Post-dated checks.

Sponsored by: Representative(s) Zwonitzer, Dn., Pedersen and Throne

A BILL

for

1 AN ACT relating to the uniform consumer credit code; 2 providing for notification of pay-day check cashing laws; 3 providing for a limit on amount financed; modifying 4 interest charges and maximum term; providing a penalty for 5 a post-dated check cashier who violates this act as 6 specified; allowing for suspension of a post-dated check 7 cashier's license; and providing for an effective date.

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

11 Section 1. W.S. 40-14-365 and 40-14-366 are created 12 to read:

14 40-14-365. Penalties.

16 (a) A post-dated check cashier is guilty of a
misdemeanor punishable by a fine of not more than seven hundred fifty dollars ($750.00) if he knowingly violates W.S. 40-14-363(a) by loaning a post-dated check borrower any funds which exceed four hundred dollars ($400.00) in outstanding post-dated check or similar arrangement loans to that borrower.

(b) A post-dated check casher is guilty of a misdemeanor punishable by a fine of not more than seven hundred fifty dollars ($750.00) if he knowingly violates W.S. 40-14-364 by accepting payment, refinancing or consolidating a post-dated check or similar arrangement from the proceeds of another post-dated check or similar arrangement. A post-dated check casher who violates this subsection shall have his license suspended or revoked by the administrator. A license suspension pursuant to this subsection shall not exceed twelve (12) months.

(c) A post-dated check casher is guilty of a misdemeanor punishable by a fine of not more than two hundred fifty dollars ($250.00) if he fails to obtain the signed written notice required under W.S. 40-14-366 before issuing a post-dated check loan.

(a) 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 PROVIDES THAT YOU SHALL NOT BE ELIGIBLE TO RECEIVE A LOAN FROM POST-DATED CHECKS OR SIMILAR ARRANGEMENTS IF YOUR CURRENT BALANCE OF LOANS FROM POST-DATED CHECKS OR SIMILAR ARRANGEMENTS EXCEEDS FOUR HUNDRED DOLLARS ($400.00). FAILURE TO OBEY THIS LAW COULD CREATE SEVERE FINANCIAL HARDSHIP FOR YOU AND YOUR FAMILY.

2. STATE LAW PROHIBITS A POST-DATED CHECK CASHER FROM KNOWINGLY LOANING A POST-DATED CHECK BORROWER ANY FUNDS WHICH EXCEED FOUR HUNDRED DOLLARS ($400.00) IN OUTSTANDING POST-DATED CHECK OR SIMILAR ARRANGEMENT LOANS TO THAT BORROWER.

3. STATE LAW REQUIRES THAT A POST-DATED CHECK CASHER OBTAINS THE SIGNATURE OF A PROSPECTIVE POST-DATED CHECK

3 HB0231
BORROWER ACKNOWLEDGING THAT THE PROSPECTIVE POST-DATED
CHECK BORROWER DOES NOT HAVE MORE THAN FOUR HUNDRED DOLLARS
($400.00) IN OUTSTANDING LOANS FROM POST-DATED CHECKS OR
SIMILAR ARRANGEMENTS.

YOU MUST SIGN THE FOLLOWING STATEMENT:

I DO NOT HAVE OUTSTANDING LOANS FROM POST-DATED CHECKS
OR SIMILAR ARRANGEMENTS IN EXCESS OF FOUR HUNDRED DOLLARS
($400.00). IN ADDITION, THE LOAN I AM ABOUT TO RECEIVE
WILL NOT RESULT IN MY OUTSTANDING POST-DATED CHECK OR
SIMILAR LOAN BALANCE EXCEEDING FOUR HUNDRED DOLLARS
($400.00).

(SIGNATURE OF DRAWER)

4. 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
40-14-362. Definitions.

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

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 four hundred dollars ($400.00). No person shall be eligible to receive a loan from post-dated checks or similar arrangements if your current balance of loans from post-dated checks or similar arrangements exceeds four hundred dollars ($400.00). No post-dated check casher shall knowingly loan a post-dated
check borrower any funds which exceed four hundred dollars ($400.00) in outstanding post-dated check or similar arrangement loans to that borrower. No post-dated check finance charge shall exceed the greater of thirty dollars ($30.00) or twenty percent (20%) fifteen percent (15%) per month or forty-five percent (45%) annually 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 violated this section resulting 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 suspension pursuant to this subsection shall not exceed twelve (12) months.

Section 3. This act is effective July 1, 2011.