



Senate Fiscal Agency
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House Bill 4343 (Substitute S-1 as reported)
Sponsor: Representative Jennifer Conlin
House Committee: Insurance and Financial Services
Senate Committee: Finance, Insurance, and Consumer Protection

CONTENT

The bill would amend the Deferred Presentment Service Transactions Act to require the Director of the Department of Insurance and Financial Services (DIFS) to submit an annual report regarding deferred presentment service (payday loan) transactions, licensees, and complaints to the standing committees of the Senate and House of Representatives concerned with banking and financial services. The bill would require DIFS to publish the report on its website each year from 2025 to 2030.

The bill would take effect 90 days after its enactment.

BRIEF RATIONALE

According to testimony, the current structure of fees levied against payday loan borrowers creates a cycle of perpetual debt that is difficult for borrowers to get out of. Some believe that more should be done to protect vulnerable, low-income residents from high interest rates. It has been suggested that the State collect and report more data on these transactions to find ways to prevent predatory lending.

MCL 487.2171

FISCAL IMPACT

The bill would have a minimal fiscal impact on the State and local units of government. The bill would require DIFS to produce an annual report on banking and financial issues. Producing this report could result in minimal administrative costs in tracking and compiling the data.

Date Completed: 3-11-24

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