

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 433

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Bernadette M. Sanchez

AN ACT

RELATING TO FINANCIAL INSTITUTIONS; ENACTING REPORTING  
REQUIREMENTS FOR DEFERRED DEPOSIT LOANS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the New Mexico Small Loan Act  
of 1955 is enacted to read:

"[NEW MATERIAL] REPORTING REQUIREMENTS FOR DEFERRED  
DEPOSIT LOANS. --

A. A licensee that issues deferred deposit loans  
shall file an annual report with the division for data  
collection purposes on or before the last day of March for the  
preceding calendar year on forms prescribed by the division.  
The report shall disclose in detail and under appropriate  
headings:

- (1) the location of the licensee;

underscored material = new  
[bracketed material] = delete

- 1 (2) the unencumbered assets of the licensee;
- 2 (3) the licensure of the licensee;
- 3 (4) the total volume of the licensee's
- 4 deferred deposit loans in dollars;
- 5 (5) the total number of the licensee's
- 6 deferred deposit loans;
- 7 (6) the total number of the licensee's
- 8 deferred deposit loans outstanding;
- 9 (7) the minimum, maximum and average dollar
- 10 amount of the licensee's deferred deposit loans;
- 11 (8) the average annual percentage rate charged
- 12 to the consumer;
- 13 (9) all other fees and charges to the
- 14 consumer;
- 15 (10) the total number of deferred deposit
- 16 loans made to each consumer;
- 17 (11) the number of rollovers by each consumer;
- 18 (12) the total cost of rollovers to each
- 19 consumer;
- 20 (13) the total number of loans in default;
- 21 (14) the total dollar amount of loans in
- 22 default;
- 23 (15) the address and census tract of each
- 24 consumer;
- 25 (16) each consumer's income during the term of

. 142905. 3

underscored material = new  
[bracketed material] = delete

1 the deferred deposit loan;

2 (17) each consumer's other outstanding loans  
3 at the time of the deferred deposit loan;

4 (18) documentation required by the licensee  
5 prior to issuing a deferred deposit loan;

6 (19) actions taken by the licensee upon  
7 default;

8 (20) copies of loan documents and fee  
9 schedules;

10 (21) the number and type of complaints filed  
11 against the licensee; and

12 (22) any additional information that the  
13 director requests to determine if the licensee is complying  
14 with the provisions of the New Mexico Small Loan Act of 1955.

15 B. For the purpose of this section:

16 (1) "deferred deposit loan" means a  
17 transaction in which a licensee lends money to a consumer by:

18 (a) accepting a check dated on the date  
19 it was written and agreeing to hold it for a specific period of  
20 days prior to deposit or presentment; or

21 (b) accepting a check dated subsequent  
22 to the date it was written and agreeing to hold the check for  
23 deposit until the date written on the check; and

24 (2) "rollover" means the act of paying the  
25 fees and interest due on a loan and extending the loan for a

underscored material = new  
[bracketed material] = delete

1 specific period. "

2 Section 2. Section 58-15-2 NMSA 1978 (being Laws 1955,  
3 Chapter 128, Section 2, as amended) is amended to read:

4 "58-15-2. DEFINITIONS. -- ~~[The following words and terms~~  
5 ~~when]~~ As used in the New Mexico Small Loan Act of 1955 ~~[shall~~  
6 ~~have the following meanings unless the context clearly requires~~  
7 ~~a different meaning. The meaning ascribed to the singular form~~  
8 ~~shall apply also to the plural]:~~

9 A. "person" ~~[shall include]~~ means individuals, co-  
10 partners, associations, trusts, corporations and any other  
11 legal entity;

12 B. "license" ~~[shall mean]~~ means a permit issued  
13 under the authority of the New Mexico Small Loan Act of 1955 to  
14 make loans and collect charges ~~[therefor]~~ strictly in  
15 accordance with the provisions of ~~[the New Mexico Small Loan~~  
16 ~~Act of 1955]~~ that act at a single place of business. It ~~[shall~~  
17 ~~constitute and be construed as]~~ is a grant of a ~~[revokable]~~  
18 revocable privilege only to be held and enjoyed subject to all  
19 the conditions, restrictions and limitations contained in ~~[the~~  
20 ~~New Mexico Small Loan Act of 1955]~~ that act and ~~[lawful~~  
21 ~~regulations]~~ rules promulgated by the ~~[director of the~~  
22 ~~financial institutions]~~ division and not otherwise;

23 C. "licensee" ~~[shall mean]~~ means a person to whom  
24 one or more licenses have been issued ~~[hereunder]~~ under the New  
25 Mexico Small Loan Act of 1955 upon ~~[their]~~ the person's written

. 142905. 3

underscored material = new  
[bracketed material] = delete

1 application electing to become a licensee and consenting to  
2 exercise the privilege of a licensee solely in conformity with  
3 ~~[the New Mexico Small Loan Act of 1955]~~ that act and the  
4 ~~[lawful regulations]~~ rules promulgated by the ~~[director of the~~  
5 ~~financial institutions]~~ division ~~[hereunder]~~ under that act and  
6 whose name ~~[or names appear]~~ appears on the face of the  
7 license;

8 D. "director" means the director of the ~~[financial~~  
9 ~~institutions]~~ division ~~[of the commerce and industry~~  
10 ~~department]~~; and

11 E. "department" or "division" means the financial  
12 institutions division of the ~~[commerce and industry]~~ regulation  
13 and licensing department."  
14