

Senate Bill No. 777

Passed the Senate August 29, 2016

Secretary of the Senate

Passed the Assembly August 18, 2016

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add and repeal Section 22050.5 of the Financial Code, relating to finance lenders.

LEGISLATIVE COUNSEL'S DIGEST

SB 777, Lara. The California Finance Lenders Law: application.

Existing law, the California Finance Lenders Law, provides for the licensure and regulation of finance lenders and brokers. Existing law exempts from its provisions, among others, persons making 5 or fewer commercial loans in a 12-month period if the loans are incidental to the business of the person relying upon the exemption.

This bill would also exempt, until January 1, 2022, a person who makes one commercial loan in a 12-month period from regulation pursuant to the California Finance Lenders Law.

The people of the State of California do enact as follows:

SECTION 1. Section 22050.5 is added to the Financial Code, to read:

22050.5. (a) This division does not apply to any person who makes one loan in a 12-month period if that loan is a commercial loan as defined in Section 22502.

(b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

Approved _____, 2016

Governor