

HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **H.B. 2611**

BORRELLI Floor Amendment

HB 2611 establishes *Flex Loans* regulated by the Arizona Department of Financial Institutions (DFI) and outlines the requirements for licensure, loan plans, interest rates and finance charges.

BORRELLI Floor Amendment

States that a licensed lender cannot make a Flex Loan to anyone unless:

- 1) the person attests that the person is not a military member or dependent; or,
- 2) the licensed lender confirms that the person is not a military member through another means.

Stipulates that any Flex Loan made in violation of the provisions of the *John Warner National Defense Authorization Act* is void.

Amendment explanation prepared by DIANA CLAY

Phone Number X3745

lcs

2/26/2015

BORRELLI FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2611

(Reference to COMMERCE Committee amendment)

1 Page 1, line 25, after the period insert:

2 "E. A LICENSEE MAY NOT MAKE A FLEX LOAN TO A PERSON UNLESS THAT PERSON
3 HAS EITHER:

4 1. SIGNED AND PROVIDED TO THE LICENSEE AS PART OF THE LOAN, A
5 STATEMENT ATTESTING TO WHETHER OR NOT THE PERSON IS A MILITARY MEMBER OR
6 DEPENDENT AS DEFINED AS A "COVERED BORROWER" IN THE JOHN WARNER DEFENSE
7 AUTHORIZATION ACT FOR FISCAL YEAR 2007. SUCH STATEMENT SHALL BE IN THE FORM
8 AS MAY BE SET BY THE SUPERINTENDENT BY RULE, OR MAY CONFORM WITH THAT
9 PROVIDED BY FEDERAL LAW OR REGULATION REGARDING COVERED BORROWERS BY THE
10 UNITED STATES DEPARTMENT OF DEFENSE, OR

11 2. USED ANOTHER AUTHORIZED METHOD TO DETERMINE THE PERSON IS NOT A
12 COVERED BORROWER AS MAY BE SET OUT IN FEDERAL LAW OR BY UNITED STATES DEFENSE
13 DEPARTMENT REGULATIONS.

14 F. ANY LOAN MADE IN VIOLATION OF THE JOHN WARNER NATIONAL DEFENSE
15 AUTHORIZATION ACT IS VOID."

16 Amend title to conform

SONNY BORRELLI

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2/26/15
12:45 PM
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