

Introduced by Senator MendozaFebruary 19, 2016

An act to amend Section 22701 of the Financial Code, relating to finance lenders.

LEGISLATIVE COUNSEL'S DIGEST

SB 1290, as introduced, Mendoza. California Finance Lenders Law: Commissioner of Business Oversight: duties.

The California Finance Lenders Law generally provides for the licensure and regulation of finance lenders and brokers by the Commissioner of Business Oversight. The law authorizes the commissioner, for the purpose of discovering violations of the law or securing information required by him or her in the administration and enforcement of the law, to investigate the loans and business, and examine the books, accounts, records, and files used in the business of every person engaged in the business of a finance lender or broker.

This bill would require the commissioner to establish protocols that allow a licensee under this law to comply with the commissioner's investigations by using an electronic filing program.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. Section 22701 of the Financial Code is amended
- 2 to read:
- 3 22701. ~~For~~(a) For the purpose of discovering violations of
- 4 this division or securing information required by him or her in the
- 5 administration and enforcement of this division, the commissioner

1 may at any time investigate the loans and business, and examine
2 the books, accounts, records, and files used in the business, of
3 every person engaged in the business of a finance lender or broker,
4 whether the person acts or claims to act as principal or agent, or
5 under or without the authority of this division. For the purpose of
6 examination, the commissioner and his or her representatives shall
7 have free access to the offices and places of business, books,
8 accounts, papers, records, files, safes, and vaults of all these
9 persons.
10 (b) *The commissioner shall establish protocols that allow a*
11 *licensee to comply with the commissioner's investigations pursuant*
12 *to subdivision (a) by using an electronic filing program.*