



DAILY BRIEF

For the 2018 Legislative Session

From February 15, 2018

CONSUMER PROTECTION

SB 920-Relating to Deferred Presentment Transactions

On Thursday, February 15th, SB 920, by Senator Rob Bradley (R-Orange Park) was heard by the Senate Committee on Appropriations and passed by a vote of 16 yeas to 1 nay. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

The bill authorizes deferred presentment installment transactions under Florida law. Deferred presentment transactions made pursuant to SB 920 would be exempt from the underwriting requirement of the Consumer Finance Protection Bureau (CFPB) rule because such loans would be for a term longer than 30 days and would not be a longer-term balloon payment loan because the bill requires installment payment to be as equal as practicable. Provisions of the CFPB rule relating to payment practices, lender reporting, and compliance will apply to deferred presentment installment transaction lenders that provide loans with a term longer than 45 days, with a cost of credit exceeding 36 percent per annum, and that have a leveraged payment mechanism.

SB 920 will go on to the Senate Committee on Rules for its next hearing.

AIF supports legislation that creates a new framework that conforms with the federal guidelines while also retaining the choices Florida consumers need and deserve.