



AFSA

AMERICAN FINANCIAL SERVICES ASSOCIATION



2024 VEHICLE FINANCE CONFERENCE & EXPO

January 29-February 1, 2024
Bellagio Las Vegas

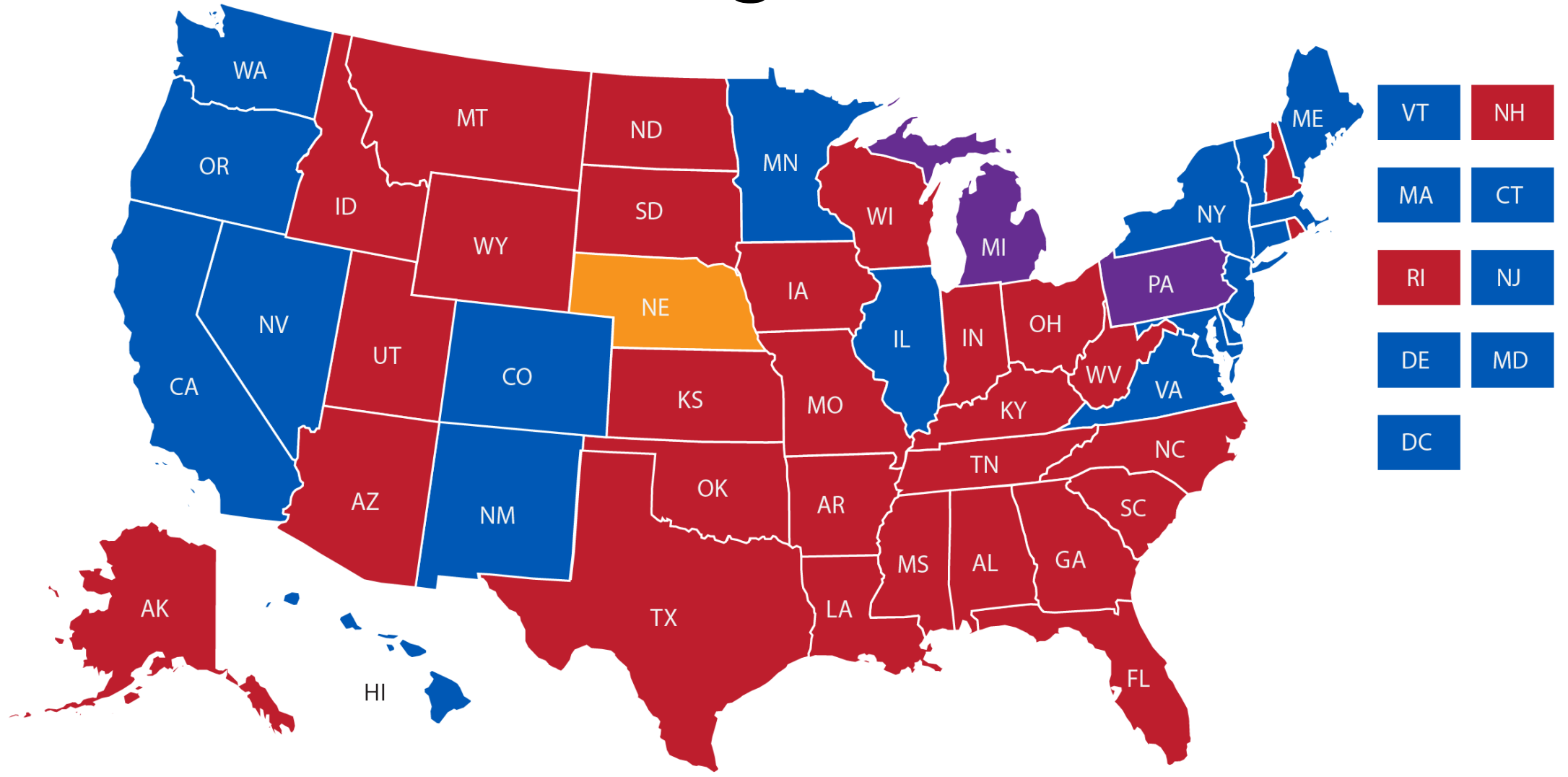
ALL IN IT TO WIN IT



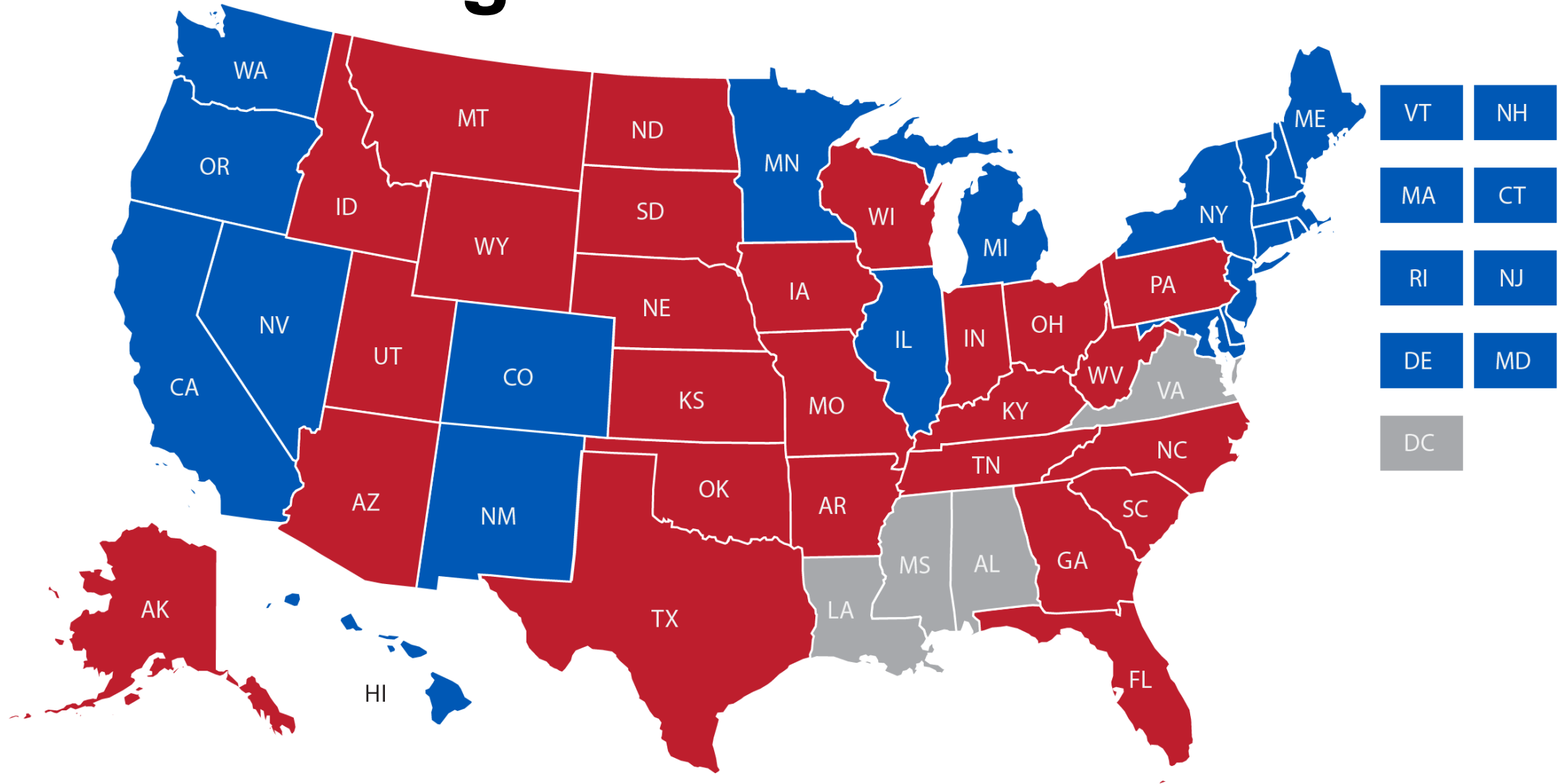
STATES

2024 VEHICLE FINANCE CONFERENCE & EXPO

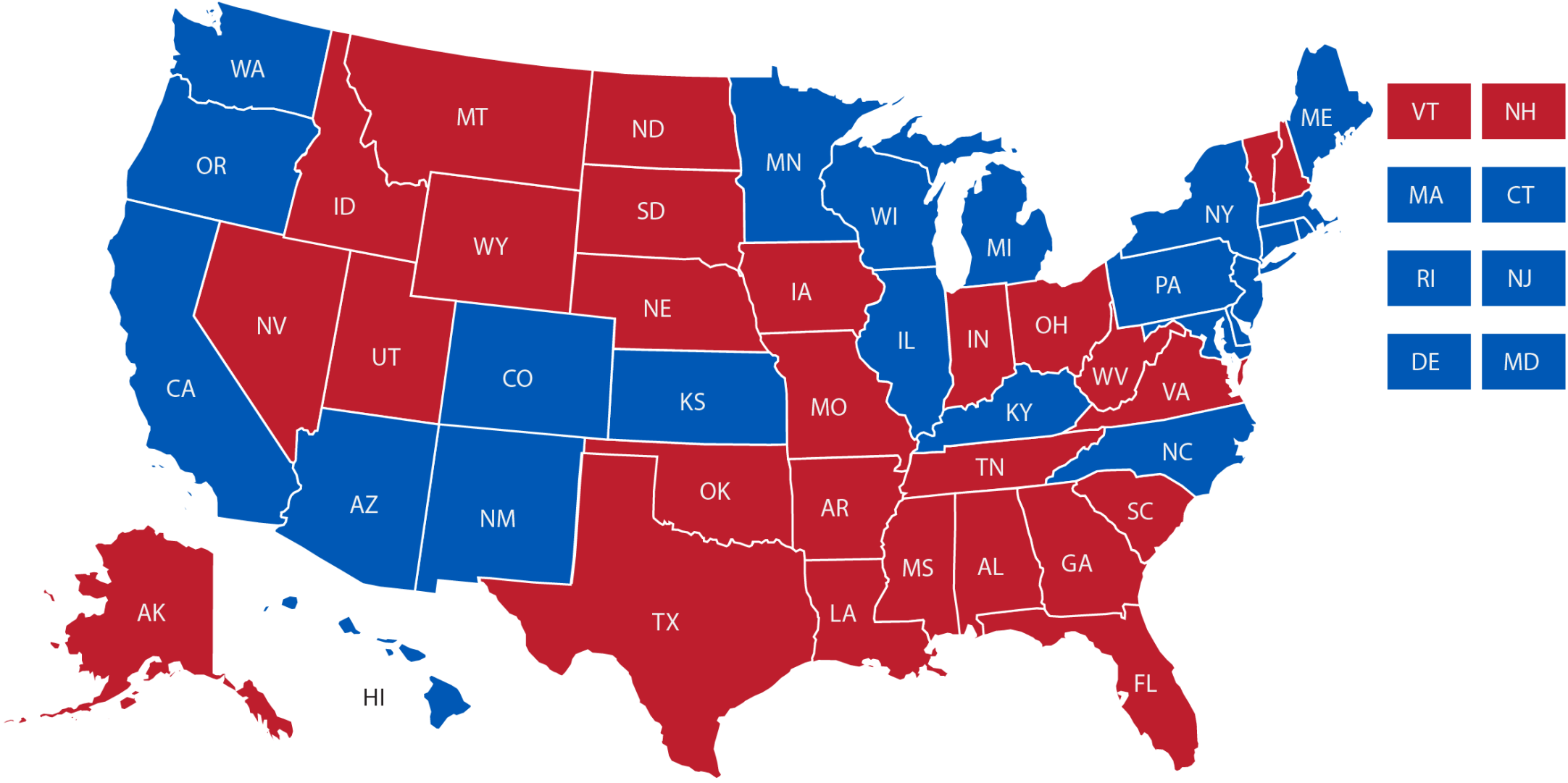
State Legislatures



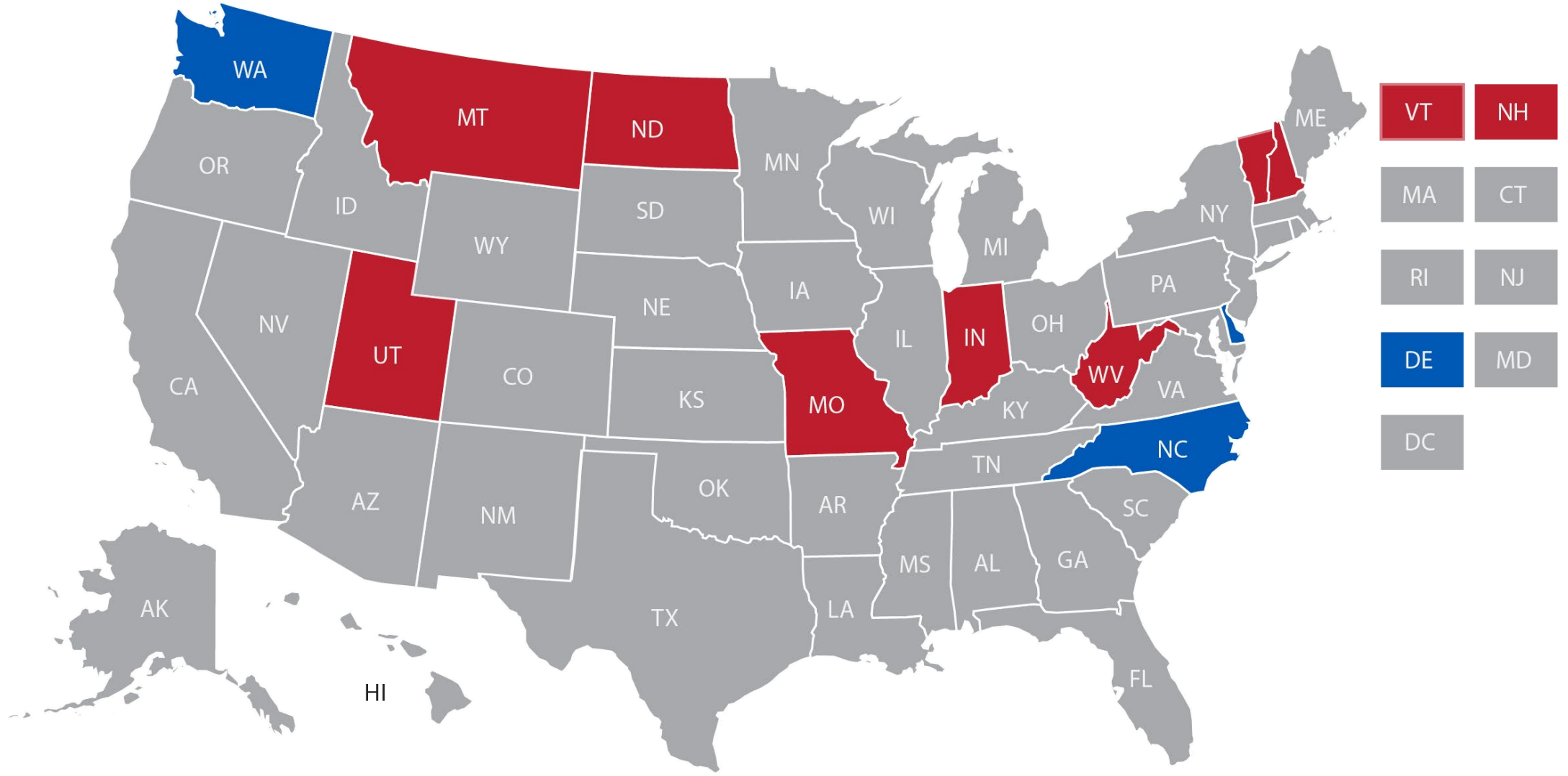
Legislative Elections



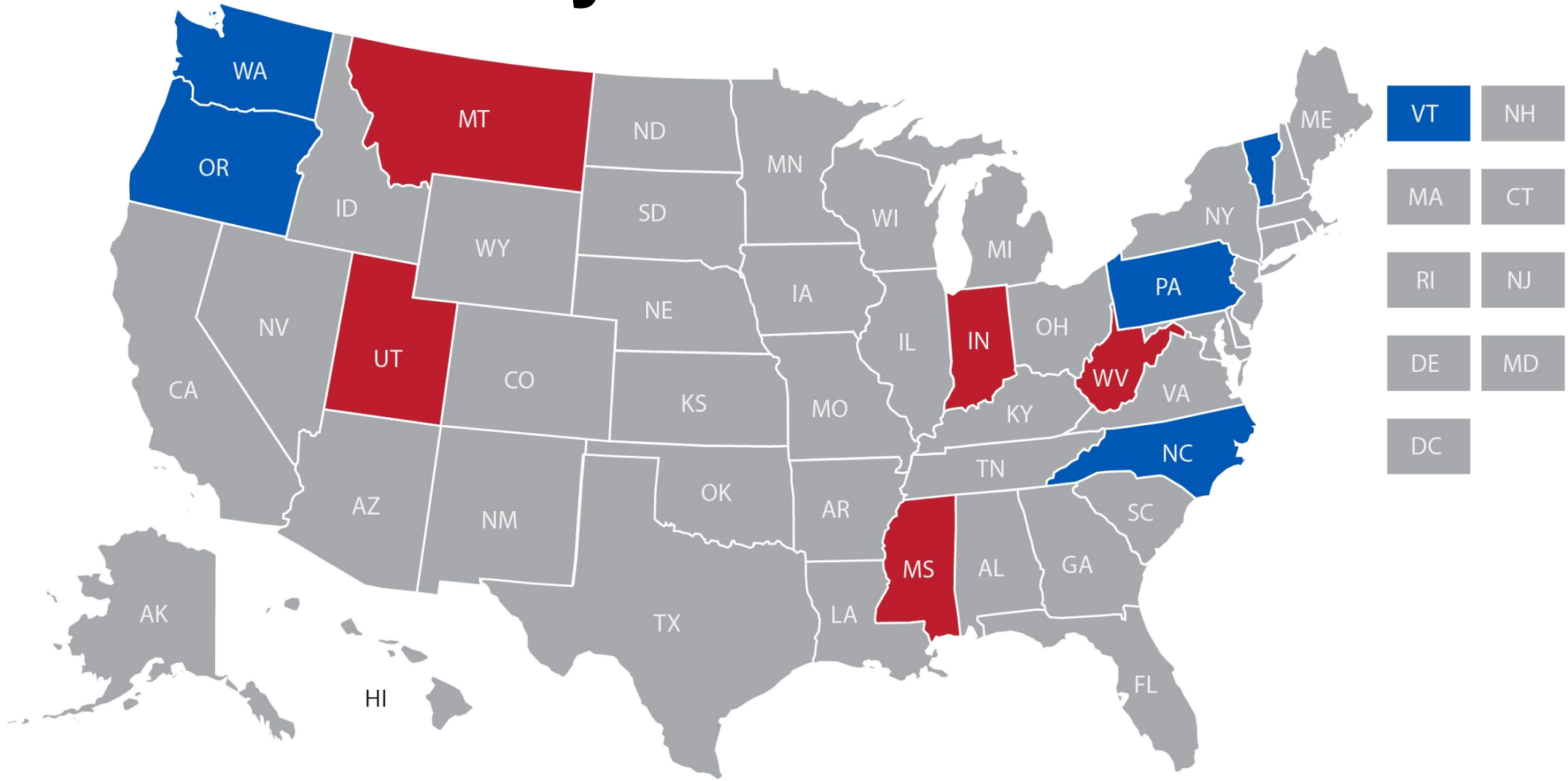
Governors



Gubernatorial Elections



Attorney General Elections



THE KITCHEN SINK INITIATIVE



36% MILITARY APR

LOAN VOID IF ABOVE CAP

TRUE LENDER

DIDMCA OPT OUT

COLLECTION EXEMPTIONS

85% - 90% EXEMPT FROM GARNISHMENT





Pursuant to NRS 295.015, before a petition for initiative or referendum may be presented to registered voters for signatures, the person who intends to circulate the petition must provide the following information:

NAME OF PERSON FILING THE PETITION

Kate Feldman

NAME(S) OF PERSON(S) AUTHORIZED TO WITHDRAW OR AMEND THE PETITION (provide up to three)

1. Kate Feldman
- 2.
- 3.

NAME OF THE POLITICAL ACTION COMMITTEE (PAC) ADVOCATING FOR THE PASSAGE OF THE INITIATIVE OR REFERENDUM (if none, leave blank)

Please note, if you are creating a Political Action Committee for the purpose of advocating for the passage of the initiative or referendum, you must complete a separate PAC registration form.

Additionally, a copy of the initiative or referendum, including the description of effect, must be filed with the Secretary of State's office at the time you submit this form.

X Kate Feldman 1/4/2024
 Signature of Petition Filer Date

Initiative Petition – Statewide Statutory Measure **State of Nevada**

DESCRIPTION OF EFFECT

This measure addresses high-interest lending practices by establishing maximum interest rates charged to consumers, and shields more of people's savings and earnings from garnishment than under current law.

Currently, most consumer loans have no interest rate cap. The proposed cap would set a maximum interest rate of 36% annually on the unpaid balance of the amount financed, and would apply to consumer loans; deferred-deposit transactions ("payday loans"); title loans; and other loan types dependent on future earnings and income.

The initiative also prohibits evading the interest rate cap by structuring transactions to mask their nature as loans covered by this measure, or partnering with out-of-state lenders to violate the rate cap. The initiative voids transactions that violate the cap, and establishes civil penalties.

Additionally, the initiative automatically protects \$5,000 of savings in a personal bank account (up from \$400 now), and \$850 of wages in any workweek (up from \$369), as well as a portion of disposable earnings above that amount, from seizure for a debt. Those amounts would be indexed to increase periodically with inflation.

County of _____ (**Only registered voters of this county may sign below**)
 Petition District: _____ (**Only registered voters of this petition district may sign below**)

		Office Use
17	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE - DATE / /	CITY COUNTY
18	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE - DATE / /	CITY COUNTY
19	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE - DATE / /	CITY COUNTY
20	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE - DATE / /	CITY COUNTY

“MUST
EMBRACE
ONE
SUBJECT”

CHAPTER 295 - CERTAIN STATE AND LOCAL BALLOT QUESTIONS

GENERAL PROVISIONS

[NRS 295.009](#) General requirements for state or local petition for initiative or referendum: **Must embrace one subject**; must include description of effect.

STATE INITIATIVE AND REFERENDUM

[NRS 295.012](#) Requirements for petition: Number of voters proposing must be apportioned equally among petition districts and number of signatures required from each petition district must be equal.

[NRS 295.015](#) Copy of petition and certain information to be filed with Secretary of State before presentation to voters for signatures and after any amendment; effect of amendment on petition; assignment of unique identifier; determination of fiscal effect; Legislative Counsel authorized to provide technical suggestions; posting on Secretary of State's Internet website.

[NRS 295.026](#) [NRS 295.035](#) Withdrawal of petition.
Petition for initiative proposing amendment to Constitution: Secretary of State to use same number for identification of petition when submitted at successive elections.

[NRS 295.045](#) [NRS 295.055](#) [NRS 295.056](#) [NRS 295.0575](#) [NRS 295.0585](#) [NRS 295.061](#) Petition for referendum: Filing; submission to voters at general election.
Regulations specifying format of petition; each document of petition limited to voters of single petition district; removal of name from petition.

Requirements for submission of signatures to county clerk.

Petition may consist of more than one document; circulator's affidavit.

County clerk required to make copies of petition and signatures; copies to be made available to public.

Challenge to description of petition; challenge to legal sufficiency of petition.

COUNTY BALLOT QUESTIONS GENERALLY

"Board" defined.

Registered voters' power of initiative and referendum concerning county ordinances.

Commencement of proceedings: Petitioners' committee; form and requirements of petition; determination of anticipated financial effect; circulator's affidavit; receipt for petition issued by clerk.

Certification of sufficiency of petition; review of certification.

Consideration by board; submission to registered voters; withdrawal of petition.

Appointment of committees to prepare arguments advocating and opposing approval of ballot questions; duties of committees; regulations; preparation of arguments by county clerk if board fails to appoint committee; review of arguments; placement of arguments in sample ballots.

Results of election.

COUNTY REFERENDUM CONCERNING SPECIFIC LEGISLATIVE ACTS OR RESOLUTIONS

[NRS 295.140](#) [NRS 295.150](#) [NRS 295.160](#) [NRS 295.170](#) [NRS 295.180](#) Petition for referendum: Form and requirements; circulator's affidavit; receipt issued by clerk; certification of sufficiency; review of certification.

Names of registered voters may be contained in more than one petition; verification of petition.

Submission of question to people; publication.

Form of question on ballot; count and canvass of votes.

Effect of approval or disapproval of majority of registered voters.

CITY BALLOT QUESTIONS GENERALLY

Definitions.

Registered voters' power of initiative and referendum concerning city ordinances.

Commencement of proceedings: Petitioners' committee; form and requirements of petition; determination of anticipated financial effect; circulator's affidavit; receipt for petition issued by clerk.

Certification of sufficiency of petition; review of certification.

Consideration by council; submission to registered voters; withdrawal of petition.

Appointment of committees to prepare arguments advocating and opposing approval of ballot questions; duties of committees; regulations; preparation of arguments by city clerk if governing body fails to appoint committee; review of arguments; placement of arguments in sample ballots.

Results of election.

[NRS 295.220](#)

DEBT

COLLECTION

2024 VEHICLE FINANCE CONFERENCE & EXPO

AFSA
AMERICAN FINANCIAL SERVICES ASSOCIATION



Model Family Financial Protection Act

By Robert J. Hobbs, April Kuehnhoff,
and Chi Chi Wu
National Consumer Law Center®

Revised October 2021

THEMES

- Imbalance of power between “credit card lenders” and consumers
- Abuses in the Collection of Consumer Debts
- **Growth of the Debt Buying Industry**
- “Robo-Signing” in Debt Collection
- Collection of stale debts
- **Protections for Essential Income and Property Are Outdated**

MEDICAL DEBT



In the Circuit Court of the State of Oregon

For the County of _____

Plaintiff,)
Defendant(s))
DEBTOR
Case No. _____

Amounts have been calculated to be owing from you to _____
are owed by reason of: _____
entered against you dated _____
Court, _____ County, _____
subject to garnishment under the law (provide details): _____

COURT ADMINISTRATOR HAS NOT CALCULATED ANY AMOUNTS FOR
FOR ERRORS IN THIS FORM OR IN THE WRIT OF GARNISHMENT

Table with columns for amounts and descriptions: Total 'Other' from (if used), Past Writ Issuance Fee, Past Delivery Fees, Transcript and Filing Fees for Other Counties, Subtotal, LESS Payments Made on Debt, TOTAL Amount Required to Satisfy Debt in Full.

AMOUNTS NOT SUBJECT TO COLLECTION BY GARNISHMENT
LIABILITY FOR WRONGFUL EXECUTION.

Read this Debt Calculation form and to the best of my knowledge, information and belief the amount

JUST SIGN IF WRIT ISSUED BY COURT ADMINISTRATOR)
CREDITOR OR OTHER PERSON AUTHORIZED BY LAW TO ISSUE WRIT)
GARNISHEE (TYPE OR PRINT)
ADDRESS
STATE ZIP PHONE
ATTORNEY) DATE OF CALCULATION



Form header with fields for 'JEE COUNTY', 'Earnings Garnishment Notice', and 'Case No.'.

Table with 2 columns: Description (County of Original Judgment, Amount of Original Judgment, Amount of Judgment Unpaid) and corresponding input fields.

[] This is a garnishment action to satisfy an order for victim restitution under §973.20(1r), Wis. Stats and there is no filing fee.

Name of Debtor being garnished

Form fields for Name and Address of the Debtor being garnished.

Garnishee:

Form fields for Name and Address of the Garnishee.



ARIZONA
OREGON
MICHIGAN
NEVADA

JUNK FEES

2024 VEHICLE FINANCE CONFERENCE & EXPO



WHAT ARE THEY?

gotchas
surprise
exploitive
charges
unavoidable
unnecessary
hidden|little value
unexpected

AG Campbell Proposes Regulations To Combat "Junk Fees" And Bolster Transparency For Consumers

Proposed consumer protection regulations would require businesses to be upfront about fees, disclose the true price of products, enable easy cancellation of trial offers and subscriptions, and prevent unnecessary charges.



December 20, 2023
Andrea Joy Campbell, Attorney General
Massachusetts Office of the Attorney General
Attn: Policy & Government Affairs Division
One Ashburton Place, 20th Floor
Boston, MA 02108
Junkfees@mass.gov

Re: Proposed Regulations 940 C.M.R. 38.00: Unfair and Deceptive Fees

Dear Attorney General Campbell:
On behalf of the American Financial Services Association (AFSA), I thank you for the opportunity to provide comments on the Office of the Attorney General's (OAG) proposed regulations on Unfair and Deceptive Fees (940 C.M.R. 38.00). We have significant concerns with the proposed regulations due to the broad scope and vague language that leaves the potential impact on financial services unclear.
Unreasonable Comment Period
The proposed regulations would broadly affect "any item available for or as part of a Sale, including but not limited to services, and programs," but the period for public comments is limited to less than 30 days, excluding the holiday season. Such a short comment period for proposed regulations as they are being proposed does not allow for adequate consideration of the proposal or the potential impact of the regulations and would allow for more thoughtful comments supported by data which could be used to inform the regulatory process. The proposed comment period is also out of step with the standard 60-day comment period for proposed regulations. Accordingly, AFSA proposes that the comment period for the proposed regulations be extended to 60 days.

PROPOSED REGULATIONS 940 C.M.R. 38.00: UNFAIR AND DECEPTIVE FEES

Section

- 38.01: Purpose
- 38.02: Scope
- 38.03: Definitions
- 38.04: Unfairness and Deception in Connection with Marketing/Solicitation/Sale
- 38.05: Recurring Fees
- 38.06: Severability
- 38.07: Preemption

38.01: Purpose

The purpose of 940 C.M.R. 38.00 is to establish standards, by defining certain unfair and deceptive acts and practices, governing the imposition of fees in connection with marketing, solicitation, and Sale of Products.

940 C.M.R. 38.00 also establishes standards, by defining certain unfair and deceptive acts and practices, governing Automatic Renewal or Continuous Service Contracts and Trial Offers.

940 C.M.R. 38.00 is designed to protect consumers seeking to purchase, rent, lease, or barter Products, by ensuring a fairer and more transparent marketplace. 940 C.M.R. 38.00 addresses misrepresentations to consumers in connection with the presentation of prices, as well as misleading and deceptive practices that occur when consumers enter into Automatic Renewal or Continuous Service Contracts and Trial Offers.

38.02: Scope

940 C.M.R. 38.00 applies to acts or practices performed in connection with any Advertising or marketing, solicitation, or offer of Sale that is Targeted To or results in a Sale in Massachusetts.

38.03: Definitions

As used in 940 C.M.R. 38.00, the following words shall have the following meanings:

Advertisement, Advertising, Advertise. Any representation a) made in a newspaper, in a magazine, or other publication; or b) contained in any notice, handbill, sign, billboard, banner, poster, display, circular, pamphlet, catalog, or letter; or c) printed on or contained in any tag or label which is attached to or accompanies any Product; or d) presented through or during the use

WISCONSIN & FTC LAWSUIT

WHO dealer, current and former owners, and general manager

CORE ALLEGATION Allege “deceptively tacked **illegal junk fees**” onto payments and “discriminated against American Indian customers”

DECEPTION & PENETRATION LEVEL “Half” of their customers were charged for “add-on products and services without their consent or through deceptive practices” by either “slipping add-ons into lengthy and complicated contracts or falsely representing add-ons as mandatory.”

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN

FEDERAL TRADE COMMISSION and the
STATE OF WISCONSIN,

Plaintiffs,

vs.

RHINELANDER AUTO CENTER, INC., a
Wisconsin corporation, also d/b/a Rhinelander GM
Auto Center, Rhinelander Cadillac, and OK Used
Cars of Rhinelander;

RHINELANDER MOTOR COMPANY, a
Wisconsin corporation, also d/b/a Rhinelander
Toyota;

RHINELANDER AUTO GROUP LLC, a
Wisconsin limited liability company, also d/b/a
Rhinelander GM Auto Center, Rhinelander Cadillac,
and OK Used Cars of Rhinelander;

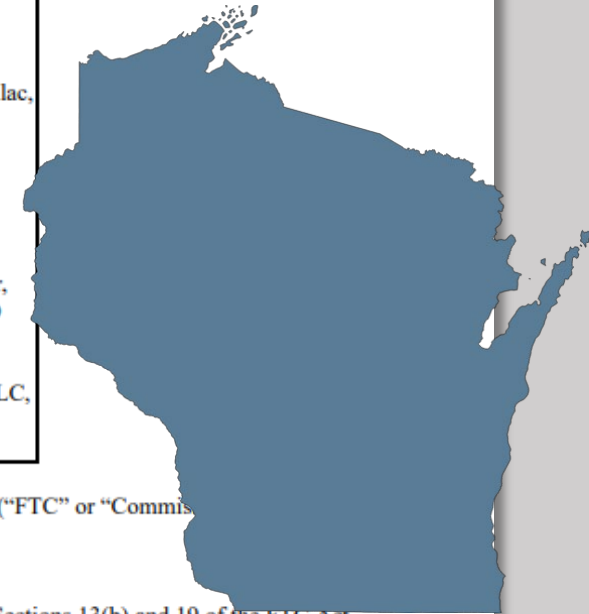
RHINELANDER IMPORT GROUP LLC, a
Wisconsin limited liability company, also d/b/a
Rhinelander Toyota; and

DANIEL TOWNE, individually and as an officer,
member, or manager of RHINELANDER AUTO
CENTER, INC., RHINELANDER MOTOR
COMPANY, RHINELANDER AUTO GROUP
LLC and RHINELANDER IMPORT GROUP LLC,

Defendants.

Case No. 3:23-cv-737

COMPLAINT FOR MONETARY
RELIEF, PERMANENT
INJUNCTION, AND OTHER RELIEF



Plaintiffs, the Federal Trade Commission (“FTC” or “Commis
Wisconsin, for their Complaint allege:

1. The FTC brings this action under Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, and the Equal Credit Opportunity Act (“ECOA”), 15 U.S.C. §§ 1691–1691f, which authorize the FTC to seek, and the Court to order, preliminary and

NEW YORK JUNK FEE PREVENTION ACT

STATE OF NEW YORK

7783--A

2023-2024 Regular Sessions

IN SENATE

December 1, 2023

Introduced by Sens. GIANARIS, SKOUFIS, CHU, GOUNARDES, HOYLMAN-SIGAL, MAY, RAMOS, SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to clear and conspicuous pricing practices regarding mandatory junk fees

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as
2 the "New York junk fee prevention act".

3 § 2. The general business law is amended by adding a new section 396-
4 yy to read as follows:

5 § 396-yy. Junk fee prevention. 1. Definitions. For the purposes of
6 this section, the following terms shall have the following meanings:

7 (a) (i) "Mandatory fee" includes:

8 (A) any fee or surcharge that a consumer is required to pay to
9 purchase or lease any good or service being advertised;

10 (B) any fee or surcharge that is not reasonably avoidable to complete
11 the purchase or lease of any good or service being advertised;

12 (C) any fee or surcharge for any good or service that a reasonable
13 consumer would expect to be included with the purchase or lease of the
14 good or service being advertised; and

15 (D) any other fee or surcharge determined appropriate by the attorney
16 general.

17 (ii) "Mandatory fee" shall not include:

REFUNDS

2024 VEHICLE FINANCE CONFERENCE & EXPO

AFSA
AMERICAN FINANCIAL SERVICES ASSOCIATION

July 18, 2023

Industry Letter: Ensuring Auto Loan Borrowers Receive Pro-Rata Rebates for Cancelled Ancillary Products

To: All Regulated Auto Lenders and Auto Loan Servicers



The New York State Department of Financial Services (the "Department") is focused on protecting consumers from unfair, deceptive, and abusive acts and practices in auto lending and loan servicing. The Department has identified that certain regulated auto lenders and auto loan servicers ("Institutions") have improperly failed to credit certain rebates to consumers whose vehicles were repossessed or were a total loss.

Many Institutions finance the costs to consumers of products that are purchased at the same time as the main vehicle purchase such as extended warranties, vehicle service contracts, guaranteed asset protection insurance, and other ancillary products ("Ancillary Products"). The terms of sale of such Ancillary Products, as defined herein, provide that if the vehicle is repossessed or is a total loss prior to the product's expiration, the consumer is entitled to a rebate for the prorated, unused value of the product (a "Rebate"). The Institution is required to cover any deficiency balance, and then to provide a refund to the consumer.

The Department has found during its examinations that certain Institutions failed to properly calculate, obtain, and credit to consumers, either by application to deficiency balance or direct payment, rebates owed when consumers' vehicles were repossessed or were a total loss prior to the Ancillary Products' expiration. In some cases, Institutions were found to not have pursued Rebates from the issuers of the Ancillary Products at all. In other cases, Institutions failed to correctly calculate the amounts of Rebates owed prior to seeking such Rebates (and thus obtained too low a Rebate) or made an initial request for Rebates from the issuers of the Ancillary Products but made no further effort to ensure that such Rebates were actually received and



NEW YORK REFUNDS

VEHICLE

PRIVACY

CPPA to Review Privacy Practices of Connected Vehicles and Related Technologies

News: July 31, 2023

The California Privacy Protection Agency's (CPPA) Enforcement Division today announced a review of data privacy practices of connected vehicles (CV) and related CV technologies. These vehicles are embedded with several features including location sharing, web-based entertainment, and more. Data privacy considerations are critical because these vehicles often automatically gather consumers' locations, personal information, and other data.

"Modern vehicles are effectively connected computers on wheels. They're able to collect a wealth of information via built-in sensors and software, and share it with people both inside and near the vehicle," said Ashkan Soltani, CPPA's Executive Director.

"Our Enforcement Division is making inquiries into the connected vehicle space to understand how these companies are collecting, storing, and using consumers' data," Soltani said.

California has more than 35 million vehicles registered in the state, and even more sharing our roads. The sheer number of vehicles on the road, and the number of Californians who drive, rideshare, or even walk near a car equipped with these technologies, makes this a significant issue.

The Agency is conducting this review under the California Consumer Privacy Act (CCPA). First adopted in 2018, the CCPA provides consumers with rights including the right to know the personal information collected about them by businesses, the right to delete that information, and the right to opt out of the sale of their personal information.

About the California Privacy Protection Agency

In 2020, California voters approved Proposition 24, the California Privacy Rights Act, which created the California Privacy Protection Agency, the first state-level privacy protection authority in the United States to implement and enforce the CCPA. Consumers are encouraged to report potential violations of the CCPA to the Agency through an online portal, available at <https://cppa.ca.gov/webapplications/complaint>.

Contact: press@cppa.ca.gov

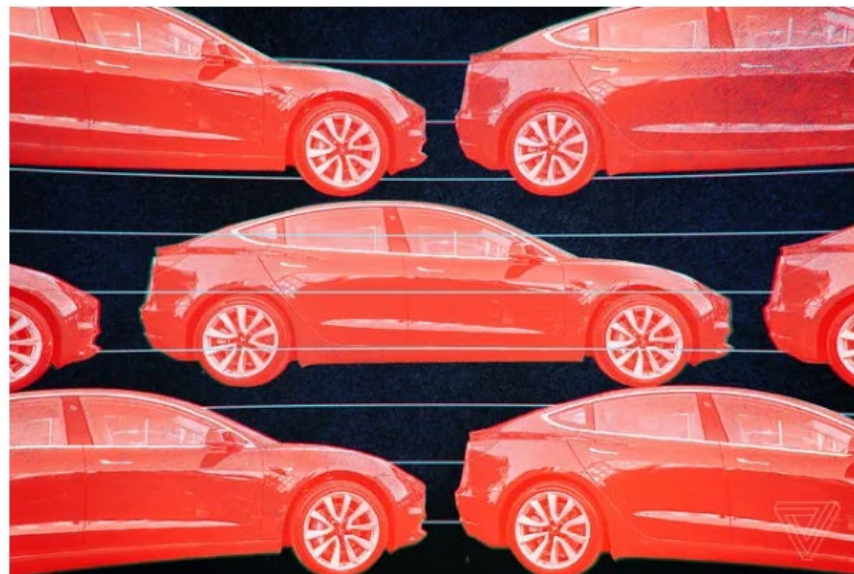




mozilla

SECURITY / POLICY / TECH

'Modern cars are a privacy nightmare,' the worst Mozilla's seen



Tesla was the worst offender out of all 25 car brands reviewed in the report. Illustration by Alex Castro / The Verge

/ A new study from the Mozilla Foundation found that all 25 of the car brands it reviewed had glaring privacy concerns, even compared to the makers of toys and mental health apps.

By [Jess Weatherbed](#), a news writer focused on creative industries and internet culture. Jess started her career at TechRadar, covering new hardware reviews.

Sep 6, 2023, 8:11 AM CDT | [36 Comments](#) / [36 New](#)



Public Act 103-0371

SB0800 Enrolled

LRB103 03257 BMS 48263 b

AN ACT concerning regulation.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Regulatory Sunset Act is amended by
changing Section 4.37 and by adding Section 4.42 as follows:

(5 ILCS 80/4.37)

Sec. 4.37. Acts and Articles repealed on January 1, 2027.

The following are repealed on January 1, 2027:

The Clinical Psychologist Licensing Act.

The Illinois Optometric Practice Act of 1987.

Articles II, III, IV, V, VI, VIIA, VIIB, VIIC, XVII, XXXI,
and XXXI 1/4 of the Illinois Insurance Code.

The Boiler and Pressure Vessel Repairer Regulation Act.

The Marriage and Family Therapy Licensing Act.

The Boxing and Full-contact Martial Arts Act.

The Cemetery Oversight Act.

The Community Association Manager Licensing and
Disciplinary Act.

The Detection of Deception Examiners Act.

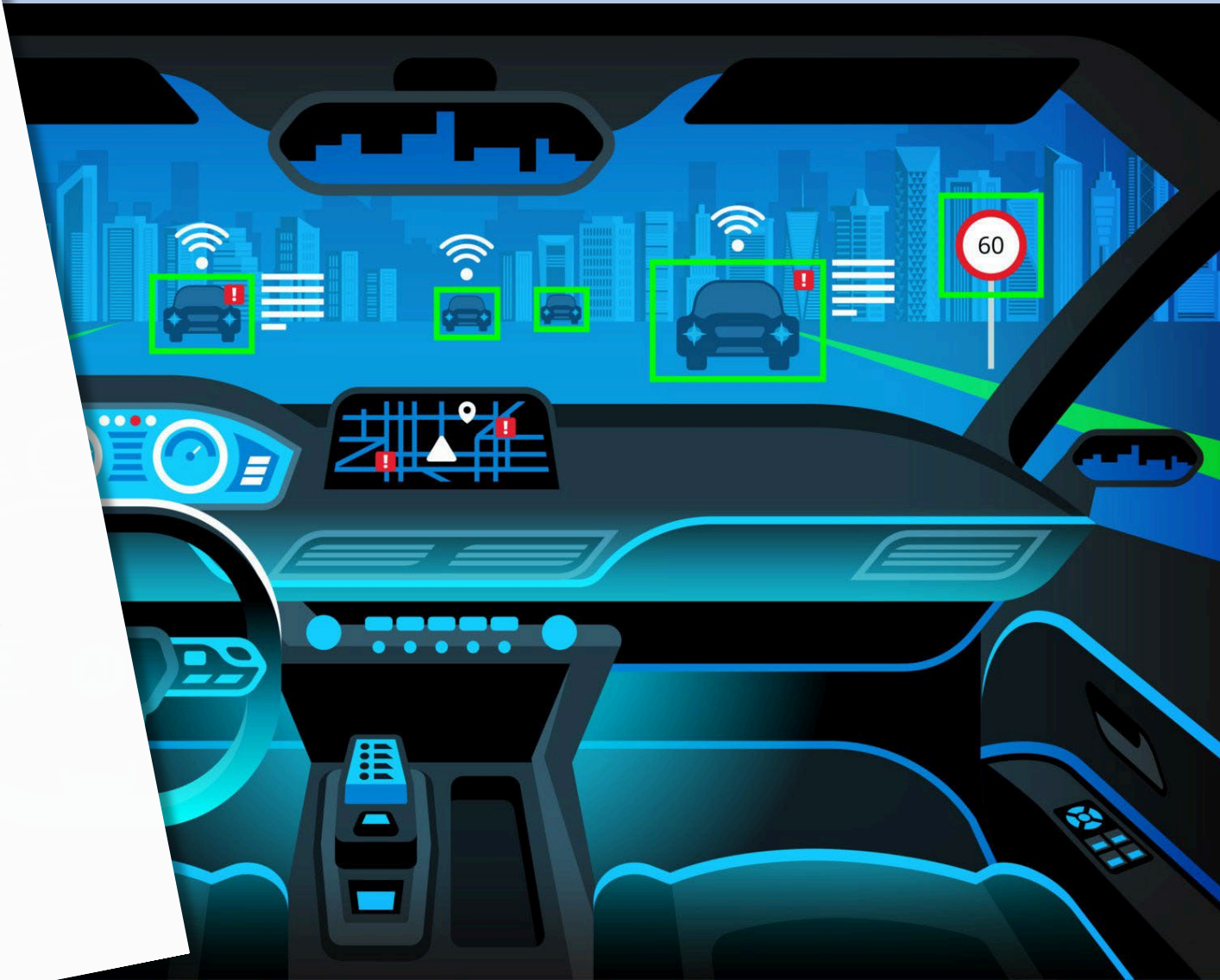
The Home Inspector License Act.

The Massage Licensing Act.

The Medical Practice Act of 1987.

The Petroleum Equipment Contractors Licensing Act.

ILLINOIS SB 800



Public Act 103-0371

SB0800 Enrolled

AN ACT concerning regula

Be it enacted by the
represented in the Genera

Section 5. The Re
changing Section 4.37 an

(5 ILCS 80/4.37)

Sec. 4.37. Acts ar
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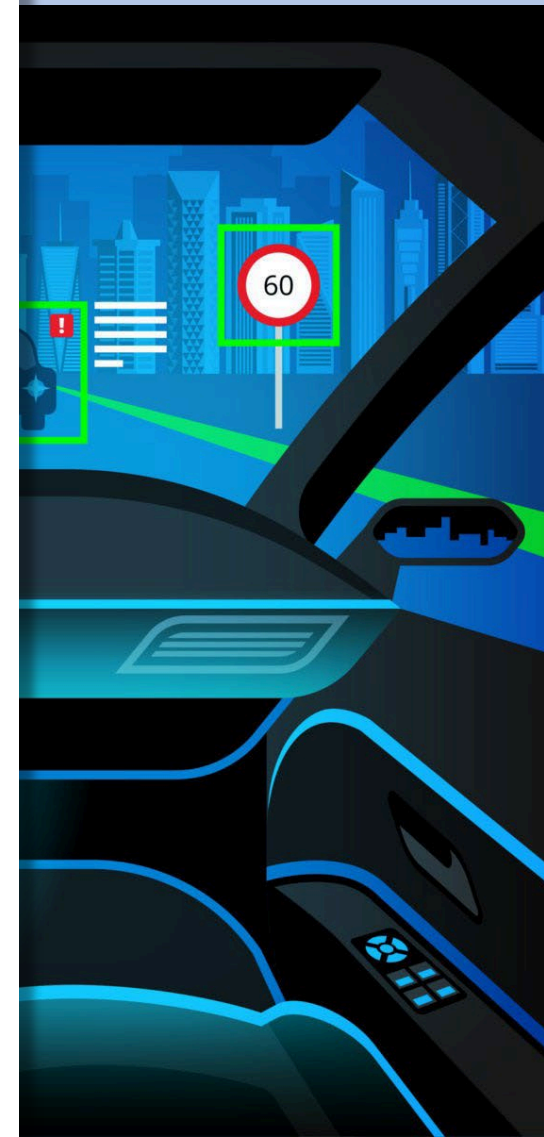


Notice from the American Recovery Association Regarding the Data Privacy Amendment to the Illinois Collateral Recovery Act, 225 ILCS 422 et seq.

New Requirements for Personal Property Stored in Vehicles

Earlier this year, the Illinois legislature passed, and the governor signed into law on July 28, an amendment to the Illinois Collateral Recovery Act impacting the professional repossession industry in several ways. Of particular note, new requirements for the handling of personal information stored by vehicles will go into effect **January 1, 2024**.

B 800



SENATE, No. 2740
STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED JUNE 2, 2022

Sponsored by:

Senator **RICHARD J. CODEY**
District 27 (Essex and Morris)
Senator **NICHOLAS P. SCUTARI**
District 22 (Middlesex, Somerset and Union)

SYNOPSIS

Requires motor vehicle dealer to delete personal information from motor vehicle computer system prior to resale or lease.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/27/2023)

“whenever a motor vehicle dealer takes possession of a motor vehicle from a consumer for the purpose of resale or lease, the motor vehicle dealer shall delete the consumer’s personal information from the motor vehicle’s computer system.”

[Second Reprint]
ASSEMBLY, No. 4723
STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED OCTOBER 11, 2022

Sponsored by:

Assemblyman **JOHN F. MCKEON**
District 27 (Essex and Morris)
Assemblyman **PAUL D. MORIARTY**
District 4 (Camden and Gloucester)
Assemblyman **KEVIN J. ROONEY**
District 40 (Bergen, Essex, Morris and Passaic)
Senator **RICHARD J. CODEY**
District 27 (Essex and Morris)
Senator **NICHOLAS P. SCUTARI**
District 22 (Middlesex, Somerset and Union)

Co-Sponsored by:

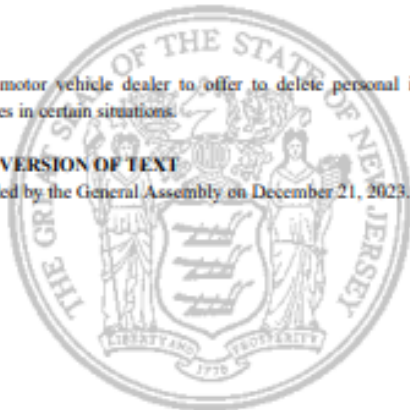
Assemblywoman Carter, Assemblyman Stanley, Assemblywomen Pintor
Marin, Swain, Park and Haider

SYNOPSIS

Requires motor vehicle dealer to offer to delete personal information in motor vehicles in certain situations.

CURRENT VERSION OF TEXT

As amended by the General Assembly on December 21, 2023.

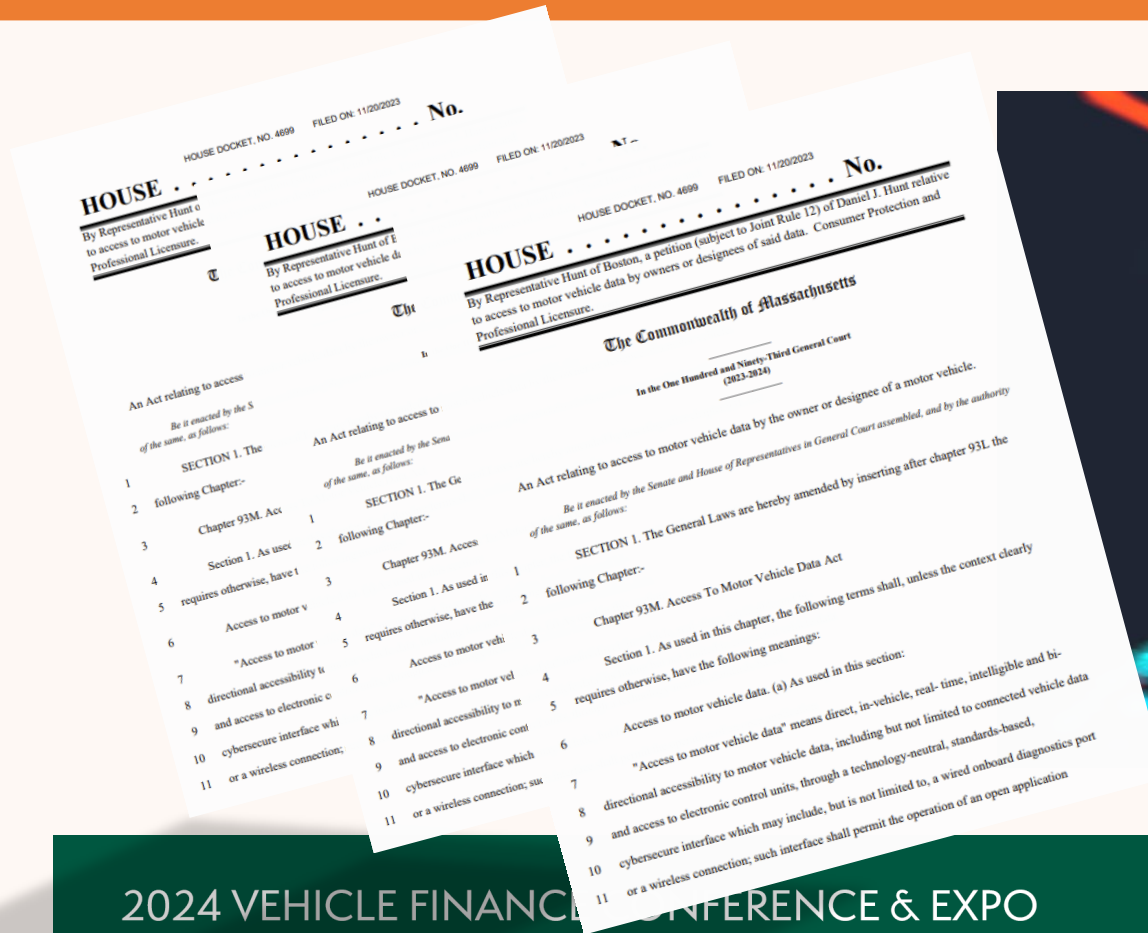


(Sponsorship Updated As Of: 1/8/2024)

~~“whenever a motor vehicle dealer takes possession of a motor vehicle from a consumer for the purpose of resale or lease, the motor vehicle dealer shall delete the consumer’s personal information from the motor vehicle’s computer system.”~~

“ . . . Dealer shall offer to delete . . . May charge a reasonable fee for services performed . . . ”

MASSACHUSETTS HD 4699



2024 VEHICLE FINANCE CONFERENCE & EXPO



RATE CAPS

2024 VEHICLE FINANCE CONFERENCE & EXPO



“Interest rate caps are more than numbers: they are reflections of society’s collective judgment about moral and ethical behavior.”



Mario Treto, Jr.
Secretary
Department of Financial and
Professional Regulation

Francisco Menchaca
Director
Division of Financial
Institutions



IDFPR

Illinois Department of
Financial and Professional Regulation

JB Pritzker
Governor



**Illinois Trends Report
Select Consumer Loan Products
Through December 2021**

Prepared by Veritec Solutions, LLC

Last Updated 12/20/2022

- **368,916 lost people**
- **For the lucky few:
larger loans and
longer terms**

Mario Treto, Jr.
Secretary
Department of Financial and
Professional Regulation

Francisco Menchaca
Director
Division of Financial
Institutions



IDFPR

Illinois Department of
Financial and Professional Regulation

JB Pritzker
Governor



Illinois Trends Report
Select Consumer Loan Products
Through December 2021

Prepared by Veritec Solutions, LLC

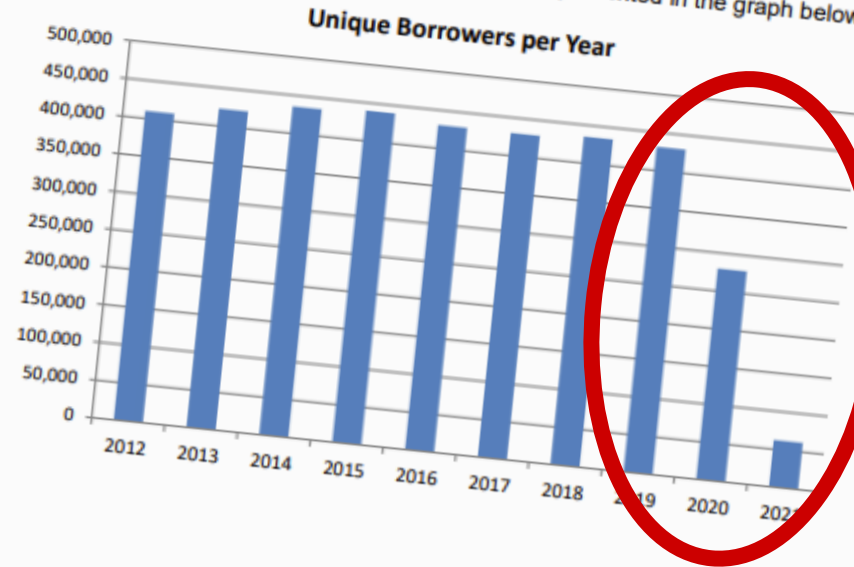
Last Updated 12/20/2022

Illinois Trends Report – Select Consumer Loan Products

Number of Borrowers

From January 2012 through December 2021, 1,417,525 borrowers took out 9,458,958 loans, or an average of 6.7 loans per borrower.

The number of unique borrowers for each year is presented in the graph below:



86% in reduction in people getting loans after IL passed a 36% MAPR




I ❤️ Illinois

**173 NEW
LICENSEES!!!**

173

☐ All new CILA licensees issued from 3/1/21

☐ All records indicating licenses surrendered since 3/1/21



ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

FREEDOM OF INFORMATION ACT REQUEST FORM

Name: Matt Kownacki

Address: 919 18th St NW, Suite 300
Washington State: DC

Telephone Number: (734) 358-0103 E-mail: mkownacki@afsa.org

Please provide a brief description of the public records being sought, by this request for inspection of the public records listed below or for copies of the records:

1) A list of, or any records indicating, all new CILA licenses issued from 3/1/21 and any affiliation with an existing licensee. 2) A list of, or any records indicating, the number of CILA licenses surrendered since 3/1/21. Copies of the records are requested.

Please attach any additional documents to this form.



IDFPR
Illinois Department of
Financial and Professional Regulation
Division of Professional Regulation

JB PRITZKER
Governor

MARIO TRETO, JR.
Secretary

www.illinois.idfpr.gov

CECILIA ABUNDIS
Director

January 23, 2023

Sent via Electronic Mail:
mkownacki@afsamail.org

Matt Kownacki
Director, State Research and Policy
AFSA

RE: Freedom of Information Act Request

Matt Kownacki:

The Department of Financial and Professional Regulation (Department) received your commercial Freedom of Information Act (FOIA) [5 ILCS 140/1 et seq.] request on January 17, 2023, requesting: "a list of, or any records indicating, all new CILA licenses issued from 3/1/21 to present, including the names of the licensees and any affiliation with an existing licensee", and "a list of, or any records indicating, the number of CILA licenses surrendered since 3/1/21."

This letter is the Department's response to your request. As to your request for "a list of, or any records indicating, all new CILA licenses issued from 3/1/21", and "a list of, or any records indicating, the number of CILA licenses surrendered since 3/1/21", an Excel Spreadsheet containing the requested data is attached.

As to your request for "the names of the licensees and any affiliation with an existing licensee", your request is denied. The Department does not maintain a record connecting licensees to affiliates. Thus, the request would require the creation and compilation of a record not kept in the ordinary course of business and is therefore exempt from FOIA pursuant to Section 7(1)(a) of FOIA and Section 1326.430 of the Illinois Administrative Code [5 ILCS 140/7(1)(a); 2 Ill. Adm. Code 1326.430]. The Department does not have the staffing resources to accommodate such a request while continuing to respond within statutorily set requirements to other FOIA requests, putting an undue burden on operations, which outweighs the public interest in the information requested pursuant to Section 3(g) of FOIA [5 ILCS 140/3(g)].

Please be advised that your request is denied.

160	58-H			
	CI.00047	Square Capital, LLC	ACTIVE	7/21/2021
161	34			
	CI.00048	Sun Loan Company Illinois Inc	ACTIVE	10/12/2022
162	42			
	CI.00048	Sunlight Financial LLC	ACTIVE	11/16/2022
163	49-H			
	CI.00047	Sunnova Energy Corporation	ACTIVE	12/23/2021
164	72-H			
	CI.00048	Thrivest Legal Funding, LLC	ACTIVE	5/27/2022
165	23-H			
	CI.00048	Transform Credit, Inc.	ACTIVE	3/31/2022
166	08			
	CI.00047	Turner Acceptance Corp	INACTIVE	9/21/2021
167	55			
	CI.00048	Turner Acceptance Corp	INACTIVE	10/6/2022
168	39-H			
	CI.00047	Upstart Network Inc	ACTIVE	12/8/2021
169	71			
	CI.00046	Viva Finance Inc	ACTIVE	5/12/2021
170	96-H			
	CI.00046	Watercross Financial Group LLC	ACTIVE	5/13/2021
171	97-H			
	CI.00048	Yamaha Motor Finance Corpora	ACTIVE	3/28/2022
172	11-H			
	CI.00048	Yamaha Motor Finance Corpora	ACTIVE	6/9/2022
173	24			
174				

Effects of Illinois' 36% Interest Rate Cap on Small-Dollar Credit
Availability and Financial Well-Being

J. Brandon Bolen
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Board of Governors, Federal Reserve System
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Thomas W. Miller, Jr.*
Mississippi State University
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December 29, 2022

Abstract

Economic theory predicts that a binding interest-rate cap decreases credit availability for high-risk borrowers. On March 23, 2021, Illinois imposed an all-in interest-rate cap of 36 percent per annum for loans under \$40,000 from non-bank and non-credit-union lenders. We use credit bureau data for Illinois and its neighboring state, Missouri, a state without any legislated interest-rate cap, to estimate the effects of the Illinois rate cap on unsecured installment loans. Using difference-in-differences-in-differences estimation, we find that the interest-rate cap decreased the number of loans to subprime borrowers by 44 percent and increased the average loan size to subprime borrowers by 40 percent. We examine the welfare effects of the loss of credit access using an online survey of short-term, small-dollar-credit borrowers in Illinois. Most borrowers answer that they have been unable to borrow money when they needed it following the imposition of the interest-rate cap. Further, only 11 percent of the respondents answered that their financial well-being increased following the interest-rate cap, and 79 percent answered that they wanted the option to return to their previous lender. Thus, the Illinois interest-rate cap of 36 percent significantly decreased the availability of small-dollar credit, particularly to subprime borrowers, and worsened the financial well-being of many consumers.

JEL Code: D04; D12; G23

Keywords: Small-Dollar Credit; Interest rate cap; Installment lending

* Contact author. TWM75@msstate.edu. (314) 494-7823. We thank Randall Campbell, Tom Durkin, Carolyn Miller, Stephen Miller, Hilary Miller, David Silberman, Beau Brunson, Christian Whittle, Ge Wu, and participants at the 2022 Dr. Harold A. Black Academic Conference and the 2022 Southern Finance Association for helpful conversations, comments, and suggestions. We thank Zhuo Li for his thoroughness in providing research assistance. The views expressed are those of the authors alone and not those of the Federal Reserve Board, its staff, the Federal Reserve System, or any other individuals or organizations.

BOLEN, ELLIEHAUSEN, MILLER

the Illinois cap “significantly decreased the availability of small-dollar credit, particularly to subprime borrowers, and worsened the financial well-being of many consumers.”

SOUTH CAROLINA S 910



2024

1 money or prompts a person to enter into an installment or deferred presentment loan in any way.

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19 stat 25

20 (26

21 dep 27

22 Stat 28

23 Nat 29

24 (30

25 subj 31

26 limi 32

27 SEC 33

28 34

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30 36

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A BILL

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 39-5-30 SO AS TO PROHIBIT AND DEFINE CERTAIN PREDATORY LOAN PRACTICES AS UNLAWFUL, TO PROVIDE THAT BANKS AND CREDIT UNIONS ARE EXEMPT, TO PROVIDE THAT THE ATTORNEY GENERAL SHALL ENFORCE VIOLATIONS OF THIS CODE SECTION, AND TO PROVIDE THAT INDIVIDUALS AGGRIEVED BY ACTIONS PROHIBITED BY THIS CODE SECTION MAY PURSUE ALL REMEDIES AVAILABLE UNDER THE LAWS OF THIS STATE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 5, Title 39 of the S.C. Code is amended by adding:

Section 39-5-30. (A) It shall be an unlawful trade practice for any person providing consumer installment loan pursuant to Title 37 or Title 34, or a deferred presentment loan pursuant to Chapter 39 of Title 34, to engage in predatory consumer loan practices, including, but not limited to:

(1)(a) failing to conduct an analysis of a borrower's ability to fully repay a loan. This analysis:

(i) must be included in and documented with the borrower's loan application;

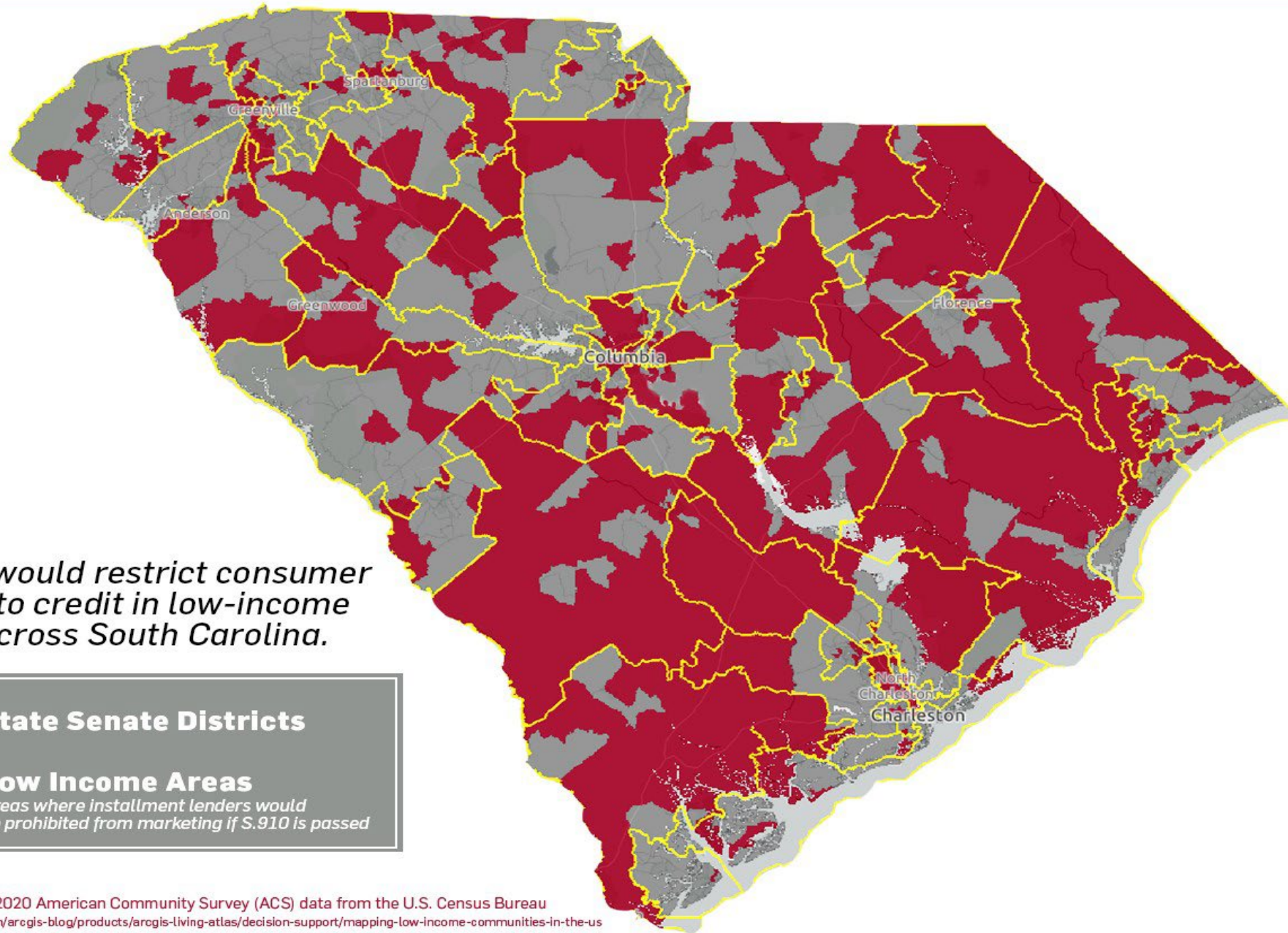
(ii) must consider the borrower's, and any coborrower's, employment, monthly income, and monthly expenses, including, but not limited to, other consumer installment, revolving credit, or deferred presentment loans, compared to the loan's repayment obligation for the original term and permitted renewals; and

(iii) must include a signed statement that the information the borrower has provided regarding employment, income, and expenses is documented, true and correct and that, given the information, has the ability to repay the loan.

(b) If the consumer installment loan is renewed at any time or a deferred presentment or paycheck advance loan is made within thirty days of the original loan, then the analysis of the borrower's ability to fully repay the loan must be conducted and documented, analyzing the borrower's and any coborrower's updated employment, monthly income, and other monthly expenses compared to the loan's repayment obligation for the original term and permitted renewals;

(2) making a loan to a consumer who does not have the ability to repay after conducting the analysis required in item (1);

S. 910: THE REDLINING BILL



S. 910 would restrict consumer access to credit in low-income areas across South Carolina.



State Senate Districts



Low Income Areas

Areas where installment lenders would be prohibited from marketing if S.910 is passed

South Carolina Legislature

Switch to: **Video** ▾



L.C.I. Special Subcommittee

Today - 6:00 AM
Gressette Room 105

South Carolina Legislative Services Agency * 223 Blatt Building * 1105 Pendleton Street * Columbia, SC 29201



SOUTH CAROLINA S 910

CREDIT SLIPS

A Discussion on Credit, Finance, and Bankruptcy

[« Of Usury, Preemption, and Fancy Stationary Bikes](#) | [Main](#) | [FDIC Valid-When-Made Rule Amicus Brief](#) »

A Campaign to Opt-Out

POSTED BY CHRIS ODINET

Following-up on my [prior post](#), let's talk more about what's at stake in this little legislative kerfuffle in the Hawkeye state, as well as how consumer advocates should seize on this moment in a different way.


First, repealing this 521 provision in Iowa law is really all about whether states should have, to a large degree, the ability to control the interest rates charged on products and services that are offered to consumers by nonbank firms.


Many readers of this blog may already know this history backwards and forwards - but for those who don't, here's the backstory. In *Marquette Nat'l Bank of Minneapolis v. First of Omaha Serv. Corp.*, the U.S. Supreme Court interpreted the National Bank Act as giving nationally-chartered banks the ability to charge the highest interest rate allowed in the state where the bank is located to borrowers located not only in that state, but also to borrowers located in any other state. This means, for instance, that a national bank located in Iowa can not only charge the highest interest rate allowable in Iowa to anyone located in Iowa, but it can also charge that same rate to a borrower located in Oklahoma, Louisiana, or any other state. Even if Louisiana, Oklahoma, or another state's laws prohibit interest at such a rate, the loan is nevertheless free from being usurious. This concept is known as "interest rate exportation."

After the 1978 decision in *Marquette*, there was a concern about the ability of state-chartered banks to compete with national banks. So, state legislatures started enacting "parity laws" that allowed their state banks to charge the maximum rates of interest allowable by any national bank "doing business" in that particular state. These parity laws were often even broader, granting to state chartered banks all of the incidental powers granted to national banks. In sum, the goal of these parity laws was to put state banks on equal footing with national banks, particularly when it came to usury. Good so far?


Ok here comes the part dealing with this shady Iowa house bill...


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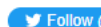
CURRENT GUESTS

POLICIES

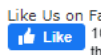
ABOUT

A blog on all bankruptcy, financial institutions, and consumer issues not just for anyone who is creating good areas.

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So, here's how I think consumer advocates can turn the tables. There are a number of states that have aggressively gone after these rent-a-bank schemes (adding a [lawsuit by AG of DC](#) to the mix here) and a group of state AGs are currently [suing](#) the OCC on account of its true lender rule. In other words, a number of states do not want this kind of high cost, fintech-bank lending happening in their jurisdiction.

Here's my suggestion to those states: why not just pass your own opt out of DIDMCA Section 521?

As mentioned above, many of these online lenders in high-cost rent-a-bank schemes favor partnering with FDIC-insured, state-chartered banks rather than national banks. Opting out of DIDMCA would deprive these schemes of their regulatory arbitrage. Without the ability to import the interest rate law of another state into a given jurisdiction, it would force these online firms to apply for a lending license and otherwise abide by the jurisdiction's usury limit. DIDMCA allowed states to opt out of Section 521, and the statute didn't give a deadline to do it. So, here's a call to states like Colorado and others who are going after these usury and regulatory evasive business models...take away the linchpin of the business model. Opt-out of section 521!

And as for those of us back here in the Hawkeye state, here's to hoping that the Iowa legislature doesn't (pardon the Peloton pun) get so easily taken for a ride.

April 25, 2021 at 7:00 AM in [Consumer Contracts](#), [Consumer Finance](#), [Credit Policy & Regulation](#), [Financial Institutions](#), [Historical Perspectives](#), [Underbanked/Fringe Banking](#), [Usury](#)





CHAPTER 73

CONSUMER CREDIT CODE

FEDERAL PREEMPTION OF USURY LAWS — STATE OVERRIDE

HOUSE BILL NO. 1178, BY REPRESENTATIVES Strable, Kopel, DeFilippo, and Mielke;
also SENATORS Cole and Groff.

AN ACT

CONCERNING STATE OVERRIDE OF FEDERAL PREEMPTION OF STATE USURY LAWS.

Be it enacted by the General Assembly of the State of Colorado:

Section 1. Title 5, Colorado Revised Statutes 1973, as amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 13

Federal Preemption of Usury Laws - State Override

5-13-101. Mortgages. In accordance with section 501 (b) (2) of Public Law 96-221, it is declared that the state of Colorado does not want the provisions of subsection 501 (a) (1) of Public Law 96-221 removing the limits on the rate or amount of interest, discount points, finance charges, or other charges which may be charged, taken, received, or reserved with respect to loans, mortgages, credit sales, and advances made to apply in this state. The rates established in articles 1 to 9 of this title shall control consumer credit transactions in the state of Colorado.

5-13-102. Business and agricultural loans. In accordance with section 512 of Public Law 96-221, it is declared that the state of Colorado does not want the provisions of section 511 of Public Law 96-221 setting interest rates and preempting state interest rates on business and agricultural loans to apply in this state. The rates established in articles 1 to 9 of this title shall control consumer credit transactions in the state of Colorado.

5-13-103. Small business loans. In accordance with section 524 of Public Law 96-221, it is declared that the state of Colorado does not want the amendments to the "Small Business Investment Act" made by section 524 of Public Law 96-221 prescribing interest rates for small business loans to apply in this

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

State Bank Parity DIDMCA Opt-Out

CHAPTER 272

CONSUMER AND COMMERCIAL TRANSACTIONS

SENATE BILL 94-176

BY SENATOR Ament;
also REPRESENTATIVES Dyer, Chlouber, Jerke, Martin, May, Moellenberg, and Pfiffner.

AN ACT

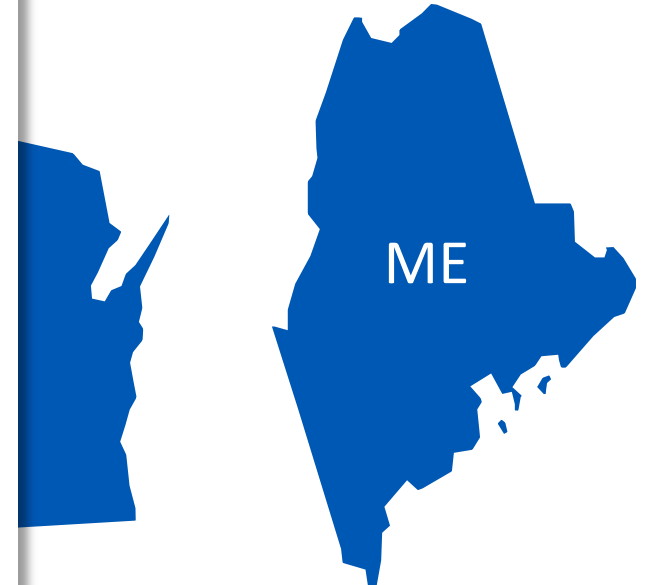
CONCERNING REGULATION OF PERSONS ISSUING CONSUMER CREDIT.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 5-2-202 (1), Colorado Revised Statutes, 1992 Repl. Vol., is amended, and the said 5-2-202 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

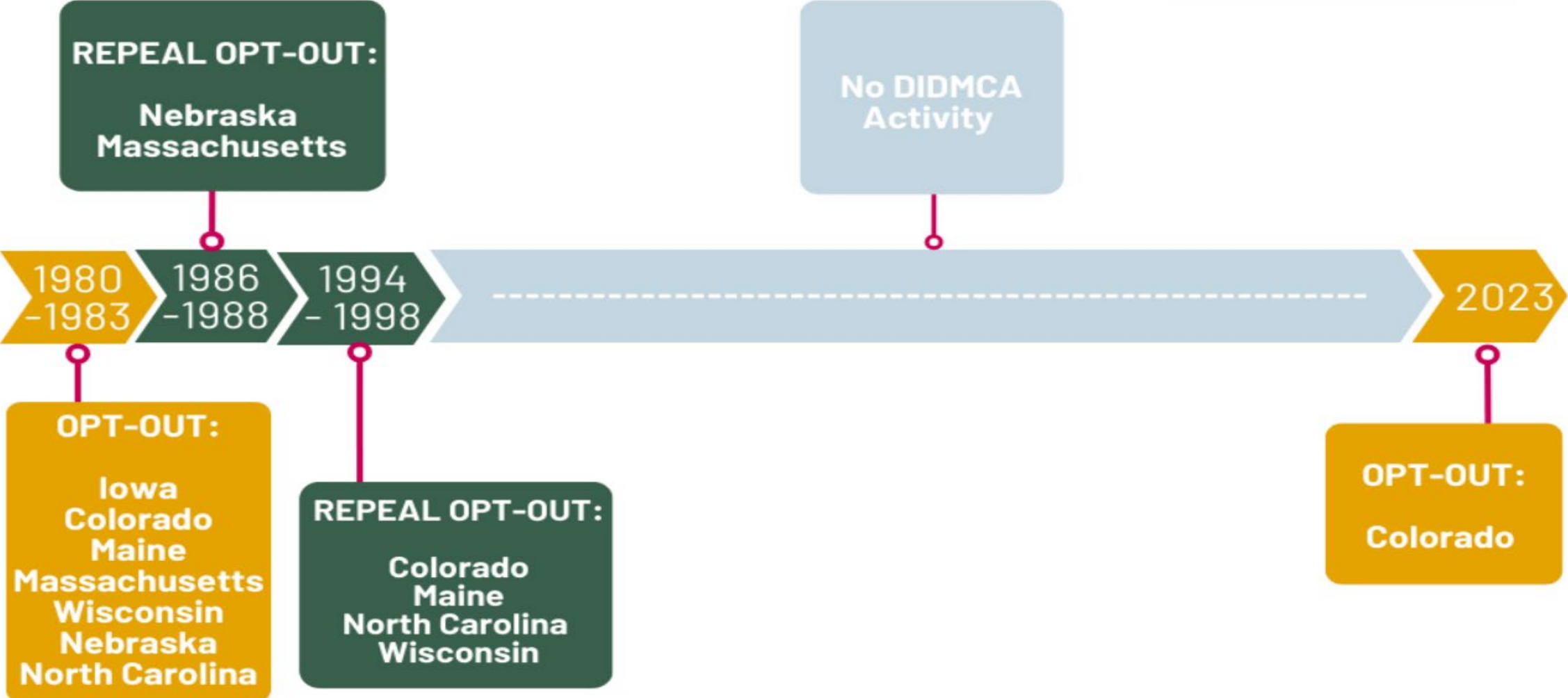
5-2-202. Additional charges. (1) In addition to the credit service charge permitted by this part 2, a seller may contract for and receive the following additional charges in connection with a consumer credit sale:

- (a) Official fees and taxes;
- (b) Charges for insurance as described in subsection (2) of this section; and
- (c) Charges for other benefits, including insurance, conferred on the buyer, if the benefits are of value to him THE BUYER and if the charges are reasonable in relation to the benefits, are of a type which is not for credit, and are excluded as permissible additional charges from the credit service charge by rule adopted by the administrator;



DIDMCA TIMELINE

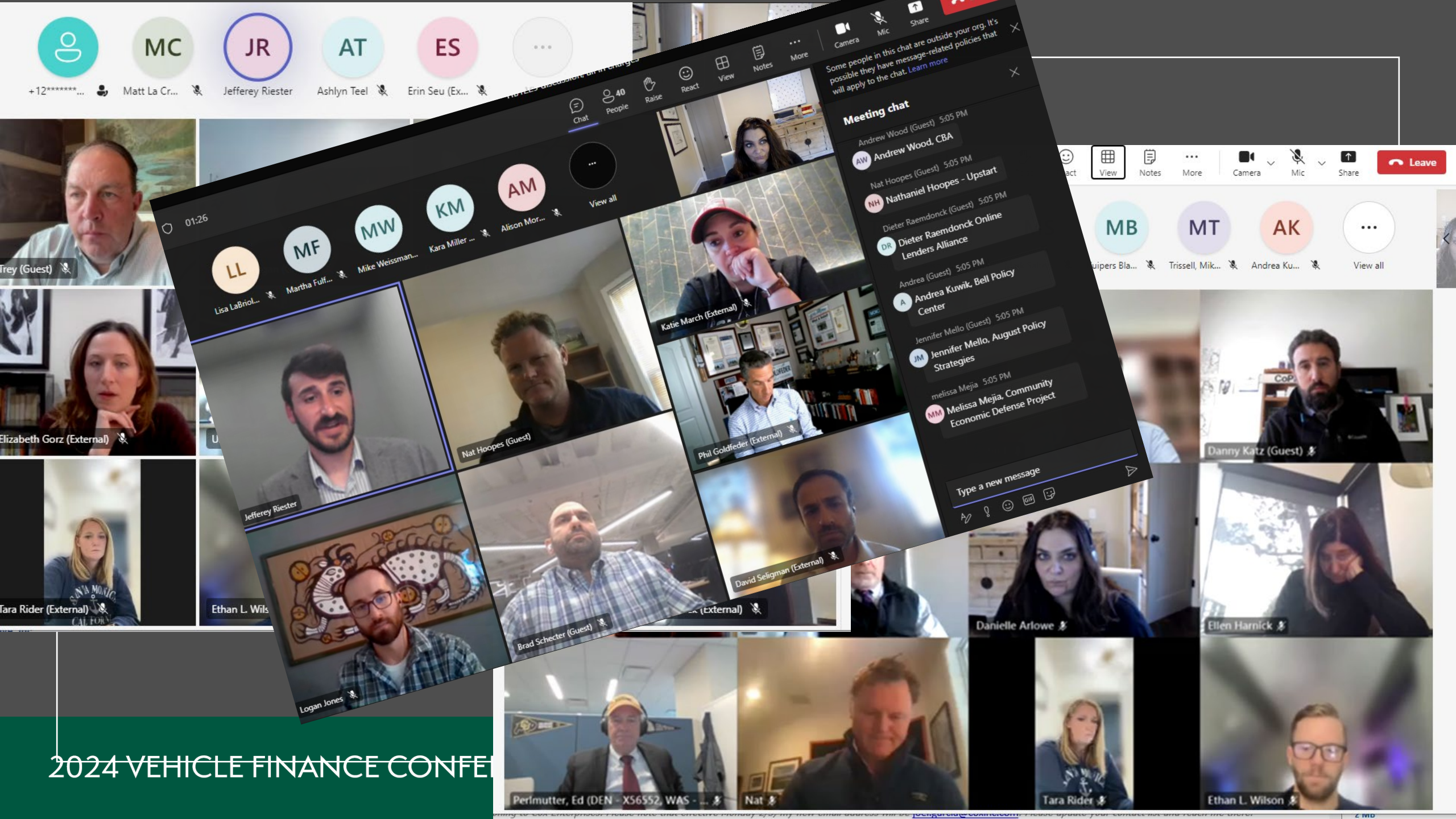
Opt-Out: [Yellow arrow]
Repeal Opt-Out: [Dark Green arrow]
No Activity: [Light Blue arrow]



DIDMCA



STATE	OPT-OUT	OPT BACK IN/ REPEAL OPT-OUT
Iowa	1980	X
Colorado	1981, 2023	1994
Maine	1981	1995
Massachusetts	1981	1986
Wisconsin	1981	1998
Nebraska	1982	1988
North Carolina	1983	1995



MC JR AT ES

01:26

LL MF MW KM AM

Lisa LaBriol... Martha Ful... Mike Weissman... Kara Miller... Alison Mor...

Jeffrey Riester

Elizabeth Gorz (External)

Tara Rider (External)

Ethan L. Wilson

Logan Jones

Meeting chat

Andrew Wood (Guest) 5:05 PM
AW Andrew Wood, CBA

Nat Hoopes (Guest) 5:05 PM
NH Nathaniel Hoopes - Upstart

Dieter Raemdonck (Guest) 5:05 PM
DR Dieter Raemdonck Online Lenders Alliance

Andrea (Guest) 5:05 PM
A Andrea Kuwik, Bell Policy Center

Jennifer Mello (Guest) 5:05 PM
JM Jennifer Mello, August Policy Strategies

melissa Mejia 5:05 PM
MM Melissa Mejia, Community Economic Defense Project

Type a new message

2024 VEHICLE FINANCE CONFERENCE



COUNCIL OF THE DISTRICT OF COLUMBIA

THE JOHN A. WILSON BUILDING
1350 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20004

KENYAN R. McDUFFIE
Councilmember, At Large
Chair Pro Tempore
Chair, Committee on Business and
Economic Development

Committee Member
Executive Administration and Labor
Housing
Recreation and Youth Affairs

November 30, 2023

Nyasha Smith, Secretary
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Dear Secretary Smith,

Today, I am introducing the Protecting Affordable Loans Amendment Act of 2023 (PALs Act) to prevent out-of-state lenders from partnering with state-chartered banks outside of the District to evade the local usury cap of 24%. The Office of the Attorney General (OAG) has recently investigated several predatory lenders, including EasyPay, which is alleged to have “charged customers exorbitant interest rates averaging 163% APR - roughly 7 times higher than DC’s 24% limit - trapping consumers in cycles of debt that threatened to ruin their credit scores and financial security.”¹ The PALs Act is the result of collaboration between OAG, the Department of Insurance, Securities, and Banking (DISB), and the Committee on Business and Economic Development. This legislation strengthens the tools available for both DISB, the District’s banking regulator, and OAG, the law enforcement agency charged with protecting consumers.

This type of abusive evasion of the District’s usury cap is possible under the Depository Institution Deregulation and Monetary Control Act (DIDMCA), enacted by Congress in 1980, which preempts state usury laws by arguably allowing FDIC-insured, state-chartered banks to contract for the interest rate permitted by the state in which the bank is located and export that interest rate into other states. Accordingly, a bank chartered in a state without an interest rate cap can therefore purportedly lend at usurious rates in many states and in the District. DIDMCA was passed to level the playing field for state-chartered banks after the Supreme Court ruled in Marquette Nat. Bank v. First of Omaha Svc. Corp., 439 U.S. 299 (1978), that nationally-chartered banks are exempt from state usury laws.

DIDMCA, however, allows states and the District to opt-out from these federal provisions regarding interest rates of state-chartered federally insured banks. If the District opts out of this part of DIDMCA, the District can impose its usury caps to prohibit these state-chartered banks (e.g., a Delaware or South Dakota bank) from importing that state’s usury regulations (neither state

credit terms to District residents. Several states have the early years after DIDMCA was passed, and others (3) to strengthen state-level consumer protection and led platforms seeking to “rent” out-of-state banks and jurisdictions with lower usury caps.

the District’s right to opt-out of the federal requirement state-chartered federally insured banks.

that allows foreign (as in non-District) state-chartered interest rates and largely end the explosion of led efforts targeting District consumers with these types

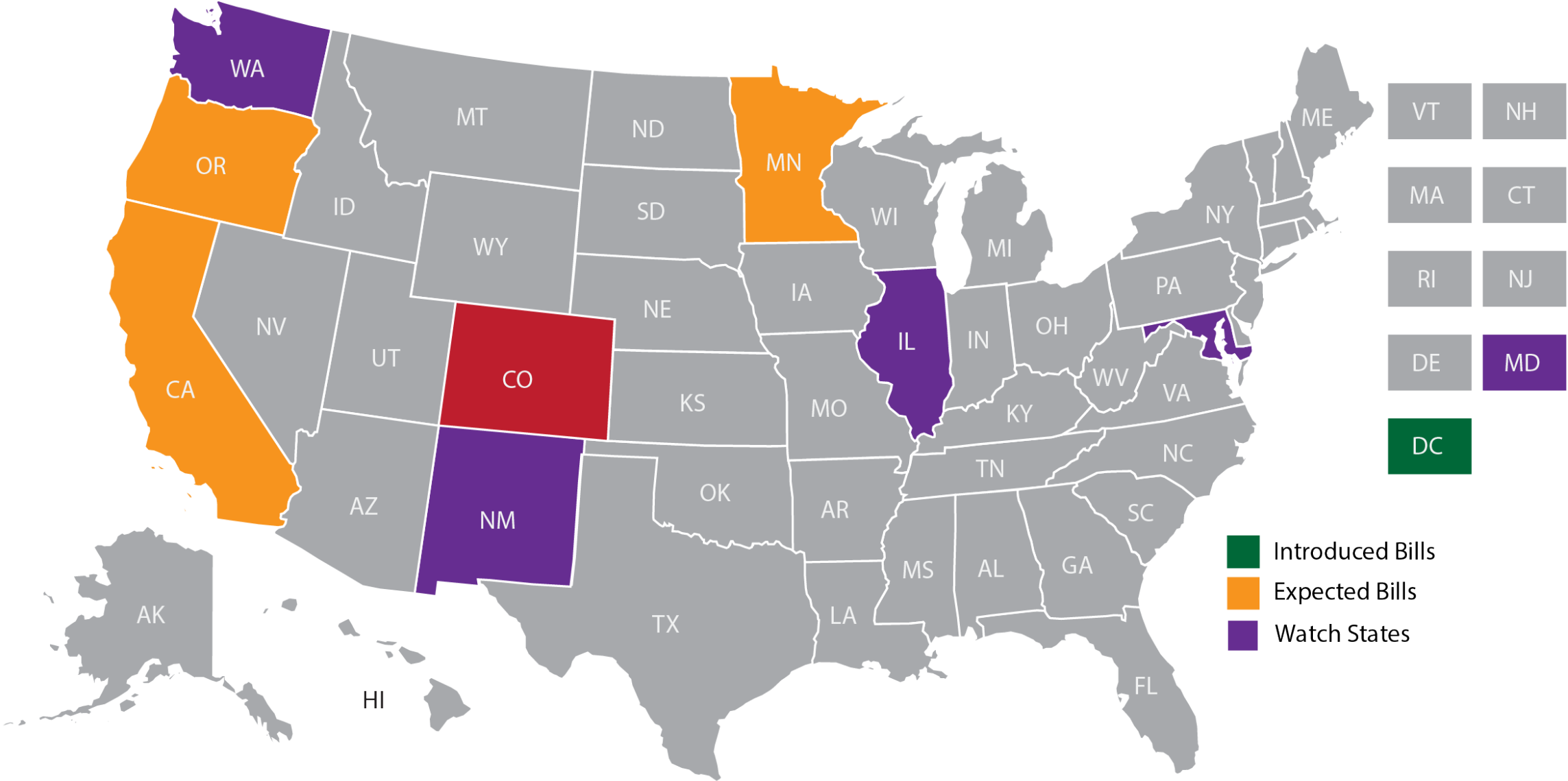
so defines several key terms, including “lender,” in the ons and entities are subject to lending regulations. “lender” (or “true lender,” “de facto lender,” “lender in inal lender,” or “real party in interest”) comes from case igated case-by-case. This legislation would codify the ith substance-over-form doctrines to prevent entities s to evade enforcement of consumer protection laws.

Justin Kim, at jkim@dccouncil.gov if you have any

“Several states have exercised this opt-out (some like Iowa in the early years after DIDMCA was passed, and others more recently, including Colorado in 2023).”

¹ “AG Schwalb Secures Comprehensive Financial Relief for Consumers Deceived by Predatory Lender, Washington Post, November 5, 2023, <https://www.washingtonpost.com/news/energy-environment/wp/2023/11/05/ag-schwalb-secures-comprehensive-financial-relief-for-consumers-deceived-by-predatory-lender/>”

DIDMCA EXPECTATION STATES





TRUE LENDER



VALID WHEN MADE

Bill History

2024 REGULAR SESSION

- Dec 5 Prefiled for introduction.
- Jan 8 First reading, referred to Consumer Protection & Business (Not Officially read and referred until adoption of Introduction report). ([View Original Bill](#))
- Jan 10 Scheduled for public hearing in the House Committee on Consumer Protection & Business at 1:30 PM (Subject to change). ([Committee Materials](#))

WASHINGTON
TRUE LENDER
BILL: HB 1874



(1) A NATIONAL BANKING ASSOCIATION;

(2) AN OTHER-STA

(3) AN OTHER-ST

(4) ANY PERSON

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THROUGH ANY

HOUSE BILL 254

(PRE-FILED)

4lr0231
CF 4lr0232

By: Chair, Economic Matters Committee (By Request - Departmental - Labor)
Requested: September 15, 2023
Introduced and read first time: January 10, 2024
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

Commercial Law - Credit Regulation - Predatory Loan Prevention (True Lender Act)

4 FOR the purpose of prohibiting a person from engaging in certain activities to evade certain
5 requirements relating to lending or the extension of credit; establishing that a person
6 is a lender subject to certain statutory requirements under certain circumstances;
7 and generally relating to lending and credit regulation.

8 BY adding to

9 Article - Commercial Law
10 Section 12-1501 through 12-1503 to be under the new subtitle "Subtitle 15. True
11 Lender Act"
12 Annotated Code of Maryland
13 (2013 Replacement Volume and 2023 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
15 That the Laws of Maryland read as follows:

Article - Commercial Law

SUBTITLE 15. TRUE LENDER ACT.

18 12-1501.

19 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
20 INDICATED.

21 (B) "COVERED LENDER" MEANS:



MARYLAND HB 254



POTPOURRI

State of Washington 68th Legislature 2024 Regular Session

By Representative Shavers

Prefiled 12/14/23.

1 AN ACT Relating to promoting ethical artificial intelligence by
2 protecting against algorithmic discrimination; and adding a new
3 chapter to Title 19 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. Sec. 1. The definitions in this section apply
6 throughout this chapter unless the context clearly requires
7 otherwise.

8 (1) "Algorithmic discrimination" means the condition in which an
9 automated decision tool contributes to unjustified differential
10 treatment or impacts disfavoring people on the basis of race, color,
11 national origin, citizen or immigration status, families with
12 children, creed, religious belief or affiliation, sex, marital
13 status, the presence of any sensory, mental, or physical disability,
14 age, honorably discharged veteran or military status, sexual
15 orientation, gender expression or gender identity, or any other
16 protected class under RCW 49.60.010.

17 (2) "Artificial intelligence" means a machine-based system that
18 can, for a given set of human-defined objectives, make predictions,
19 recommendations, or decisions influencing a real or virtual
20 environment.

ALGORITHMS

5 NEW SECTION. Sec. 1. The definitions in this section apply
6 throughout this chapter unless the context clearly requires
7 otherwise.

8 (1) "Algorithmic discrimination" means the condition in which an
9 automated decision tool contributes to unjustified differential
10 treatment or impacts disfavoring people on the basis of race, color,
11 national origin, citizen or immigration status, families with
12 children, creed, religious belief or affiliation, sex, marital
13 status, the presence of any sensory, mental, or physical disability,
14 age, honorably discharged veteran or military status, sexual
15 orientation, gender expression or gender identity, or any other
16 protected class under RCW 49.60.010.

17 (2) "Artificial intelligence" means a machine-based system that
18 can, for a given set of human-defined objectives, make predictions,
19 recommendations, or decisions influencing a real or virtual
20 environment.

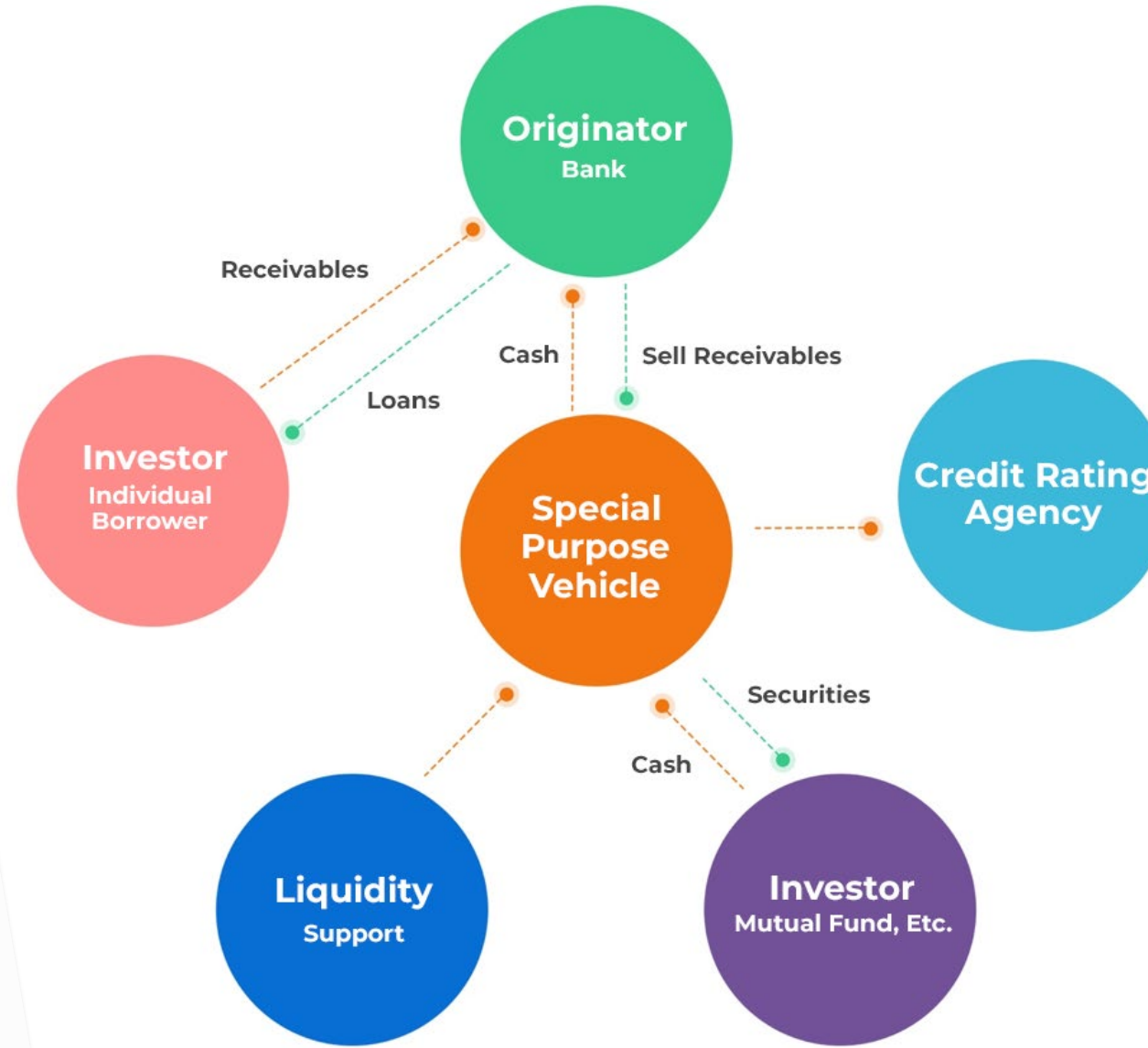
GAP & SECURITIZATION



Parties Involved in the Securitization Process



Assembly Bill No. 2311
CHAPTER 283
An act to amend Sections 2981, 2982, 2982.2, and 2983.1 of, and to add Section 2982.12 to, the Civil Code, relating to motor vehicle conditional sale contracts.
[Approved by Governor September 13, 2022. Filed with Secretary of State September 13, 2022.]
LEGISLATIVE COUNSEL'S DIGEST
AB 2311, Maienschein. Motor vehicle conditional sale contracts: guaranteed asset protection waivers.
Existing law governs motor vehicle conditional sale contracts, as defined, and requires sellers of motor vehicles to make certain disclosures to buyers. A willful violation of these provisions is a crime.
This bill would establish provisions to govern the offer, sale, provision, or administration, in connection with a conditional sale contract, of a guaranteed asset protection waiver (GAP waiver), defined to mean an optional contractual obligation under which a seller agrees, for additional consideration, to cancel or waive all or part of amounts due on the buyer's conditional sale contract subject to existing law in the event of a total loss or unrecovered theft of the motor vehicle specified in the conditional sale contract. The bill, among other provisions, would prohibit conditioning the extension of credit, the term of credit, or the terms of a conditional sale contract upon the purchase of a GAP waiver and permit cancellation by the buyer at any time without penalty. The bill would prohibit the sale of a GAP waiver pursuant to these provisions where the loan-to-value ratio exceeds the maximum loan-to-value ratio of the GAP waiver, unless the terms of the GAP waiver disclose that limitation and the buyer is informed of that limitation. The bill would also require prescribed information on the GAP waiver to appear on a document separate from the conditional sale contract, to be separately signed by a buyer or potential buyer. The bill would govern termination of a GAP waiver, including the refund of GAP waiver costs on termination. The bill would require the contract including the GAP waiver to include a statement that the purchaser is generally entitled to a refund of the unearned portion of the GAP waiver charges on a pro rata basis, as specified. The bill would also authorize the buyer to recover from the holder 3 times the amount of any guaranteed asset protection charges paid, if a holder of a conditional sale contract that includes a GAP waiver, except as the result of an accidental or bona fide error of computation, violates termination provisions for a GAP waiver. The bill would include GAP waivers in the existing required disclosures.



Source of diagram: Professor James Forjan, PhD / analystprep.com

LIEN EXTINCTION

CERTIFICATE OF TITLE VEHICLE HISTORY

AUTOMOBILE

VEHICLE ID NUMBER [REDACTED]

YR MODEL MAKE PLATE NUMBER
1998 BMW [REDACTED]

BODY TYPE MODEL AX UNLADEN WEIGHT FUEL TRANSFER DATE FEES PAID REGISTRATION EXPIRATION DATE
4D G 06/ /11 \$197 12/ /2011

YR 1ST SOLD CLASS *YR MO EQUIPMT/TRUST NUMBER ISSUE DATE
PS 2011 SU 07/ /11

ODOMETER DATE ODOMETER READING
06/ /2011 [REDACTED]

NOT ACTUAL MILEAGE

State of California that **THE SIGNATURE(S) BELOW RELEASES**

SIGNATURE OF REGISTERED OWNER _____

SIGNATURE OF REGISTERED OWNER _____
on transfer of ownership. Failure to complete or providing a _____

(months), miles and to the best of my knowledge reflects the actual _____

age exceeds the odometer mechanical limits.

the State of California that the foregoing is true and correct.

DATE	TRANSFEREE/BUYER SIGNATURE(S)
	X

PRINTED NAME OF BUYER OR AGENT SIGNING FOR A COMPANY _____

READ CAREFULLY
be reported to the Department of Motor Vehicles within _____

2. Signature releases interest in vehicle. (Company names must be countersigned)
Release Date _____

CA _____

REG. 17.30RS (REV.7/07)

VOID WITHOUT BEAR WATERMARK. HOLD TO LIGHT TO VIEW.

VOID IF ALTERED



IF CREDIT FOR TAXES ALREADY PAID IS ELIMINATED



1. Customer buys car from dealer and agrees to pay back loan



2. Sales tax paid to CA for purchase price of vehicle and financed



3. Customer pays financial institution back for purchase and taxes in installments



4. If car repossessed, sales taxes paid again on same vehicle



STATES

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