

# Committee Report

**CONSENT CALENDAR**

**April 26, 2018**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

The Committee on Commerce and Consumer Affairs to which was referred SB 91,

AN ACT relative to the title loan default process. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.

**Rep. Richard Abel**

**FOR THE COMMITTEE**

## COMMITTEE REPORT

Committee:	Commerce and Consumer Affairs
Bill Number:	SB 91
Title:	relative to the title loan default process.
Date:	April 26, 2018
Consent Calendar:	CONSENT
Recommendation:	OUGHT TO PASS

### STATEMENT OF INTENT

This bill, introduced at the request of the Banking Department, requires a title loan lender to cease accruing and collecting interest on a title loan which is in default for over 60 days. All parties agreed to this bill in the other chamber and in the House committee.

Vote 17-0.

Rep. Richard Abel  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## CONSENT CALENDAR

Commerce and Consumer Affairs

**SB 91**, relative to the title loan default process. **OUGHT TO PASS.**

Rep. Richard Abel for Commerce and Consumer Affairs. This bill, introduced at the request of the Banking Department, requires a title loan lender to cease accruing and collecting interest on a title loan which is in default for over 60 days. All parties agreed to this bill in the other chamber and in the House committee. **Vote 17-0.**

Original: House Clerk

Cc: Committee Bill File

## Stapler, Carol

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**From:** Rep. Richard Abel <richabelassoc@aol.com>  
**Sent:** Wednesday, April 11, 2018 3:28 PM  
**To:** Stapler, Carol  
**Subject:** Fwd: Blurb SB 91

Sent from my iPhone

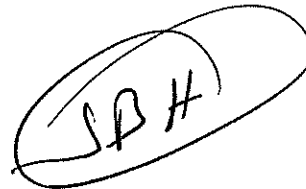
Begin forwarded message:

**From:** "Rep. Richard Abel" <[richabelassoc@aol.com](mailto:richabelassoc@aol.com)>  
**Date:** April 11, 2018 at 2:30:06 PM EDT  
**To:** John B Hunt <[jbhunt@prodigy.net](mailto:jbhunt@prodigy.net)>  
**Cc:** [carol.stapler@leg.state.nh.us](mailto:carol.stapler@leg.state.nh.us)  
**Subject:** Blurb SB 91

Consent Calendar

SB91, Relative to the title default process. OUGHT TO PASS. Rep. Richard Abel for Commerce and Consumer Affairs. This bill, introduced at the request of the Banking Department, requires a title loan lender to cease accruing and collecting interest on a title loan which is in default for over 60 days. All parties agreed to this bill in the other chamber and in the House committee. Vote 17 - 0.

Sent from my iPhone



# Voting Sheets

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on SB 91

**BILL TITLE:** relative to the title loan default process.

**DATE:** April 10, 2018

**LOB ROOM:** 302

**MOTIONS:** OUGHT TO PASS

Moved by Rep. Abel

Seconded by Rep. Luneau

Vote: 17-0

**CONSENT CALENDAR: YES**

**Statement of Intent:** Refer to Committee Report

Respectfully submitted,

Rep Valerie Fraser, Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on SB 91

BILL TITLE: relative to the title loan default process.

DATE: 4-10-18

LOB ROOM: 302

MOTION: (Please check one box)

- OTP                       ITL                       Retain (1<sup>st</sup> year)                       Adoption of  
Amendment # \_\_\_\_\_
- Interim Study (2nd year)                      (if offered)

Moved by Rep. Abel                      Seconded by Rep. Lureau                      Vote: 17-0

MOTION: (Please check one box)

- OTP                       OTP/A                       ITL                       Retain (1<sup>st</sup> year)                       Adoption of  
Amendment # \_\_\_\_\_
- Interim Study (2nd year)                      (if offered)

Moved by Rep. \_\_\_\_\_                      Seconded by Rep. \_\_\_\_\_                      Vote: \_\_\_\_\_

MOTION: (Please check one box)

- OTP                       OTP/A                       ITL                       Retain (1<sup>st</sup> year)                       Adoption of  
Amendment # \_\_\_\_\_
- Interim Study (2nd year)                      (if offered)

Moved by Rep. \_\_\_\_\_                      Seconded by Rep. \_\_\_\_\_                      Vote: \_\_\_\_\_

MOTION: (Please check one box)

- OTP                       OTP/A                       ITL                       Retain (1<sup>st</sup> year)                       Adoption of  
Amendment # \_\_\_\_\_
- Interim Study (2nd year)                      (if offered)

Moved by Rep. \_\_\_\_\_                      Seconded by Rep. \_\_\_\_\_                      Vote: \_\_\_\_\_

CONSENT CALENDAR:  YES                       NO

Minority Report? \_\_\_\_\_ Yes                      \_\_\_\_\_ No                      If yes, author, Rep: \_\_\_\_\_                      Motion \_\_\_\_\_

Respectfully submitted: Valerie A Fraser  
Rep Valerie Fraser, Clerk





2018 SESSION

COMMERCE

Bill #: SB91 Title: Re: to the title loan default process  
PH Date: 3, 28, 18 Exec Session Date: 4, 10, 18  
Motion: OTP Amendment #: \_\_\_\_\_

MEMBER	YEAS	NAYS
Hunt, John B. Chariman	✓	
Biggie, Barbara Vice Chairman	✓	
Fraser, Valerie Clerk	✓	
Fromuth, Bart	—	—
Sanborn, Laurie J.	✓	
Ferreira, Elizabeth	✓	
Osborne, Jason M.	✓	
Costable, Michael	✓	
Plumer, John R.	✓	
Schwaegler, Vicki	✓	
Panasiti, Reed A.	✓	
Butler, Edward A.	—	—
Gidge, Kenneth N.	✓	
Williams, Kermit R.	✓	
Abel, Richard M.	✓	
Luneau, David	✓	
McBeath, Rebecca	—	—
Bartlett, Christy D.	✓	
Fontneau, Timothy	—	—
Van Houten, Connie	✓	
<b>TOTAL VOTE:</b>		

Rep. M. Moffett

✓

17 - 0

# Sub-Committee Minutes

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

**SUBCOMMITTEE WORK SESSION** on SB 91

**BILL TITLE:** relative to the title loan default process.

**DATE:** April 3, 2018

**Subcommittee Members:** Reps. Sanborn, Ferreira, Costable, Plumer, Panasiti, Butler, Abel, Luneau, Bartlett and Van Houten

**Comments and Recommendations:** All parties involved seem to agree

**MOTIONS:** OUGHT TO PASS

Moved by Rep. Rep. Abel

Seconded by Rep. Rep. Luneau

Vote: 8-0

Respectfully submitted,

Rep. Laurie Sanborn  
Subcommittee Chairman

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

SUBCOMMITTEE WORK SESSION on SB 91

BILL TITLE: relative to the title loan default process.

DATE: 3-3-18

Subcommittee Members: Reps. Hunt, Biggie, Fraser, Fromuth, Sanborn, Ferreira, Osborne, Costable, Plumer, Schwaegler, Panasiti, Butler, Gidge, Williams, Abel, Luneau, McBeath, Bartlett, Fontneau and Van Houten

Comments and Recommendations:

all parties involved seem to agree.

MOTIONS: (OTP) OTP/A, ITL, Retained (1st Yr), Interim Study (2nd Yr) (Please circle one)

Moved by Rep. Abel Seconded by Rep. Luneau AM Vote: 8-0

Adoption of Amendment # \_\_\_\_\_

Moved by Rep. \_\_\_\_\_ Seconded by Rep. \_\_\_\_\_ Vote: \_\_\_\_\_

\_\_\_\_\_ Amendment Adopted \_\_\_\_\_ Amendment Failed

MOTIONS: OTP, OTP/A, ITL, Retained (1st Yr), Interim Study (2nd Yr) (Please circle one)

Moved by Rep. \_\_\_\_\_ Seconded by Rep. \_\_\_\_\_ AM Vote: \_\_\_\_\_

Adoption of Amendment # \_\_\_\_\_

Moved by Rep. \_\_\_\_\_ Seconded by Rep. \_\_\_\_\_ Vote: \_\_\_\_\_

\_\_\_\_\_ Amendment Adopted \_\_\_\_\_ Amendment Failed

Respectfully submitted,

Rep. [Signature] Subcommittee Chairman/Clerk

# Hearing Minutes

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON SB 91

BILL TITLE: relative to the title loan default process.

DATE: March 28, 2018

LOB ROOM: 302

Time Public Hearing Called to Order: 10:04 a.m.

Time Adjourned: 10:12 a.m.

Committee Members: Reps. Hunt, Biggie, Fraser, Fromuth, Sanborn, Ferreira, Osborne, Costable, Plumer, Schwaegler, Panasiti, Butler, Gidge, Williams, Abel, Luneau, McBeath, Bartlett, Fontneau and Van Houten

Bill Sponsors:

Sen. Feltes

Rep. Butler

Rep. Williams

Rep. Luneau

TESTIMONY

\* Use asterisk if written testimony and/or amendments are submitted.

**Sen. Dan Feltes prime sponsor** - Clarifies the law on title loan default process agreed upon language between legal assistants title loan industry "may" instead of "shall"; no interest charged after 60 days; 9 periods instead of 10. Bill at the request of the banking department..

**Emelia Goldieri Deputy Commissioner, NH Banking Dept. with Lorry Cloutier** - Support. At the request of the department title loan on a car for 1 month. One of the title loan members wasn't renewing the loan, thus increasing % up to 300%.

**Q: Rep. Richard Abel** - How many defaulting licensees?

**A:** Doesn't have hard data.

**Chairman John Hunt** - There is predatory financing involved, such as PayDay & Title Loan. About 10 or less of title loan members. PayDay not in NH. Rep. Sanborn mentioned that those with low incomes may need this service.

Blue Sheet: Pro, 2; Con, 0

Respectfully Submitted:



Barbara Biggie, Acting Clerk



SB 91 2/28/17

Sen. D. Feltes Sponsor clarifies the law on title loan default process agreed upon language between legal assistants title loan industry "may" instead of "shall"; no interest charged after 60 days; 9 periods instead of 10. Request of the banking dept.

Emelia Goldieri Deputy Commissioner, NH Banking Dept. with Lorry Cloutier In support

At the request of the department title loan on a car for 1 month. One of the title loan members wasn't renewing the loan, thus increasing % up to 300%.

Rep. Abel: How many defaulting licensees? A. Doesn't have hard data

Chairman Hunt: There is predatory financing involved, such as PayDay & Title Loan About 10 or less of title loan members PayDay not in NH Rep. Sanborn mentioned that those with low incomes may need this service.

Blue Sheet





Bill as  
Introduced

SB 91 - AS AMENDED BY THE SENATE

01/03/2018 2506s

2017 SESSION

17-0975  
08/10

SENATE BILL

**91**

AN ACT

relative to the title loan default process.

SPONSORS:

Sen. Feltes, Dist 15; Rep. Butler, Carr. 7; Rep. Williams, Hills. 4; Rep. Luneau,  
Merr. 10

COMMITTEE:

Commerce

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AMENDED ANALYSIS

This bill requires a title loan lender to cease accruing and collecting interest on a title loan which is in default for over 60 days.

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Explanation:

Matter added to current law appears in *bold italics*.

Matter removed from current law appears [~~in brackets and struck through.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Seventeen*

AN ACT relative to the title loan default process.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 Title Loan Renewals. Amend RSA 399-A:19, II-III to read as follows:

2 II. A title loan lender may allow such loan to be renewed no more than ~~[10]~~ 9 additional  
3 periods each equal to the original term, provided however, that at each such renewal the borrower  
4 shall pay at least 10 percent of the title loan's original principal balance in addition to any finance  
5 charge owed, to reduce the principal balance outstanding. *No action shall be required of the*  
6 *borrower to renew the loan.*

7 III. If the borrower cannot pay this principal reduction at any renewal, the title loan lender  
8 ~~[may]~~ *shall* either: (a) declare the borrower in default; or (b) allow the loan to be renewed, provided  
9 that, *in either event*, the lender shall reduce the current principal amount of the loan by 10  
10 percent of the original principal amount for the purposes of calculating interest thereafter. This  
11 reduction in principal shall continue to be owed by the borrower, but such amount shall not be  
12 entitled to accrue interest thereafter. *No interest shall accrue on a title loan 60 days after the*  
13 *borrower has been declared in default, unless the borrower cures such default.*

14 2 Effective Date. This act shall take effect 60 days after its passage.