

The Florida Senate
HOUSE MESSAGE SUMMARY

Prepared By: The Professional Staff of the Committee on Community Affairs

[2019h00861.hms.docx]

BILL: HB 861

INTRODUCER: Representatives Roach and Fernandez-Barquin

SUBJECT: Local Government Financial Reporting

DATE: May 3, 2019

I. Amendments Contained in Message:

Senate Amendment 1 – 300314 (Body with Title)

II. Summary of Amendments Contained in Message:

Senate Amendment 300314 added language to the underlying bill substantially similar to CS/CS/SB 874, 1st Eng., on Consumer Finance Loans establishing the Access to Responsible Credit Pilot Program. Amendment 300314 differs from CS/CS/SB 874, 1st Eng., by:

- Specifying types of entities and agents deemed as access partners for the program.
- Removing a prohibition of in-person marketing of the program at food service and sale of liquor locations.
- Requiring a program licensee to maintain a registry of access partners and their locations.
- Removing a 2019-2020 appropriation to the Office of Financial Regulation to implement the act.
- Changing the act's title to Responsible Finance

Major facets of the Pilot Program include:

- Program licensee loans of at least \$300 and no more than \$7,500, at a maximum fixed interest rate of 36 percent per annum.
- Loan terms of 120 days to 36 months for a loan amount of \$300 to \$3,000, and 12 to 60 months for a loan amount of more than \$3,000.
- Origination fees of six percent of the principal amount of the program loan, exclusive of the origination fee, or \$90, whichever is less.
- A borrower's right to rescind a program loan and return the principal amount by the end of the next business day.
- A prohibition of prepayment penalties.
- Underwriting criteria based on the borrower's ability to repay.