

**HB 1073 - DIGEST**

Finds that consumers should be able to access loans at reasonable rates. Paying the interest rates associated with payday loans can cause a borrower to need a loan to pay off their loan. By turning to payday loans again and again, the borrower can become trapped in a debt cycle.

Requires the director of the department of financial institutions to: (1) Ensure compliance with laws prohibiting rollovers by thorough and regular examinations and investigations;

(2) Study the merits of implementing a real-time database that allows licensees to verify if a consumer has an outstanding small loan;

(3) Study the cost of a database and the effectiveness of a database in limiting the possibility of an excessive number of contemporaneous loans; and

(4) Provide findings of the study to the legislative committees that address financial regulation.