

Effective 5/13/2014

Superseded 7/1/2016

7-23-201 Registration -- Rulemaking.

- (1)
 - (a) It is unlawful for a person to engage in the business of cashing checks or the business of deferred deposit lending in Utah or with a Utah resident unless the person:
 - (i) registers with the department in accordance with this chapter; and
 - (ii) maintains a valid registration.
 - (b) It is unlawful for a person to operate a mobile facility in this state to engage in the business of:
 - (i) cashing checks; or
 - (ii) deferred deposit lending.
- (2)
 - (a) A registration and a renewal of a registration expires on December 31 of each year unless on or before that date the person renews the registration.
 - (b) To register under this section, a person shall:
 - (i) pay an original registration fee established under Subsection 7-1-401(8);
 - (ii) submit a registration statement containing the information described in Subsection (2)(d);
 - (iii) submit evidence satisfactory to the commissioner that the person is authorized to conduct business in this state as a domestic or foreign entity pursuant to filings with the Division of Corporations and Commercial Code under Title 16, Corporations, or Title 48, Partnership; and
 - (iv) if the person engages in the business of deferred deposit lending, submit evidence satisfactory to the commissioner that the person is registered with the nationwide database.
 - (c) To renew a registration under this section, a person shall:
 - (i) pay the annual fee established under Subsection 7-1-401(5);
 - (ii) submit a renewal statement containing the information described in Subsection (2)(d);
 - (iii) submit evidence satisfactory to the commissioner that the person is authorized to conduct business in this state as a domestic or foreign entity pursuant to filings with the Division of Corporations and Commercial Code under Title 16, Corporations, or Title 48, Partnership;
 - (iv) if the person engages in the business of deferred deposit lending, submit evidence satisfactory to the commissioner that the person is registered with the nationwide database; and
 - (v) if the person engages in the business of deferred deposit lending, submit an operations statement containing the information described in Subsection (2)(e).
 - (d) A registration or renewal statement shall state:
 - (i) the name of the person;
 - (ii) the name in which the business will be transacted if different from that required in Subsection (2)(d)(i);
 - (iii) the address of the person's principal business office, which may be outside this state;
 - (iv) the addresses of all offices in this state at which the person conducts the business of:
 - (A) cashing checks; or
 - (B) deferred deposit lending;
 - (v) if the person conducts the business of cashing checks or the business of deferred deposit lending in this state but does not maintain an office in this state, a brief description of the manner in which the business is conducted;
 - (vi) the name and address in this state of a designated agent upon whom service of process may be made;

- (vii) disclosure of an injunction, judgment, administrative order, or conviction of a crime involving moral turpitude with respect to that person or an officer, director, manager, operator, or principal of that person; and
 - (viii) any other information required by the rules of the department.
 - (e) An operations statement required for a deferred deposit lender to renew a registration shall state for the immediately preceding calendar year:
 - (i) the average principal amount of the deferred deposit loans extended by the deferred deposit lender;
 - (ii) for deferred deposit loans paid in full, the average number of days a deferred deposit loan is outstanding for the duration of time that interest is charged;
 - (iii) the minimum and maximum dollar amount of interest and fees charged by the deferred deposit lender for a deferred deposit loan of \$100 with a loan term of seven days;
 - (iv) the total number of deferred deposit loans rescinded by the deferred deposit lender at the request of the customer pursuant to Subsection 7-23-401(3)(b);
 - (v) of the persons to whom the deferred deposit lender extended a deferred deposit loan, the percentage that entered into an extended payment plan under Section 7-23-403;
 - (vi) the total dollar amount of deferred deposit loans rescinded by the deferred deposit lender at the request of the customer pursuant to Subsection 7-23-401(3)(b);
 - (vii) the average annual percentage rate charged on deferred deposit loans;
 - (viii) the average dollar amount of extended payment plans entered into under Section 7-23-403 by the deferred deposit lender;
 - (ix) the number of deferred deposit loans carried to the maximum 10 weeks;
 - (x) the total dollar amount of deferred deposit loans carried to the maximum 10 weeks;
 - (xi) the number of deferred deposit loans not paid in full at the end of 10 weeks; and
 - (xii) the total dollar amount of deferred deposit loans not paid in full at the end of 10 weeks.
 - (f) The commissioner may by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, provide for the transition of persons registering with the nationwide database.
- (3) Information provided by a deferred deposit lender under Subsection (2)(e) is:
- (a) confidential in accordance with Section 7-1-802; and
 - (b) not subject to Title 63G, Chapter 2, Government Records Access and Management Act.
- (4)
- (a) The commissioner may impose an administrative fine determined under Subsection (4)(b) on a person if:
 - (i) the person is required to be registered under this chapter;
 - (ii) the person fails to register or renew a registration in accordance with this chapter;
 - (iii) the department notifies the person that the person is in violation of this chapter for failure to be registered; and
 - (iv) the person fails to register within 30 days after the day on which the person receives the notice described in Subsection (4)(a)(iii).
 - (b) Subject to Subsection (4)(c), the administrative fine imposed under this section is:
 - (i) \$500 if the person:
 - (A) has no office in this state at which the person conducts the business of:
 - (I) cashing checks; or
 - (II) deferred deposit lending; or
 - (B) has one office in this state at which the person conducts the business of:
 - (I) cashing checks; or
 - (II) deferred deposit lending; or

- (ii) if the person has two or more offices in this state at which the person conducts the business of cashing checks or the business of deferred deposit lending, \$500 for each office at which the person conducts the business of:
 - (A) cashing checks; or
 - (B) deferred deposit lending.
- (c) The commissioner may reduce or waive a fine imposed under this Subsection (4) if the person shows good cause.
- (5) If the information in a registration, renewal, or operations statement required under Subsection (2) becomes inaccurate after filing, a person is not required to notify the department until:
 - (a) that person is required to renew the registration; or
 - (b) the department specifically requests earlier notification.
- (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department may make rules consistent with this section providing for:
 - (a) the form, content, and filing of a registration and renewal statement described in Subsection (2)(d); and
 - (b) the form and filing of an operations statement described in Subsection (2)(e).
- (7) A deferred deposit loan that is made by a person who is required to be registered under this chapter but who is not registered is void, and the person may not collect, receive, or retain any principal or other interest or fees in connection with the deferred deposit loan.