

HB 2060 -- PAYDAY LOAN LICENSEES

SPONSOR: Engler

This bill prohibits a payday loan licensee from threatening or causing to be instigated criminal proceedings against a borrower if a check given as security for a loan is dishonored unless the borrower's account on which the check was written was closed before the agreed-upon date of negotiation or the borrower has stopped payment of the check.

A licensee that knowingly violates this prohibition must pay the affected borrower three times the amount of the dishonored check in addition to any other remedies available by law.

A payday loan licensee must comply with the restrictions and prohibitions applicable to creditors contained in the federal Fair Debt Collection Practices Act regarding harassment or abuse, false or misleading misrepresentations, and unfair practices when collecting or attempting to collect a loan.