

2014 -- S 2790

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LC004228  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO FINACIAL INSTITUTIONS - LICENSED ACTIVITIES - LENDERS AND  
LOAN BROKERS - CHECK CASHING

Introduced By: Senator Roger Picard

Date Introduced: March 25, 2014

Referred To: Senate Commerce

(Business Regulation)

It is enacted by the General Assembly as follows:

- 1           SECTION 1. Sections 19-14-2, 19-14-4 and 19-14-6 in Chapter 14 of Title 19 of the  
2 General Laws entitled "Licensed Activities" is hereby amended to read as follows:
- 3           **19-14-2. Licenses required.** - (a) No person shall engage within this state in the business  
4 of: (1) making or funding loans or acting as a lender or small loan lender; (2) brokering loans or  
5 acting as a loan broker; (3) selling checks for a fee or other consideration; (4) cashing checks for  
6 a fee or other consideration which includes any premium charged for the sale of goods in excess  
7 of the cash price of the goods; (5) providing electronic money transfers for a fee or other  
8 consideration; consideration; (6) providing debt-management services; ~~or~~ (7) [performing the](#)  
9 [functions of a debt collector;](#) (8) performing the duties of a mortgage loan originator; (9)  
10 [servicing a loan directly or indirectly, owed or due or asserted to be owed or due another; or](#) (10)  
11 [making deferred deposit loans](#) without first obtaining a license or registration from the director or  
12 the director's designee. The licensing requirement for any person providing debt management  
13 plans shall apply to all persons, without regard for state of incorporation or a physical presence  
14 in this state, who initiate or service debt management plans for residents of this state. Special  
15 exemptions from licensing for each activity are contained in other chapters in this title.
- 16           (b) No lender or loan broker licensee shall permit an employee to act as a mortgage loan  
17 originator without first verifying that such originator is licensed under this chapter. No Individual  
18 may act as a mortgage loan originator without being licensed, or act as a mortgage loan originator

1 for more than one person. The license of a mortgage loan originator is not effective during any  
2 period when such mortgage loan originator is not associated with a lender or loan broker licensee.

3 (c) Each loan negotiated, solicited, placed, found or made without a license as required in  
4 subsection (a) of this section shall constitute a separate violation for purposes of this chapter.

5 (d) No person engaged in the business of making or brokering loans in this state, whether  
6 licensed in accordance with the provisions of this chapter, or exempt from licensing, shall accept  
7 applications or referral of applicants from, or pay a fee to, any lender, loan broker or mortgage  
8 loan originator who is required to be licensed or registered under said sections but is not licensed  
9 to act as such by the director or the director's designee.

10 **19-14-4. Annual Fee.** - (a) Each licensee shall pay an annual license fee as follows:

11 (1) Each small loan lender license and each branch certificate, the sum of five hundred  
12 fifty dollars (\$550);

13 (2) Each loan broker license and each branch certificate, the sum of five hundred fifty  
14 dollars (\$550);

15 (3) Each lender license and each branch certificate, the sum of one thousand one hundred  
16 dollars (\$1,100);

17 (4) Each sale of checks license, the sum of three hundred sixty dollars (\$360);

18 (5) Each check cashing license, the sum of three hundred sixty dollars (\$360);

19 (6) Each deferred deposit loan license, the sum of three hundred sixty dollars (\$360);

20 ~~(7)~~ Each electronic money transfer license, the sum of three hundred sixty dollars  
21 (\$360);

22 ~~(7)~~(8) Each registration to provide debt-management services, the sum of two hundred  
23 dollars (\$200); ~~and~~

24 ~~(8)~~(9) Each mortgage loan originator license, the sum of one hundred dollars (\$100); ~~and~~

25 (10) Each third-party loan servicer license and each branch certificate, the sum of one  
26 thousand one hundred dollars (\$1,100).

27 (b) Any licensee who shall not pay the annual fee by December 31 of each year shall be  
28 subject to a daily penalty of twenty-five dollars (\$25) per day, subject to a maximum of seven  
29 hundred fifty dollars (\$750). The penalty shall be paid to the director to and for the use of the  
30 state. The penalty may be waived for good cause by the director or the director's designee,  
31 upon written request.

32 **19-14-6. Bond of Applicant** - (a) An applicant for any license shall file with the director  
33 or the director's designee a bond to be approved by him or her in which the applicant shall be the  
34 obligor.

1 (b) The amount of the bond shall be as follows:

2 (1) Small loan lenders, the sum of ten thousand dollars (\$10,000);

3 (2) Loan brokers, the sum of twenty thousand dollars (\$20,000);

4 (3) Lenders, the sum of fifty thousand dollars (\$50,000);

5 (4) Sale of checks and electronic money transfer licensees, the sum of fifty thousand  
6 dollars (\$50,000) subject to a maximum of one hundred and fifty thousand dollars (\$150,000)  
7 when aggregated with agent locations;

8 (5) Check cashing licensees ~~who accept checks for collection with deferred payment,~~ the  
9 sum of fifty thousand dollars (\$50,000) subject to a maximum of one hundred and fifty thousand  
10 dollars (\$150,000) when aggregated with agent locations;

11 (6) Deferred deposit licensees the sum of fifty thousand dollars (\$50,000) subject to a  
12 maximum of one hundred and fifty thousand dollars (\$150,000) when aggregated with agent  
13 locations;

14 ~~(6)(7)~~ Foreign exchange licensees, the sum of ten thousand dollars (\$10,000);

15 ~~(7)(8) Each~~ The amounts listed above apply to licensees with zero to three (3) branch or  
16 agent ~~location of a licensee, the sum of five thousand (\$5,000) dollars; or~~ locations. Licensees  
17 with four (4) to seven (7) branches shall post a bond as indicated above and an additional bond  
18 ten thousand dollars (\$10,000). Licensees with eight (8) or more branches shall post a bond as  
19 indicated above and an additional bond in the sum of twenty five thousand dollars (\$25,000);

20 ~~(8)(9)~~ Each debt-management services registrant, the amount provided in section 19-  
21 14.8-13; or

22 (10) Each third-party loan servicer, the sum of fifty thousand dollars (\$50,000).

23 (c) The bond shall run to the state for the use of the state and of any person who may  
24 have cause of action against the obligor of the bond under the provisions of this title and shall be  
25 perpetual. The bond shall be conditioned upon the obligor faithfully conforming to and  
26 abiding by the provisions of this title and of all rules and regulations lawfully made, and the  
27 obligor will pay to the state and to any person any and all money that may become due or owing  
28 to the state or to the person from the obligor under and by virtue of the provisions of this title.

29 (d) The provisions of subsection (b)~~(6)(7)~~ of this section shall not apply to any foreign  
30 exchange business holding a valid electronic money transfer license issued pursuant to § 19-14-1  
31 et seq., that has filed with the division of banking the bond required by subsections (b)(4) and  
32 (b)~~(7)(8)~~ of this section.

33 (e) The bond shall remain in force and effect until the surety is released from liability by  
34 the director or the director's designee or until the bond is cancelled by the surety. The surety

1 may cancel the bond and be released from further liability under the bond upon receipt by the  
2 director or the director's designee of written notice of the cancellation of the bond at least thirty  
3 (30) days in advance of the cancellation of the bond. The cancellation shall not affect any liability  
4 incurred or accrued under the bond before the termination of the thirty (30) day period. Upon  
5 receipt of any notice of cancellation, the director shall provide written notice to the licensee.

6 (f) Upon receipt of any notice of cancellation, the director may provide written notice to  
7 the licensee requiring reinstatement or replacement of the bond. Unless the bond is reinstated by  
8 the surety or a satisfactory replacement bond is filed with the director prior to the cancellation of  
9 the original bond, the licensee shall be suspended. The licensee will be provided notice of the  
10 suspension and may request a hearing within thirty (30) days. If the licensee does not request a  
11 hearing the director or director's designee shall issue an order revoking the license for failure to  
12 comply with this section.

13 SECTION 2. Section 19-14.1-10 in Chapter 14.1 of Title 19 of the General Laws entitled  
14 "Lenders and Loan Brokers" is hereby amended to read as follows:

15 **19-14.1-10. Special exemptions.** —(a) The licensing provisions of chapter 14 of this title  
16 shall not apply to:

17 (1) Nonprofit charitable, educational, or religious corporations or associations;

18 (2) Any person who makes less than six (6) loans in this state in any consecutive twelve  
19 (12) month period; there is no similar exemption from licensing for loan brokers for brokering  
20 loans or acting as a loan broker;

21 (3) Any person acting as an agent for a licensee for the purpose of conducting closings at  
22 a location other than that stipulated in the license;

23 (4) Regulated institutions and banks or credit unions organized under the laws of the  
24 United States, or subject to written notice with a designated Rhode Island agent for service of  
25 process in the form prescribed by the director or the director's designee, of any other state within  
26 the United States if the laws of the other state in which such bank or credit union is organized  
27 authorizes under conditions not substantially more restrictive than those imposed by the laws of  
28 this state, as determined by the director or the director's designee, a financial institution or credit  
29 union to engage in the business of originating or brokering loans in the other state; no bank or  
30 credit union duly organized under the laws of any other state within the United States may receive  
31 deposits, pay checks or lend money from any location within this state unless such bank or credit  
32 union has received approval from the director or the director's designee for the establishment of  
33 an interstate branch office pursuant to chapter 7 of title 19 of the general laws; or

34 (5) Any natural person employee who is employed by a licensee when acting on the

1 licensee's behalf; provided that this exemption shall not apply to a mortgage loan originator  
2 required to be licensed under § 19-14-2 or § 19-14.10-4.

3 (6) A licensed attorney when performing loan closing services for a licensee or for an  
4 entity identified in subdivision (4) above.

5 (b) The provisions of this chapter and chapter 14 of this title shall not apply to:

6 (1) Loans to corporations, joint ventures, partnerships, limited liability companies or  
7 other business entities;

8 (2) Loans over twenty-five thousand dollars (\$25,000) in amount to individuals for  
9 business or commercial, as opposed to personal, family or household purposes;

10 (3) Loans principally secured by accounts receivable and/or business inventory;

11 (4) Loans made by a life insurance company wholly secured by the cash surrender value  
12 of a life insurance policy;

13 (5) Education-purpose loans made by the Rhode Island health and educational building  
14 corporation as vested in chapter 38.1 of title 45 of the Rhode Island student loan authority as  
15 vested in chapter 62 of title 16;

16 (6) The acquisition of retail or loan installment contracts by an entity whose sole business  
17 in this state is acquiring them from federal banks receivers or liquidators;

18 (7) Notes evidencing the indebtedness of a retail buyer to a retail seller of goods, services  
19 or insurance for a part or all of the purchase price; or

20 (8) Any municipal, state or federal agency which makes, brokers, or funds loans or acts  
21 as a lender or a loan broker. This exemption includes exclusive agents or exclusive contractors of  
22 the agency specifically designated by the agency to perform those functions on behalf of the  
23 agency and which has notified the director, in writing, of the exclusive agency or contract.

24 (9) Notes evidencing the indebtedness of a retail buyer to a retail motor vehicle dealer  
25 that include as part of the amount financed, disclosed in accordance with 12 C.F.R. 226.18 as  
26 amended, an amount representing negative equity related to the motor vehicle being traded in as  
27 part of the purchase price of the motor vehicle being purchased.

28 (c) No license to make or fund loans, or to act as a lender or small loan lender shall be  
29 required of any person who engages in deferred deposit transactions (commonly known as "pay-  
30 day advance") while holding a valid license to ~~cash checks~~ make deferred deposit loans pursuant  
31 to chapter ~~14~~ 14.12 of this title.

32 SECTION 3. Sections 27-14.1-4 and 5 of Chapter 14.4 of Title 19 of the General Laws  
33 entitled "Check Cashing" is hereby amended to read as follows:

34 **19-14.4-4. Fees for services.** – No licensee shall:

1 (1) Charge check-cashing fees in excess of three percent (3%) of the face amount of the  
2 check, or five dollars (\$5.00), whichever is greater, if the check is the payment of any kind of  
3 state public assistance or federal social security benefit;

4 (2) Charge check-cashing fees for personal checks in excess of ten percent (10%) of the  
5 face amount of the personal check or five dollars (\$5.00), whichever is greater; or

6 (3) Charge check-cashing fees in excess of five percent (5%) of the face amount of the  
7 check or five dollars (\$5.00), whichever is greater, for all other checks.

8 ~~(4) Charge deferred deposit transaction fees in excess of ten percent (10%) of the amount~~  
9 ~~of funds advanced.~~

10 **19-14.4-5. Posting of charges – Endorsement – Receipt.** – (a) In every location  
11 licensed pursuant to this chapter, there shall be at all times posted in a conspicuous place within  
12 the licensed premises a complete and unambiguous schedule of all fees for cashing checks,  
13 ~~deferred deposit transactions~~ expressed as both a dollar amount and an annual percentage rate,  
14 and the initial issuance of any identification card.

15 (b) Before a licensee shall deposit, with any regulated institution or other insured-deposit-  
16 taking institution organized under the laws of the United States, a check cashed by the licensee,  
17 the check must be endorsed with the name under which the licensee is doing business and must  
18 include the words "licensed check cashing services".

19 (c) The licensee shall provide a receipt for each transaction for the benefit of a customer.

20 (d) Each check casher shall also post a list of valid identification which is acceptable in  
21 lieu of identification provided by the check casher. The information required by this section shall  
22 be clear, legible, and in letters not less than one-half (1/2) inch in height. The information shall be  
23 posted in a conspicuous location in the unobstructed view of the public within the check cashers'  
24 premises. Failure to post information as required by this section, or the imposition of fees or  
25 identification requirements contrary to the information posted, shall constitute a deceptive trade  
26 practice under chapter 13.1 of title 6.

27 SECTION 4. Section 19-14.4-5.1 of Chapter 14.4 of Title 19 of the General Laws  
28 entitled "Deferred Deposits" is hereby repealed as follows:

29 ~~19-14.4-5.1 Customer checks – Deferred deposits.~~ ~~(a) A check casher may defer the~~  
30 ~~deposit of a personal check written by a customer for a term of no less than thirteen (13) days,~~  
31 ~~pursuant to the provisions of this section. The face amount of the check shall not exceed five~~  
32 ~~hundred dollars (\$500).~~

33 ~~(b) Each deferred deposit shall be made pursuant to a written agreement that has been~~  
34 ~~signed by the customer and by the check casher or an authorized representative of the check~~

~~1 cashier. The written agreement shall contain a statement of the total amount of any fees charged  
2 for the deferred deposit, expressed both in United States currency and as an annual percentage  
3 rate (APR), as required by federal regulations. The written agreement shall authorize the check  
4 cashier to defer deposit of the personal check until a specific date no less than thirteen (13) days  
5 from the date the written agreement was signed and executed. The written agreement shall not  
6 permit the check cashier to accept collateral.~~

~~7 (c) A roll-over is an extension or deferral of the payment due date of a deferred deposit  
8 transaction for the payment of only an additional fee.~~

~~9 (d) The maximum amount of a single customer's check is five hundred dollars (\$500).~~

~~10 (e) The maximum aggregate amount of concurrently outstanding checks held by the  
11 licensee or its affiliate from the same customer is five hundred dollars (\$500).~~

~~12 (f) The maximum number of concurrently outstanding checks held by the licensee or its  
13 affiliates from the same customer is three (3).~~

~~14 (g) The maximum number of rollovers permitted is one.~~

~~15 (h) The check cashier shall give a duplicate original of the agreement to the customer at  
16 the time of the transaction.~~

17 SECTION 5. Title 19 of the General Laws entitled "FINANCIAL INSTITUTIONS" is  
18 hereby amended by adding thereto the following chapter:

19 CHAPTER 14.11

20 FINANCIAL INSTITUTIONS

21 **19-14.11-1. Customer checks – Deferred deposits.** – (a) A licensee may defer the  
22 deposit of a personal check written by a customer for a term of no less than thirteen (13) days,  
23 pursuant to the provisions of this section. The face amount of the check shall not exceed five  
24 hundred dollars (\$500).

25 (b) Each deferred deposit shall be made pursuant to a written agreement that has been  
26 signed by the customer and by the licensee or an authorized representative of the licensee. The  
27 written agreement shall contain a statement of the total amount of any fees charged for the  
28 deferred deposit, expressed both in United States currency and as an annual percentage rate  
29 (APR), as required by federal regulations. The written agreement shall authorize the licensee to  
30 defer deposit of the personal check until a specific date no less than thirteen (13) days from the  
31 date the written agreement was signed and executed. The written agreement shall not permit the  
32 licensee to accept collateral.

33 (c) A roll-over is an extension or deferral of the payment due date of a deferred deposit  
34 transaction for the payment of only an additional fee.

1 (d) The maximum amount of a single customer's check is five hundred dollars (\$500).

2 (e) The maximum aggregate amount of concurrently outstanding checks held by the  
3 licensee or its affiliate from the same customer is five hundred dollars (\$500).

4 (f) The maximum number of concurrently outstanding checks held by the licensee or its  
5 affiliates from the same customer is three (3).

6 (g) The maximum number of rollovers permitted is one.

7 (h) The licensee shall give a duplicate original of the agreement to the customer at the  
8 time of the transaction.

9 **19-14.12-2. Exemptions from licensing. – No license to loan based upon deferred**  
10 **deposits shall be required of any:**

11 (1) Regulated institution, bank or credit union organized under the laws of the United  
12 States, or subject to written notice with a designated Rhode Island agent for service of process in  
13 the form prescribed by the director or the director's designee, of any other state within the United  
14 States if the laws of the other state in which such bank or credit union is organized authorizes  
15 under conditions not substantially more restrictive than those imposed by the laws of this state, as  
16 determined by the director or the director's designee, a financial institution or credit union to  
17 engage in the business of cashing checks in the other state; no bank or credit union duly  
18 organized under the laws of another state within the United States may receive deposits, pay  
19 checks or lend money from any location within this state unless such bank or credit union has  
20 received approval from the director or the director's designee for the establishment of an interstate  
21 branch office pursuant to chapter 7 of title 19.

22 (2) Natural person employee who is employed by a licensee when acting on the licensee's  
23 behalf; or

24 (3) Persons engaged in the business of cashing checks where that business is incidental to  
25 the person's retail sale of goods or services and the person charges not more than fifty cents (\$.50)  
26 per check cashed.

27 **19-14.12-3. Public notice of application. – (a) Upon the filing of any application in due**  
28 **form, accompanied by the required fee and documents, notice thereof shall be published on the**  
29 **Department's website. Each notice shall contain:**

30 (1) The name of the applicant;

31 (2) The location of the proposed site; and

32 (3) A statement that any comment or objection by anyone in relation to the application  
33 should be submitted in writing to the director or the director's designee for consideration within  
34 ten (10) business days of the date of publication.



1           (b) The director or the director's designee shall cause an investigation of the needs of the  
2 community for the establishment of a deferred deposit business at the location specified in the  
3 application and the effect that granting the license will have on the financial stability of other  
4 deferred deposit businesses that may be serving the community in which the business of the  
5 applicant is proposed to be conducted. If the issuance of a license to engage in the deferred  
6 deposit business at the location specified will not promote the needs and the convenience and  
7 advantage of the community in which the deferred deposit business of the applicant is proposed  
8 to be conducted, then the application may be denied.

9           (c) The director or the director's designee shall investigate to ascertain whether the  
10 qualifications and requirements have been met. If the director or the director's designee finds that  
11 the qualifications have been met, he or she shall issue to the applicant a license to engage in the  
12 business of deferred deposit lending in this state.

13           (d) All licensees holding a valid check cashing license under chapter 14.4 of this title on  
14 the effective date of the enactment of this statute shall be entitled to be issued a deferred deposit  
15 license with the completion of an application and payment of the fee. All other licensing  
16 requirements are deemed satisfied by the holding of the check cashing license on that date.  
17 Licensees issued pursuant to this subsection shall have the obligations as all other deferred  
18 deposition licensees following issuance of the license.

19           **19-14.12-4. Rules and regulations.** – (a) The director or the director's designee is  
20 authorized, directed and empowered to promulgate regulations that provide for the safety and  
21 security of customers of the licensee, and/or its employees, from robbery or other criminal  
22 activities to include, but not be limited to, bulletproof glass and steel partitions.

23           (b) The rules and regulations, in addition to any other provisions as the director or the  
24 director's designee may require, must provide that licensees maintain:

25           (1) Continuously, for each licensed premises, liquid assets of at least ten thousand dollars  
26 (\$10,000);

27           (2) A cash sheet which must be prepared daily for each day's business reflecting all  
28 transactions for that day;

29           (3) A transaction register recording the date of the transaction, amount of the transaction,  
30 type of instrument deposited with the licensee and identifying information such as financial  
31 institution, check number, account number and whatever additional information is necessary to  
32 identify instrument, date of repayment of loan, rollover, if any, of loan, all information  
33 concerning negotiation of instrument left on deposit for loan and any all other information  
34 prescribed by the Director by regulation;

1 (4) Insurance issued by an insurance company or indemnity company, authorized to do  
2 business under the laws of this state, which shall insure the applicant against loss by theft,  
3 burglary, robbery or forgery in principal sum of at least one hundred thousand dollars (\$100,000);  
4 and

5 (5) An adequate written policy and affirmative program to insure compliance with state  
6 and federal money laundering statutes.

7 **19-14.12-5. Fees for services.** – No licensee shall charge transaction fees in excess of ten  
8 percent (10%) of the amount of funds advanced.

9 **19-14.12-6. Posting of charges – Endorsement – Receipt.** – (a) In every location  
10 licensed pursuant to this chapter, there shall be at all times posted in a conspicuous place within  
11 the licensed premises and on any website maintained by or on behalf of the licensee a complete  
12 and unambiguous schedule of all fees for deferred deposit transactions expressed as both a dollar  
13 amount and an annual percentage rate. The licensee shall also disclose the fee for the initial  
14 issuance of any identification card.

15 (b) Before a licensee shall deposit, with any regulated institution or other insured-deposit-  
16 taking institution organized under the laws of the United States, a check cashed by the licensee,  
17 the check must be endorsed with the name under which the licensee is doing business and must  
18 include the words "licensed deferred deposit services".

19 (c) The licensee shall provide a receipt for each transaction for the benefit of a customer.

20 (d) Each deferred deposit licensee shall also post a list of valid identification which is  
21 acceptable in lieu of identification provided by the licensee. The information required by this  
22 section shall be clear, legible, and in letters not less than one-half (1/2) inch in height. The  
23 information shall be posted in a conspicuous location in the unobstructed view of the public  
24 within the licensees premises and on any website maintained by or on behalf of the licensee.  
25 Failure to post information as required by this section, or the imposition of fees or identification  
26 requirements contrary to the information posted, shall constitute a deceptive trade practice under  
27 chapter 13.1 of title 6.

28 **19-14.12-7. Securities in lieu of bonds.** – In lieu of the required surety bond or bonds, or  
29 of any portion as required by chapter 14 of this title, the applicant may deposit with the director,  
30 or the director's designee or with any financial institutions, credit unions or national banks in this  
31 state that the applicant may designate and the director or the director's designee may approve,  
32 United States government/agency obligation or state obligations, to an aggregate amount, based  
33 upon principal amount or market value, whichever is lower, of not less than the amount of the  
34 required surety bond. The securities shall be deposited and held to secure the same obligations as

1 would the surety bond, but the licensee shall be entitled to receive all interest and dividends  
2 thereon, shall have the right, with the approval of the director or the director's designee, to  
3 substitute other securities for those deposited, and shall be required to substitute securities on the  
4 written order of the director or the director's designee.

5 **19-14.12-8. Dishonor of check – Procedure.** – Within five (5) business days after being  
6 advised by the payor institution that a check has been altered, forged, stolen, obtained through  
7 fraudulent or illegal means, negotiated without proper legal authority, or represents the proceeds  
8 of illegal activity, the licensee shall notify the police department in the city or town where the  
9 office of the licensee where the check was cashed or where the deferred deposit transaction  
10 occurred is located. In the event a check is returned to the licensee by the payor institution for any  
11 of the aforementioned reasons, the licensee may not release the check without the consent of the  
12 city or town police department, office of the attorney general, or other investigating law  
13 enforcement authority.

14 **19-14.12-9. Food stamps – Distribution.** – Deferred deposit licensees may engage in  
15 the distribution of food stamps in accordance with the regulations promulgated by the director or  
16 the director's designee.

17 **19-14.12-10. Unlicensed deferred deposit businesses.** – The operation of any  
18 unlicensed deferred deposit business or the unlawful conduct or operation of any licensed  
19 deferred deposit business is declared to constitute unfair competition with licensed and legally  
20 operated deferred deposit businesses doing business in the same community. A licensee operating  
21 legally under this chapter in the same community has the right to apply to the superior court to  
22 obtain an injunction restraining this unfair competition.

23 **19-14.12-11. Severability.** – If any provision of this chapter or the application of this  
24 chapter to any person or circumstances is held invalid or unconstitutional, the invalidity or  
25 unconstitutionality shall not affect other provisions or applications of this chapter that can be  
26 given effect without the invalid or unconstitutional provisions or application, and to this end the  
27 provisions of this chapter are declared to be severable.

28 SECTION 2. This act shall take effect on January 1, 2015.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO FINACIAL INSTITUTIONS - LICENSED ACTIVITIES - LENDERS AND  
LOAN BROKERS - CHECK CASHING

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- 1           This act would amend the financial institutions statute to separate “check cashing” and
- 2 “payday lending” licenses into separate license categories.
- 3           This act would take effect on January 1, 2015.

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