HOUSE BILL NO. HB0058

Post-dated checks.

Sponsored by: Representative(s) Warren and Esquibel and Senator(s) Job, Massie and Sessions

A BILL

for

AN ACT relating to the uniform consumer credit code; providing for notification of pay-day check cashing laws; providing for a limit on amount financed; modifying interest charges and maximum term; allowing for suspension of post-dated check casher's license; providing an appropriation; authorizing an additional position; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 40-14-365 is created to read:

40-14-365. Notification.

A post-dated check casher shall provide the following written notice with each post-dated check or similar arrangement and obtain the signature of the consumer where indicated:

NOTICE

1. STATE LAW PROHIBITS YOU FROM BORROWING MORE THAN THREE HUNDRED DOLLARS ($300.00) IN ANY ONE (1) MONTH IN ANY POST-DATED CHECK OR SIMILAR ARRANGEMENT. FAILURE TO OBEY THIS LAW COULD CREATE SEVERE FINANCIAL HARDSHIP FOR YOU AND YOUR FAMILY.

YOU MUST SIGN THE FOLLOWING STATEMENT:

I DO NOT HAVE AN OUTSTANDING POST-DATED CHECK OR SIMILAR ARRANGEMENT WITH ANY POST-DATED CHECK CASHER AT THIS TIME.

(SIGNATURE OF DRAWER)

2. YOU CANNOT BE PROSECUTED IN CRIMINAL COURT FOR A CHECK WRITTEN UNDER THIS AGREEMENT, BUT ALL LEGALLY AVAILABLE CIVIL MEANS TO ENFORCE THE DEBT MAY BE PURSUED AGAINST YOU.

3. STATE LAW PROHIBITS A POST-DATED CHECK OR SIMILAR ARRANGEMENT FROM BEING REPAID, REFINANCED OR OTHERWISE CONSOLIDATED BY PROCEEDS OF ANOTHER POST-DATED CHECK OR SIMILAR ARRANGEMENT ACCEPTED BY THE SAME POST-DATED CHECK CASHER.

Section 2. W.S. 40-14-362(a)(intro) and 40-14-363(a), (b) and by creating a new subsection (d) are amended to read:

40-14-362. Definitions.

(a) As used in W.S. 40-14-362 through ~~40-14-364~~ 40-14-365:

40-14-363. License required; post-dated check finance charge; limits on amount financed and terms; minimum finance charge.

(a) No person shall engage in business as a post-dated check casher in this state unless licensed in accordance with W.S. 40-14-634. No post-dated check casher may contract for, charge or receive any amount as a charge in connection with a post-dated check or similar arrangement other than a post-dated check finance charge as stated in this subsection. The maximum amount of any post-dated check shall not exceed three hundred dollars ($300.00). No person shall borrow more than three hundred dollars ($300.00) in any one (1) month in any post-dated check or similar arrangement. No post-dated check finance charge shall exceed the greater of thirty dollars ($30.00) or ~~twenty percent (20%)~~ fifteen percent (15%) per month on the principal balance of the post-dated check or similar arrangement.

(b) The maximum term of any post-dated check or similar arrangement subject to this part shall be ~~one (1)~~ three (3) calendar ~~month~~ months.

(d) If the administrator, acting in accordance with the procedural requirements of W.S. 40-14-635, finds that a post-dated check casher has three (3) or more violations of this section that result in the post-dated check casher refunding excess charges to the consumer, the post-dated check casher's license may be revoked or suspended. Notwithstanding W.S. 40-14-635, a post-dated check casher's license suspended or revoked pursuant to this subsection shall not be reinstated until after twelve (12) months have lapsed since the suspension or revocation.

Section 3. There is authorized one (1) additional full-time position to the department of audit. There is appropriated to the department of audit one hundred seventy-seven thousand seven hundred eight dollars ($177,708.00) from the financial institutions administration account within the earmarked revenue fund.

Section 4. This act is effective July 1, 2006.

(END)