

7-24-202 Operational requirements for title loans.

- (1) A title lender shall:
 - (a) post in a conspicuous location on its premises that can be viewed by a person seeking a title loan:
 - (i) a complete schedule of any interest or fees charged for a title loan that states the interest and fees:
 - (A) as dollar amounts; and
 - (B) as annual percentage rates; and
 - (ii) a telephone number a person may call to make a complaint to the department regarding a title loan;
 - (b) enter into a written contract for the title loan containing:
 - (i) the name of the person receiving the title loan;
 - (ii) the transaction date;
 - (iii) the amount of the title loan;
 - (iv) a statement of the total amount of any interest or fees that may be charged for the title loan, expressed as:
 - (A) a dollar amount; and
 - (B) an annual percentage rate; and
 - (v)
 - (A) the name and address of the designated agent required to be provided the department under Subsection 7-24-201(2)(d)(vi); and
 - (B) a statement that service of process may be made to the designated agent;
 - (c) provide the person seeking the title loan a copy of the written contract described in Subsection (1)(b);
 - (d) prior to the execution of the title loan:
 - (i) orally review with the person seeking the title loan the terms of the title loan including:
 - (A) the amount of any interest rate or fee, expressed as:
 - (I) a dollar amount; and
 - (II) an annual percentage rate; and
 - (B) the date on which the full amount of the title loan is due; and
 - (ii) provide the person seeking the title loan a copy of the disclosure form adopted by the department under Section 7-24-203; and
 - (e) comply with the following as in effect on the date the title loan is extended:
 - (i) Truth in Lending Act, 15 U.S.C. Sec. 1601 et seq., and its implementing federal regulations;
 - (ii) Equal Credit Opportunity Act, 15 U.S.C. Sec. 1691, and its implementing federal regulations;
 - (iii) Bank Secrecy Act, 12 U.S.C. Sec. 1829b, 12 U.S.C. Sec. 1951 through 1959, and 31 U.S.C. Sec. 5311 through 5332, and its implementing regulations; and
 - (iv) Title 70C, Utah Consumer Credit Code.
- (2) If a title lender extends a title loan through the Internet or other electronic means, the title lender shall:
 - (a) provide the information described in Subsection (1)(a) to the person receiving the title loan:
 - (i) in a conspicuous manner; and
 - (ii) prior to the person entering into the title loan; and
 - (b) in connection with the disclosure required under Subsection (2)(a), provide a list of states where the title lender is registered or authorized to offer title loans through the Internet or other electronic means.
- (3) A title lender may not:

- (a) rollover a title loan unless the person receiving the title loan requests a rollover of the title loan;
 - (b) extend more than one title loan on any vehicle at one time;
 - (c) extend a title loan that exceeds the fair market value of the vehicle securing the title loan; or
 - (d) extend a title loan without regard to the ability of the person seeking the title loan to repay the title loan, including the person's:
 - (i) current and expected income;
 - (ii) current obligations; and
 - (iii) employment.
- (4) A title lender has met the requirements of Subsection (3)(d) if the person seeking a title loan provides the title lender with a signed acknowledgment that:
- (a) the person has provided the title lender with true and correct information concerning the person's income, obligations, and employment; and
 - (b) the person has the ability to repay the title loan.

Amended by Chapter 87, 2007 General Session