

FIFTY-THIRD LEGISLATURE
FIRST SESSION, 2017

HB 347/a

March 16, 2017

Mr. President:

Your **CORPORATIONS AND TRANSPORTATION COMMITTEE**, to whom has been referred

**HOUSE JUDICIARY COMMITTEE SUBSTITUTE FOR
HOUSE BUSINESS AND INDUSTRY COMMITTEE SUBSTITUTE FOR
HOUSE BILL 347**

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 5, line 11, after "amount", insert ", other than the total finance charge, which consists solely of interest and a fully earned processing fee not to exceed the lesser of two hundred dollars (\$200) or ten percent of the principal,".

2. On page 9, line 2, strike the closing quotation mark.

3. On page 9, between lines 2 and 3, insert the following new subsection:

"E. The provisions of Subsections B and C of this section shall not apply to refund anticipation loans. As used in this subsection, "refund anticipation loan" means a loan that is secured by or that the creditor arranges or expects to be repaid, directly or indirectly, from the proceeds of the consumer's federal or state personal income tax refunds or tax credits, including any sale, assignment or purchase of a tax refund or tax credit at a discount or for a fee.".

4. On page 10, lines 3 through 5, strike Subsection C in its entirety and insert in lieu thereof the following new subsection:

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"C. A violation of the provisions of the New Mexico Bank Installment Loan Act of 1959, which violation consists of a false or misleading oral or written representation of any kind knowingly made in the extension of credit that may, tends to or does deceive or mislead any person to whom the extension of credit is made, constitutes an unfair or deceptive trade practice pursuant to the Unfair Practices Act."".

5. On page 14, strike lines 16 through 25 in their entirety and insert in lieu thereof the following subsection:

"F. "installment loan" means a loan in an amount less than or equal to five thousand dollars (\$5,000) that is to be repaid in a minimum of four substantially equal payments of principal and interest to pay off a loan in its entirety with an initial stated maturity of not less than one hundred twenty days to maturity. "Installment loan" does not mean a refund anticipation loan;".

6. On page 16, between lines 21 and 22, insert the following new subsection:

"J. "refund anticipation loan" means a loan that is secured by or that the creditor arranges or expects to be repaid, directly or indirectly, from the proceeds of the consumer's federal or state personal income tax refunds or tax credits, including any sale, assignment or purchase of a tax refund or tax credit at a discount or for a fee;".

7. Reletter the succeeding subsection accordingly.

8. On page 20, lines 5 through 7, strike Subsection G in its entirety and insert in lieu thereof the following new subsection:

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"G. A violation of the provisions of the New Mexico Small Loan Act of 1955, which violation consists of a false or misleading oral or written representation of any kind knowingly made in the extension of credit that may, tends to or does deceive or mislead any person to whom the extension of credit is made, constitutes an unfair or deceptive trade practice pursuant to the Unfair Practices Act."".

9. On page 40, line 3, after "days", insert "unless the loan is a refund anticipation loan".

10. On page 40, line 6, after "loan", insert "or a refund anticipation loan".

11. On page 40, line 8, after "1955", insert ", other than a refund anticipation loan,".

12. On page 42, line 1, after "LOANS", insert "--REFUND ANTICIPATION LOANS".

13. On page 42, line 12, after "58-15-16", insert ", 58-15-17".

14. On page 42, line 16, after "loan", insert "and refund anticipation loan".

15. On page 49, line 7, after "loans", insert "and refund anticipation loans".

16. On page 49, line 15, after "loans", insert "and refund anticipation loans".

17. On page 49, line 18, after "loans", insert "and refund anticipation loans".

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Respectfully submitted,

SENATOR CLEMENTE SANCHEZ, CHAIRMAN

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 8 For 0 Against
Yes: 8
No: 0
Excused: None
Absent: None

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