

DEFERRED DEPOSIT LENDING AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brad M. Daw

Senate Sponsor: Curtis S. Bramble

Cosponsors: Dixon M. Pitcher
James A. Dunnigan

LONG TITLE

General Description:

This bill modifies provisions related to deferred deposit lending and identity theft.

Highlighted Provisions:

This bill:

- ▶ modifies reporting requirements;
- ▶ addresses operational requirements;
- ▶ amends extended payment plans; and
- ▶ makes technical and conforming amendments.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

7-23-201, as last amended by Laws of Utah 2014, Chapter 131

7-23-401, as last amended by Laws of Utah 2014, Chapter 131

7-23-403, as last amended by Laws of Utah 2014, Chapter 131

Be it enacted by the Legislature of the state of Utah:

29 Section 1. Section **7-23-201** is amended to read:

30 **7-23-201. Registration -- Rulemaking.**

31 (1) (a) It is unlawful for a person to engage in the business of cashing checks or the
32 business of deferred deposit lending in Utah or with a Utah resident unless the person:

- 33 (i) registers with the department in accordance with this chapter; and
- 34 (ii) maintains a valid registration.

35 (b) It is unlawful for a person to operate a mobile facility in this state to engage in the
36 business of:

- 37 (i) cashing checks; or
- 38 (ii) deferred deposit lending.

39 (2) (a) A registration and a renewal of a registration expires on December 31 of each
40 year unless on or before that date the person renews the registration.

41 (b) To register under this section, a person shall:

- 42 (i) pay an original registration fee established under Subsection [7-1-401\(8\)](#);
- 43 (ii) submit a registration statement containing the information described in Subsection

44 (2)(d);

45 (iii) submit evidence satisfactory to the commissioner that the person is authorized to
46 conduct business in this state as a domestic or foreign entity pursuant to filings with the
47 Division of Corporations and Commercial Code under Title 16, Corporations, or Title 48,
48 [~~Partnership~~] Unincorporated Business Entity Act; and

49 (iv) if the person engages in the business of deferred deposit lending, submit evidence
50 satisfactory to the commissioner that the person is registered with the nationwide database.

51 (c) To renew a registration under this section, a person shall:

- 52 (i) pay the annual fee established under Subsection [7-1-401\(5\)](#);
- 53 (ii) submit a renewal statement containing the information described in Subsection

54 (2)(d);

55 (iii) submit evidence satisfactory to the commissioner that the person is authorized to
56 conduct business in this state as a domestic or foreign entity pursuant to filings with the

57 Division of Corporations and Commercial Code under Title 16, Corporations, or Title 48,
58 [~~Partnership~~] Unincorporated Business Entity Act;

59 (iv) if the person engages in the business of deferred deposit lending, submit evidence
60 satisfactory to the commissioner that the person is registered with the nationwide database; and

61 (v) if the person engages in the business of deferred deposit lending, submit an
62 operations statement containing the information described in Subsection (2)(e).

63 (d) A registration or renewal statement shall state:

64 (i) the name of the person;

65 (ii) the name in which the business will be transacted if different from that required in
66 Subsection (2)(d)(i);

67 (iii) the address of the person's principal business office, which may be outside this
68 state;

69 (iv) the addresses of all offices in this state at which the person conducts the business
70 of:

71 (A) cashing checks; or

72 (B) deferred deposit lending;

73 (v) if the person conducts the business of cashing checks or the business of deferred
74 deposit lending in this state but does not maintain an office in this state, a brief description of
75 the manner in which the business is conducted;

76 (vi) the name and address in this state of a designated agent upon whom service of
77 process may be made;

78 (vii) disclosure of an injunction, judgment, administrative order, or conviction of a
79 crime involving moral turpitude with respect to that person or an officer, director, manager,
80 operator, or principal of that person; and

81 (viii) any other information required by the rules of the department.

82 (e) An operations statement required for a deferred deposit lender to renew a
83 registration shall state for the immediately preceding calendar year:

84 (i) the average principal amount of the deferred deposit loans extended by the deferred

85 deposit lender;

86 (ii) for deferred deposit loans paid in full, the average number of days a deferred
87 deposit loan is outstanding for the duration of time that interest is charged;

88 (iii) the minimum and maximum dollar amount of interest and fees charged by the
89 deferred deposit lender for a deferred deposit loan of \$100 with a loan term of seven days;

90 (iv) the total number of deferred deposit loans rescinded by the deferred deposit lender
91 at the request of the customer pursuant to Subsection 7-23-401(3)(b);

92 (v) of the persons to whom the deferred deposit lender extended a deferred deposit
93 loan, the percentage that entered into an extended payment plan under Section 7-23-403;

94 (vi) the total dollar amount of deferred deposit loans rescinded by the deferred deposit
95 lender at the request of the customer pursuant to Subsection 7-23-401(3)(b);

96 (vii) the average annual percentage rate charged on deferred deposit loans;

97 (viii) the average dollar amount of extended payment plans entered into under Section
98 7-23-403 by the deferred deposit lender;

99 (ix) the number of deferred deposit loans carried to the maximum 10 weeks;

100 (x) the total dollar amount of deferred deposit loans carried to the maximum 10 weeks;

101 (xi) the number of deferred deposit loans not paid in full at the end of 10 weeks; ~~and~~

102 (xii) the total dollar amount of deferred deposit loans not paid in full at the end of 10
103 weeks[-];

104 (xiii) the percentage of deferred deposit loans against which the deferred deposit lender
105 initiates civil action to collect on the deferred deposit loan; and

106 (xiv) for the civil actions described in Subsection (2)(e)(xiii), the percentage of those
107 civil actions whose deferred deposit loans have the following payment history:

108 (A) no payments;

109 (B) one payment;

110 (C) two payments;

111 (D) three payments;

112 (E) four payments;

- 113 (F) five payments;
- 114 (G) six payments;
- 115 (H) seven payments;
- 116 (I) eight payments;
- 117 (J) nine payments; and
- 118 (K) 10 or more payments.

119 (f) The commissioner may by rule, made in accordance with Title 63G, Chapter 3,
120 Utah Administrative Rulemaking Act, provide for the transition of persons registering with the
121 nationwide database.

122 (3) Information provided by a deferred deposit lender under Subsection (2)(e) is:

- 123 (a) confidential in accordance with Section 7-1-802; and
- 124 (b) not subject to Title 63G, Chapter 2, Government Records Access and Management
125 Act.

126 (4) (a) The commissioner may impose an administrative fine determined under
127 Subsection (4)(b) on a person if:

- 128 (i) the person is required to be registered under this chapter;
- 129 (ii) the person fails to register or renew a registration in accordance with this chapter;
- 130 (iii) the department notifies the person that the person is in violation of this chapter for
131 failure to be registered; and
- 132 (iv) the person fails to register within 30 days after the day on which the person
133 receives the notice described in Subsection (4)(a)(iii).

134 (b) Subject to Subsection (4)(c), the administrative fine imposed under this section is:

- 135 (i) \$500 if the person:
 - 136 (A) has no office in this state at which the person conducts the business of:
 - 137 (I) cashing checks; or
 - 138 (II) deferred deposit lending; or
 - 139 (B) has one office in this state at which the person conducts the business of:
 - 140 (I) cashing checks; or

- 141 (II) deferred deposit lending; or
- 142 (ii) if the person has two or more offices in this state at which the person conducts the
- 143 business of cashing checks or the business of deferred deposit lending, \$500 for each office at
- 144 which the person conducts the business of:
 - 145 (A) cashing checks; or
 - 146 (B) deferred deposit lending.
- 147 (c) The commissioner may reduce or waive a fine imposed under this Subsection (4) if
- 148 the person shows good cause.
- 149 (5) If the information in a registration, renewal, or operations statement required under
- 150 Subsection (2) becomes inaccurate after filing, a person is not required to notify the department
- 151 until:
 - 152 (a) that person is required to renew the registration; or
 - 153 (b) the department specifically requests earlier notification.
- 154 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 155 department may make rules consistent with this section providing for:
 - 156 (a) the form, content, and filing of a registration and renewal statement described in
 - 157 Subsection (2)(d); and
 - 158 (b) the form and filing of an operations statement described in Subsection (2)(e).
- 159 (7) A deferred deposit loan that is made by a person who is required to be registered
- 160 under this chapter but who is not registered is void, and the person may not collect, receive, or
- 161 retain any principal or other interest or fees in connection with the deferred deposit loan.
- 162 Section 2. Section **7-23-401** is amended to read:
- 163 **7-23-401. Operational requirements for deferred deposit loans.**
- 164 (1) If a deferred deposit lender extends a deferred deposit loan, the deferred deposit
- 165 lender shall:
 - 166 (a) post in a conspicuous location on its premises that can be viewed by a person
 - 167 seeking a deferred deposit loan:
 - 168 (i) a complete schedule of any interest or fees charged for a deferred deposit loan that

169 states the interest and fees using dollar amounts;

170 (ii) a number the person can call to make a complaint to the department regarding the
171 deferred deposit loan; and

172 (iii) a list of states where the deferred deposit lender is registered or authorized to offer
173 deferred deposit loans through the Internet or other electronic means;

174 (b) enter into a written contract for the deferred deposit loan;

175 (c) conspicuously disclose in the written contract:

176 (i) that under Subsection (3)(a), a person receiving a deferred deposit loan may make a
177 partial payment in increments of at least \$5 on the principal owed on the deferred deposit loan
178 without incurring additional charges above the charges provided in the written contract;

179 (ii) that under Subsection (3)(b), a person receiving a deferred deposit loan may rescind
180 the deferred deposit loan on or before 5 p.m. of the next business day without incurring any
181 charges;

182 (iii) that under Subsection (4)(b), the deferred deposit loan may not be rolled over
183 without the person receiving the deferred deposit loan requesting the rollover of the deferred
184 deposit loan;

185 (iv) that under Subsection (4)(c), the deferred deposit loan may not be rolled over if the
186 rollover requires the person to pay the amount owed by the person under the deferred deposit
187 loan in whole or in part more than 10 weeks after the day on which the deferred deposit loan is
188 executed; and

189 (v) (A) the name and address of a designated agent required to be provided the
190 department under Subsection 7-23-201(2)(d)(vi); and

191 (B) a statement that service of process may be made to the designated agent;

192 (d) provide the person seeking the deferred deposit loan:

193 (i) a copy of the written contract described in Subsection (1)(c); and

194 (ii) written notice that the person seeking the deferred deposit loan is eligible to enter
195 into an extended payment plan described in Section 7-23-403;

196 (e) orally review with the person seeking the deferred deposit loan the terms of the

197 deferred deposit loan including:

198 (i) the amount of any interest rate or fee;

199 (ii) the date on which the full amount of the deferred deposit loan is due;

200 (iii) that under Subsection (3)(a), a person receiving a deferred deposit loan may make
201 a partial payment in increments of at least \$5 on the principal owed on the deferred deposit
202 loan without incurring additional charges above the charges provided in the written contract;

203 (iv) that under Subsection (3)(b), a person receiving a deferred deposit loan may
204 rescind the deferred deposit loan on or before 5 p.m. of the next business day without incurring
205 any charges;

206 (v) that under Subsection (4)(b), the deferred deposit loan may not be rolled over
207 without the person receiving the deferred deposit loan requesting the rollover of the deferred
208 deposit loan; and

209 (vi) that under Subsection (4)(c), the deferred deposit loan may not be rolled over if the
210 rollover requires the person to pay the amount owed by the person under the deferred deposit
211 loan in whole or in part more than 10 weeks after the day on which the deferred deposit loan is
212 executed;

213 (f) comply with the following as in effect on the date the deferred deposit loan is
214 extended:

215 (i) Truth in Lending Act, 15 U.S.C. Sec. 1601 et seq., and its implementing federal
216 regulations;

217 (ii) Equal Credit Opportunity Act, 15 U.S.C. Sec. 1691, and its implementing federal
218 regulations;

219 (iii) Bank Secrecy Act, 12 U.S.C. Sec. 1829b, 12 U.S.C. Sec. 1951 through 1959, and
220 31 U.S.C. Sec. 5311 through 5332, and its implementing regulations; and

221 (iv) Title 70C, Utah Consumer Credit Code;

222 (g) in accordance with Subsection (6), make an inquiry to determine whether a person
223 attempting to receive a deferred deposit loan has the ability to repay the deferred deposit loan
224 in the ordinary course, which may include rollovers or extended payment plans as allowed

225 under this chapter; [~~and~~]

226 (h) in accordance with Subsection (7), receive a signed acknowledgment from a person
227 attempting to receive a deferred deposit loan that the person has the ability to repay the
228 deferred deposit loan, which may include rollovers or extended payment plans as allowed by
229 this chapter[~~;~~]; and

230 (i) report the original loan amount, payment in full, or default of a deferred deposit
231 loan to a consumer reporting agency, as defined in 15 U.S.C. Sec. 1681a, in accordance with
232 procedures established by the consumer reporting agency.

233 (2) If a deferred deposit lender extends a deferred deposit loan through the Internet or
234 other electronic means, the deferred deposit lender shall provide the information described in
235 Subsection (1)(a) to the person receiving the deferred deposit loan:

236 (a) in a conspicuous manner; and

237 (b) prior to the person entering into the deferred deposit loan.

238 (3) A deferred deposit lender that engages in a deferred deposit loan shall permit a
239 person receiving a deferred deposit loan to:

240 (a) make partial payments in increments of at least \$5 on the principal owed on the
241 deferred deposit loan at any time prior to maturity without incurring additional charges above
242 the charges provided in the written contract; and

243 (b) rescind the deferred deposit loan without incurring any charges by returning the
244 deferred deposit loan amount to the deferred deposit lender on or before 5 p.m. the next
245 business day following the deferred deposit loan transaction.

246 (4) A deferred deposit lender that engages in a deferred deposit loan may not:

247 (a) collect additional interest on a deferred deposit loan with an outstanding principal
248 balance 10 weeks after the day on which the deferred deposit loan is executed;

249 (b) roll over a deferred deposit loan without the person receiving the deferred deposit
250 loan requesting the rollover of the deferred deposit loan;

251 (c) roll over a deferred deposit loan if the rollover requires a person to pay the amount
252 owed by the person under a deferred deposit loan in whole or in part more than 10 weeks from

253 the day on which the deferred deposit loan is first executed;

254 (d) extend a new deferred deposit loan to a person on the same business day that the
255 person makes a payment on another deferred deposit loan if the payment:

256 (i) is made at least 10 weeks after the day on which that deferred deposit loan is
257 extended; and

258 (ii) results in the principal of that deferred deposit loan being paid in full;

259 (e) threaten to use or use the criminal process in any state to collect on the deferred
260 deposit loan;

261 (f) in connection with the collection of money owed on a deferred deposit loan,
262 communicate with a person who owes money on a deferred deposit loan at the person's place of
263 employment if the person or the person's employer communicates, orally or in writing, to the
264 deferred deposit lender that the person's employer prohibits the person from receiving these
265 communications; or

266 (g) modify by contract the venue provisions in Title 78B, Chapter 3, Actions and
267 Venue.

268 (5) Notwithstanding Subsections (4)(a) and (e), a deferred deposit lender that is the
269 holder of a check used to obtain a deferred deposit loan that is dishonored may use the
270 remedies and notice procedures provided in Chapter 15, Dishonored Instruments, except that
271 the issuer, as defined in Section 7-15-1, of the check may not be:

272 (a) asked by the holder to pay the amount described in Subsection 7-15-1(6)(a)(iii) as a
273 condition of the holder not filing a civil action; or

274 (b) held liable for the damages described in Subsection 7-15-1(7)(b)(vi).

275 (6) (a) The inquiry required by Subsection (1)(g) applies solely to the initial period of a
276 deferred deposit loan transaction with a person and does not apply to any rollover or extended
277 payment plan of a deferred deposit loan.

278 (b) [A] Subject to Subsection (6)(c), a deferred deposit lender is in compliance with
279 Subsection (1)(g) if the deferred deposit lender, at the time of the initial period of the deferred
280 deposit loan transaction, obtains one of the following regarding the person seeking the deferred

281 deposit loan:

282 (i) a consumer report, as defined in 15 U.S.C. Sec. 1681a, from a consumer reporting
283 agency, as defined in 15 U.S.C. Sec. 1681a;

284 (ii) written proof or verification of income from the person seeking the deferred deposit
285 loan; or

286 (iii) prior repayment history with the deferred deposit loan from the records of the
287 deferred deposit lender.

288 (c) If a person seeking a deferred deposit loan has not previously received a deferred
289 deposit loan from that deferred deposit lender, to be in compliance with Subsection (1)(g), the
290 deferred deposit lender, at the time of the initial period of the deferred deposit loan transaction,
291 shall obtain a consumer report, as defined in 15 U.S.C. Sec. 1681a, from a consumer reporting
292 agency, as defined in 15 U.S.C. Sec. 1681a.

293 (7) A deferred deposit lender is in compliance with Subsection (1)(h) if the deferred
294 deposit lender obtains from the person seeking the deferred deposit loan a signed
295 acknowledgment that is in 14-point bold font, that the person seeking the deferred deposit loan
296 has:

297 (a) reviewed the payment terms of the deferred deposit loan agreement;

298 (b) received a disclosure that a deferred deposit loan may not be rolled over if the
299 rollover requires the person to pay the amount owed by the person under the deferred deposit
300 loan in whole or in part more than 10 weeks after the day on which the deferred deposit loan is
301 first executed;

302 (c) received a disclosure explaining the extended payment plan options; and

303 (d) acknowledged the ability to repay the deferred deposit loan in the ordinary course,
304 which may include rollovers, or extended payment plans as allowed under this chapter.

305 (8) (a) Before initiating a civil action against a person who owes money on a deferred
306 deposit loan, a deferred deposit lender shall provide the person at least 10 days notice of
307 default, describing that:

308 (i) the person must remedy the default; and [~~that~~]

309 (ii) the deferred deposit lender [~~intends to~~] may initiate a civil action against the person
310 if the person fails to cure the default within the 10-day period or through an extended payment
311 plan meeting the requirements of Section 7-23-403.

312 (b) A deferred deposit lender may provide the notice required under this Subsection
313 (8):

314 (i) by sending written notice to the address provided by the person to the deferred
315 deposit lender;

316 (ii) by sending an electronic transmission to a person if electronic contact information
317 is provided to the deferred deposit lender; or

318 (iii) pursuant to the Utah Rules of Civil Procedure.

319 (c) A notice under this Subsection (8), in addition to complying with Subsection (8)(a),
320 shall:

321 (i) be in English, if the initial transaction is conducted in English;

322 (ii) state the date by which the person must act to enter into an extended payment plan;

323 (iii) explain the procedures the person must follow to enter into an extended payment
324 plan;

325 (iv) subject to Subsection 7-23-403(7), if the deferred deposit lender requires the
326 person to make an initial payment to enter into an extended payment plan:

327 (A) explain the requirement; and

328 (B) state the amount of the initial payment and the date the initial payment shall be
329 made;

330 (v) state that the person has the opportunity to enter into an extended payment plan for
331 a time period meeting the requirements of Subsection 7-23-403(2)(b); and

332 (vi) include the following amounts:

333 (A) the remaining balance on the original deferred deposit loan;

334 (B) the total payments made on the deferred deposit loan;

335 (C) any charges added to the deferred deposit loan amount allowed pursuant to this
336 chapter; and

337 (D) the total amount due if the person enters into an extended payment plan.

338 Section 3. Section **7-23-403** is amended to read:

339 **7-23-403. Extended payment plan.**

340 (1) (a) If a person who owes money on a deferred deposit loan requests to enter into an
341 extended payment plan, the deferred deposit lender who extended the deferred deposit loan
342 shall allow the person to enter into an extended payment plan that meets the requirements of
343 this section at least once during a 12-month period to pay the money owed.

344 (b) A deferred deposit lender is not required to enter into an extended payment plan
345 with a person who owes money on a deferred deposit loan more than one time during a
346 12-month period.

347 (c) Notwithstanding the other provisions of this Subsection (1), if a person is charged
348 10 continuous weeks of interest or fees on a deferred deposit loan, including rollovers, at the
349 end of the 10-week period:

350 (i) the person may request to repay the deferred deposit loan and rollovers under an
351 extended payment plan that meets the requirements of this section; and

352 (ii) the deferred deposit lender shall execute the extended payment plan in accordance
353 with this section.

354 (2) An extended payment plan shall include the following:

355 (a) A deferred deposit lender shall require a person who receives a deferred deposit
356 loan and wants to enter an extended payment plan to enter into a written agreement:

357 (i) with the deferred deposit lender;

358 (ii) that is executed:

359 (A) no sooner than the day before the last day of the initial term of the deferred deposit
360 loan; ~~[and]~~

361 (B) except as provided in Subsection (2)(a)(ii)(C), no later than the ~~[end of the deferred~~
362 ~~deposit lender's]~~ business day before the day on which the deferred deposit loan is due; and

363 (C) for an extended payment plan offered after a default on a deferred deposit loan, 10
364 days after receiving the notice described in Subsection 7-23-401(8), unless a later date is

365 allowed by the deferred deposit lender;

366 (iii) that is signed by the deferred deposit lender or its agent and the person;

367 (iv) a copy of which is given to the person; and

368 [(iii)] (v) that states:

369 (A) a payment schedule; and

370 (B) the money owed under the extended payment plan.

371 (b) A payment schedule for an extended payment plan shall provide that the money
372 owed may be paid:

373 (i) in at least four equal payments; and

374 (ii) over a time period that is at least ~~[60 days:]~~ the greater of:

375 (A) 90 days after the date of default; or

376 (B) 60 days after entering into an extended payment plan.

377 (c) The money owed under an extended payment plan shall equal the money owed
378 under the deferred deposit loan, including interest and fees, that would be due if the deferred
379 deposit loan is paid in full on the last day of the most current term of the deferred deposit loan.

380 (3) (a) A deferred deposit lender may not charge interest or fees as part of an extended
381 payment plan~~[-]~~ regardless of the name given to the interest or fees including:

382 (i) an origination fee;

383 (ii) a set-up fee;

384 (iii) a collection fee;

385 (iv) a transaction fee;

386 (v) a negotiation fee;

387 (vi) a handling fee;

388 (vii) a processing fee;

389 (viii) a late fee; or

390 (ix) a default fee.

391 (b) Except as provided in Subsection (7), a deferred deposit lender may not accept any
392 additional security or collateral from the person who receives the deferred deposit loan to enter

393 into the extended payment plan.

394 (c) A deferred deposit lender may not sell to the person who receives the deferred
395 deposit loan any insurance or require the person to purchase insurance or any other goods or
396 services to enter into the extended payment plan.

397 [~~(b)~~] (d) A deferred deposit loan may not be considered in default during the extended
398 payment plan period if the person who receives the deferred deposit loan complies with the
399 terms of the extended payment plan.

400 [~~(c)~~] (e) If a person who receives a deferred deposit loan defaults during the extended
401 payment plan period, the deferred deposit lender may:

- 402 (i) accelerate the requirement to pay the money owed under the extended payment plan;
- 403 (ii) charge a fee not to exceed \$20;
- 404 (iii) terminate the extended payment plan; and
- 405 (iv) subject to the other requirements of this chapter, reinstate the original deferred
406 deposit loan terms.

407 (4) A deferred deposit loan may not penalize a person who enters into an extended
408 payment plan for paying to the deferred deposit lender money owed under the extended
409 payment plan before the money is due.

410 (5) (a) A deferred deposit lender may not initiate collection activities for a deferred
411 deposit loan that is subject to an extended payment plan during the period that the person
412 owing money under the extended payment plan is in compliance with the extended payment
413 plan.

414 (b) A deferred deposit lender may not attempt to collect an amount that is greater than
415 the amount owed under the terms of an extended payment plan.

416 (6) A deferred deposit lender may not collect additional interest or fees on a deferred
417 deposit loan, except for the fee imposed under Subsection (3)[~~(c)~~](e)(ii), from a person who has
418 been charged 10 weeks interest and defaults under the extended payment plan described in
419 Subsection (1)(c).

420 (7) Under an extended payment plan:

421 (a) a deferred deposit lender may require the person who receives a deferred deposit
422 loan to make an initial payment of not more than 20% of the total amount due under the terms
423 of the extended payment plan if the person has defaulted on the deferred deposit loan;

424 (b) (i) a deferred deposit lender may require a person who receives a deferred deposit
425 loan to provide the deferred deposit lender, as security, one or more checks or written
426 authorizations for an electronic transfer of money that equal the total amount due under the
427 terms of the extended payment plan;

428 (ii) if the person who receives a deferred deposit loan makes a payment in the amount
429 of a check or written authorization taken as security for that payment, the deferred deposit
430 lender shall:

431 (A) return to the person the check or written authorization stamped "void"; or

432 (B) destroy the check or written authorization; and

433 (iii) the deferred deposit lender may not charge a fee to the person who receives the
434 deferred deposit loan for a check that is provided as security during the extended payment plan
435 and that is not paid upon presentment if the deferred deposit lender has previously charged a
436 fee under Subsection [7-23-401](#)(5) at least once in connection with that deferred deposit loan.

437 (8) When a person who receives a deferred deposit loan makes a payment pursuant to
438 an extended payment plan, the deferred deposit lender shall give to the person a receipt with
439 the following information:

440 (a) the name and address of the deferred deposit lender;

441 (b) the identification number assigned to the deferred deposit loan agreement or other
442 information that identifies the deferred deposit loan;

443 (c) the date of the payment;

444 (d) the amount paid;

445 (e) the balance due on the deferred deposit loan or, when the person makes the final
446 payment, a statement that the deferred deposit loan is paid in full; and

447 (f) if more than one deferred deposit loan made by the deferred deposit lender to the
448 person is outstanding at the time the payment is made, a statement indicating to which deferred

449 deposit loan the payment is applied.

450 Section 4. **Effective date.**

451 This bill takes effect on July 1, 2016.