5

This act shall take effect following approval by the Mayor (or in the event of veto by the 6
Mayor, action by the Council to override the veto), a 30-day period of Congressional review as 7
provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 8
24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of 9
Columbia Register. 10