

Senate Bill 462

By: Senators Kennedy of the 18th, Gooch of the 51st, Dugan of the 30th, Jones of the 25th and Mullis of the 53rd

**AS PASSED**

A BILL TO BE ENTITLED

AN ACT

1 To amend Title 7 of the Official Code of Georgia Annotated, relating to banking and finance,  
2 so as to transfer duties, powers, responsibilities, and other authority relative to industrial  
3 loans from the Industrial Loan Commissioner to the Department of Banking and Finance; to  
4 change the name of such loans to installment loans; to revise a short title; to provide for  
5 definitions; to provide for procedures, conditions, and limitations relative to issuing  
6 installment loans; to provide for exemptions; to provide for powers and duties relative to the  
7 department; to provide for procedures and conditions for and limitations on licensing of  
8 installment lenders; to provide penalties for violations; to amend the Official Code of  
9 Georgia Annotated so as to conform cross-references; to provide for a purpose; to provide  
10 for related matters; to provide for applicability; to provide for an effective date; to repeal  
11 conflicting laws; and for other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 **SECTION 1.**

14 The General Assembly finds and declares that installment lending vitally affects the general  
15 economy of Georgia and the public interest and welfare of its citizens; therefore, it is the  
16 policy of Georgia and the purpose of this chapter to protect the interest of borrowers and  
17 provide for sound, efficient, and responsive regulation of installment lenders.

18 **SECTION 2.**

19 Title 7 of the Official Code of Georgia Annotated, relating to banking and finance, is  
20 amended by revising Chapter 3, relating to industrial loans, as follows:

## 21 "CHAPTER 3

22 ARTICLE 1

23 7-3-1.

24 This chapter shall be known and may be cited as the 'Georgia ~~Industrial~~ Installment Loan  
25 Act.'

26 7-3-2.

~~The purpose of this chapter is to authorize and provide regulation of the business of making loans of \$3,000.00 or less and to bring within the regulation of this chapter and within its provisions all loans of \$3,000.00 or less, whether or not made by a person organized or operating under the provisions and authority of some other statute, except those persons and loans expressly exempted by the terms of this chapter. Even though authorized by other statutes of force, such loans and the persons making them, unless expressly exempted, shall be within the operation of this chapter in accordance with its terms.~~

(a) The powers, functions, and duties of the office of the Commissioner of Insurance relative to this chapter are transferred to the Department of Banking and Finance effective July 1, 2020. All action taken by the office of the Commissioner of Insurance prior to that date shall be considered valid, and the department shall, as of July 1, 2020, assume all ongoing and continuing obligations pursuant to this chapter. All personnel, supplies, records, materials, furniture, furnishings, books, equipment, motor vehicles, and services of the office of the Commissioner of Insurance utilized pursuant to the authority granted under this chapter shall be transferred to the department on July 1, 2020. Any action or investigation pending pursuant to this chapter shall remain in full force and effect and any powers relating to such action or investigation shall be transferred to the department on July 1, 2020.

(b) All rules, orders, and actions adopted by the Commissioner of Insurance pursuant to this chapter shall remain in full force and effect as rules, orders, and actions of the department unless amended, repealed, or superseded by rule, order, or action of the department.

(c) All property, real and personal, funds, accounts receivable, contracts, liabilities, and obligations of the office of the Commissioner of Insurance for effectuating this chapter shall become the property, funds, accounts receivable, contracts, liabilities, and obligations of the department on July 1, 2020. Appropriations to the Commissioner of Insurance for functions transferred to the department pursuant to this Code section shall be transferred as provided in Code Section 45-12-90.

55 7-3-3.

56 As used in this chapter, the term:

57 (1) 'Commissioner' means the Industrial Loan Commissioner.

58 (1) 'Control' or 'controlling' means the direct or indirect possession of power to direct or  
59 cause the direction of management and policies of a person.

60 (2) 'Covered employee' means any employee of a licensee engaged in any function  
61 related to making installment loans.

62 (3) 'Department' means the Department of Banking and Finance.

63 (4) 'Executive officer' means an individual who performs significant managerial,  
64 supervisory, or policy-making functions on behalf of a person, including, but not limited  
65 to, the vice presidents, chief executive officer, president, chief financial officer, chief  
66 operating officer, secretary, and treasurer.

67 (5) 'Individual' means a natural person.

68 (6) 'Installment lender' or 'lender' means any person that advertises, solicits, offers, or  
69 makes installment loans.

70 (7) 'Installment loan' or 'loan' means a contract or agreement to make a loan to an  
71 individual in an amount of \$3,000.00 or less, including the renewal or refinancing of any  
72 such loan.

73 (8) 'License' means a single license issued by the department or  
74 required to be obtained under this chapter to engage in the business of making installment  
75 loans.

76 (9) 'Licensee' means a person to whom one or more licenses issued under this  
77 chapter have been issued.

78 (4) 'Loan' means any advance of money in an amount of \$3,000.00 or less under a  
79 contract requiring repayment and any and all renewals or refinancing thereof or any part  
80 thereof.

81 (10) 'Nationwide Multistate Licensing System and Registry' means a licensing system  
82 developed and maintained by the Conference of State Bank Supervisors and the  
83 American Association of Residential Mortgage Regulators for the licensing and  
84 registration of certain persons engaged in nondepository activities.

85 (11) 'Owner' means a person that:

86 (A) Owns, directly or indirectly, 10 percent or more interest in a corporation or any  
87 other form of business organization;

88 (B) Owns, directly or indirectly, 10 percent or more of the voting shares of any  
89 corporation or any other form of business organization; or

90 (C) Exerts control, directly or indirectly, over a corporation or any other form of  
91 business organization, regardless of whether such person owns or controls such interest

92     through one or more individuals or one or more proxies, powers of attorney, nominees,  
93     corporations, associations, limited liability companies, partnerships, trusts, joint stock  
94     companies, other entities or devices, or any combination thereof.

95     (5)(12) 'Person' means ~~individuals, copartnerships, associations, corporations, and all~~  
96     ~~other legal and commercial entities~~ any individual, sole proprietorship, corporation,  
97     limited liability company, partnership, trust, or any other group of individuals, however  
98     organized.

99     (13) 'Unique identifier' means a number or other identifier assigned by protocols  
100    established by the Nationwide Multistate Licensing System and Registry.

101    7-3-4.

102    This chapter shall apply to all persons, as defined in Code Section 7-3-3, unless expressly  
103    exempted in this chapter, engaged in the business of making loans in amounts of \$3,000.00  
104    or less. On and after May 3, 1955, no person within the operation of this chapter shall  
105    charge, contract for, or receive, directly or indirectly, on or in connection with any loan,  
106    any interest, charges, fees, compensation, or consideration which is greater than the rates  
107    for same provided in this chapter or engage in the business of making such loans of  
108    \$3,000.00 or less without a license from the Commissioner as provided in this chapter.  
109    Persons engaged in the business of making loans of \$3,000.00 or less who are not  
110    exempted from the operation of this chapter may engage in such business and may make  
111    such loans lawfully under this chapter provided they comply with this chapter.

112    7-3-5.

113    A loan and brokerage transaction or any other transaction by which money is paid or  
114    agreed to be paid others by the borrower in order to obtain the loan shall be subject in all  
115    respects to this chapter, if it involves a transaction of \$3,000.00 or less and is not otherwise  
116    specifically exempted by the terms of this chapter; and the interest and money paid or  
117    agreed to be paid others by the borrower in order to obtain the loan shall not exceed the  
118    charges authorized by this chapter, and the application of Code Section 7-4-8 is modified  
119    accordingly.

120    7-3-6. 7-3-4.

121    (a) No person shall engage in the business of making installment loans in this state unless  
122    such person is licensed in accordance with this chapter or exempt from licensure as  
123    provided in subsection (b) of this Code section. No person within the operation of this  
124    chapter shall charge, contract for, or receive directly or indirectly on or in connection with

125 any loan, any interest, charge, fee, compensation, or consideration which is greater than the  
126 rates for same provided in this chapter.

127 (b) This chapter shall not apply to businesses organized or operating under the authority  
128 of any law of this state or of the United States relating to:

129 (1) Businesses chartered or licensed under the authority of any law of this state or of the  
130 United States as banks, trust companies, real estate loan or mortgage companies, federal  
131 savings and loan associations, savings banks, or credit unions, and pawnbrokers or to the  
132 transactions of such businesses; which businesses are expressly excluded from regulation  
133 under this chapter and exempted from the operation of its provisions. This chapter also  
134 shall not apply to the

135 (2) Banks or credit unions chartered under the authority of any state which have deposits  
136 that are federally insured or to the transactions of such businesses;

137 (3) Pawnbrokers, as defined in Code Section 44-12-130, or to the transactions of  
138 pawnbrokers;

139 (4) The University System of Georgia or its educational units, to private colleges and  
140 universities in this state and associations thereof, or to student loan transactions of such  
141 educational entities, which educational entities and student loan transactions thereof are  
142 expressly excluded from regulation under this chapter and exempted from the operation  
143 of its provisions. It is expressly provided that no bank, trust company, national bank,  
144 insurance company, or real estate loan or mortgage company authorized to do business  
145 in this state shall be required to obtain a license under this chapter nor shall the University  
146 System of Georgia or its educational units or private colleges and universities in this state  
147 and associations thereof be required to obtain a license under this chapter. It is further  
148 provided that persons making loans and charging interest thereon at a rate of not more  
149 than 8 percent simple interest per annum shall not be subject to this chapter or required  
150 to obtain a license under this chapter.; or

151 (5) An individual employed by a licensee or any person exempted from the licensing  
152 requirements of this chapter when acting within the scope of employment and under the  
153 supervision of the licensee or exempted person as an employee and not as an independent  
154 contractor.

155 7-3-7.

156 (a) There is created the office of Industrial Loan Commissioner; and the Commissioner of  
157 Insurance of the State of Georgia is designated and constituted the Industrial Loan  
158 Commissioner under this chapter and is invested with all of the powers and authority  
159 provided for such Commissioner. In addition to those powers specifically enumerated, it  
160 shall be his duty and authority to supervise generally and to exercise regulatory powers

161 over the making of loans of \$3,000.00 or less in the State of Georgia by persons governed  
162 and regulated by this chapter.

163 (b) The Commissioner is granted power and authority to make all rules and regulations not  
164 inconsistent with this chapter which in his judgment shall be necessary and appropriate to  
165 accomplish the purposes and objectives of this chapter, including, without limitation, the  
166 power and authority to make such rules and regulations regulating and controlling the  
167 manner in which loans of \$3,000.00 or less may be made under this chapter. Such rules  
168 and regulations shall be promulgated pursuant to public hearing after notice of such hearing  
169 is advertised at least once in one newspaper in Atlanta, Georgia, having general state-wide  
170 circulation not less than ten days prior to such hearing. In addition, such rules and  
171 regulations shall be promulgated in accordance with Chapter 13 of Title 50, the 'Georgia  
172 Administrative Procedure Act.' Such rules and regulations so promulgated by the  
173 Commissioner in his discretion, consistent with the terms of this chapter and other  
174 applicable statutes, shall have the full force and effect of law. The Commissioner shall  
175 have authority to designate and employ and compensate agents and employees in the  
176 manner other agents and employees are employed by his department to assist him in the  
177 discharge of his duties under this chapter, and the Commissioner is authorized and  
178 empowered to delegate to an assistant or deputy authority to act in his place and stead in  
179 his absence or disability.

180 (c) The Commissioner is authorized to provide for training programs and seminars at such  
181 places, at such times, and in such manner as he shall deem advisable. Such programs and  
182 seminars shall be for the purpose of acquainting licensees and employees thereof with this  
183 chapter, with the rules and regulations promulgated thereunder, and with such other matters  
184 relative to the business authorized to be carried on by a licensee under this chapter as the  
185 Commissioner shall deem necessary.

186 7-3-8.

187 All persons engaged in the business of making loans of \$3,000.00 or less in the State of  
188 Georgia, unless expressly exempted therefrom, shall be required to obtain a license under  
189 this chapter. Application for license shall be made to the Commissioner in writing, under  
190 oath, on forms prescribed by the Commissioner and shall give the location from which the  
191 business is to be conducted and shall give the names of the persons connected with the  
192 business together with any other information required by the Commissioner. The  
193 application shall be accompanied by a fee of \$250.00 to cover the cost of investigation of  
194 the applicant and by a license fee of \$500.00. Said license shall expire on the last day of  
195 the calendar year in which granted, subject to renewal pursuant to Code Section 7-3-10.  
196 The Commissioner shall collect fees and costs as provided in this chapter and shall issue

197 his receipt for all sums collected by him and periodically, not less than once in each quarter  
198 of each year, at such times as may be convenient, shall pay into the state treasury all sums  
199 collected by him.

200 7-3-9.

201 (a) Upon the filing of the application and the payment of the fees provided in Code Section  
202 7-3-8, the Commissioner shall cause an investigation to be made. Notwithstanding any  
203 provision of Chapter 13 of Title 50, entitled the 'Georgia Administrative Procedure Act,'  
204 to the contrary, if the Commissioner has any doubt of the applicant meeting the standards  
205 of subsection (b) of this Code section, he shall issue a proposed order to be effective upon  
206 a later date without a hearing, unless any person subject to the order requests a hearing  
207 within ten days after receipt of the proposed order. Failure to make the request shall  
208 constitute a waiver of the right to a hearing pursuant to this Code section. The proposed  
209 order issued by the Commissioner shall contain or shall be accompanied by a notice of  
210 opportunity for a hearing which shall clearly explain that the hearing must be requested  
211 within ten days of receipt of the proposed order and notice. The proposed order and notice  
212 shall be served in person by the Commissioner or his agent or by registered or certified  
213 mail or statutory overnight delivery, return receipt requested. The Commissioner or such  
214 person as he designates shall hear evidence at such hearing and the hearing shall be  
215 conducted in accordance with Chapter 13 of Title 50, the 'Georgia Administrative  
216 Procedure Act.' The cost of such hearing and of recording and transcribing the evidence  
217 may, in the discretion of the Commissioner, be charged to the person seeking such license.

218 (b) If the Commissioner shall find that:

219 (1) The financial responsibility, character, and general fitness of the applicant are such  
220 as to command the confidence of the public and to warrant a belief that the business will  
221 not be operated unfairly or unlawfully contrary to the purposes of this chapter; and  
222 (2) Allowing the applicant to engage in business will promote the convenience and  
223 advantage of the community in which the licensed office is to be located;  
224 the Commissioner shall grant such application and issue to the applicant a license which  
225 shall be authority to engage in the business of making loans pursuant to said license in  
226 accordance with this chapter.

227 (c) Any demand for a hearing pursuant to this Code section shall specify in what respects  
228 such person is aggrieved and the grounds to be relied upon as a basis for the relief to be  
229 demanded at the hearing. Unless postponed by mutual consent, the hearing shall be held  
230 within 30 days after receipt by the Commissioner of the demand for a hearing.

231 (d) In the event any person shall purchase substantially all the assets used in a particular  
232 office of any existing licensee, the purchaser shall file an application for license; but, if the

233 licensee selling such assets shall surrender his license for such location to the  
234 Commissioner, the purchaser shall not be required, in order to obtain a license, to show that  
235 the convenience and advantage of the community in which the licensed office will be  
236 located will be promoted by the establishment or continuance of the proposed business of  
237 making loans.

238 (e) The Commissioner shall grant or deny an application for a license made under this  
239 chapter within 60 days from the date of the filing of such application.

240 7-3-10.

241 (a) No more than one place of business shall be maintained under the same license, but the  
242 Commissioner may issue more than one license to the same licensee.

243 (b) Each such license issued shall be conspicuously displayed in the place of business for  
244 which granted and shall remain in full force and effect until surrendered, revoked, or  
245 suspended as provided by this chapter.

246 (c) Every licensee shall, on or before December 20 of each year, pay to the Commissioner  
247 the sum of \$500.00 for each license held by him as an annual license fee for the succeeding  
248 calendar year.

249 (d) If a licensee wishes to move his office within the county, he shall give the  
250 Commissioner written notice thereof, which notice shall specify the address or location to  
251 which the licensee desires to move and shall also set out, in such form as the Commissioner  
252 may require, facts and circumstances which it is contended will show that the removal to  
253 the new location will promote the convenience and advantage of that community.  
254 Thereafter, the Commissioner shall handle this request in the same manner in which he  
255 handles a new application under Code Section 7-3-9, insofar as that Code section is  
256 applicable.

257 7-3-11.

258 In the event a licensee does not begin the operation of business under such license within  
259 a period of 120 days from the date of the issuance of such license or in the event a licensee,  
260 after having begun the operation of business under the license, remains inactive in such  
261 business for a period of 120 days, such license shall be subject to suspension or revocation  
262 by the Commissioner after notice and hearing under the procedure provided in Code  
263 Section 7-3-24 for the revocation or suspension of licenses. Any order or decision of the  
264 Commissioner on such matter shall be subject to review as provided in Code  
265 Section 7-3-24.

266 7-3-12.

267 (a) Each licensee shall keep and use in his business sufficient books and records to enable  
268 the Commissioner to determine whether or not the licensee is complying with this chapter  
269 or any other Act under which such licensee is operating, and such licensee shall preserve  
270 such record for at least four years after making the final entry thereon. The renewal or  
271 refinancing of a loan shall not constitute a final entry.

272 (b) The Commissioner may, under rules and regulations promulgated by him under the  
273 procedure provided in Code Section 7-3-7, require annual reports from licensees to  
274 facilitate the performance of his duties and to regulate effectively the making of loans  
275 under this chapter.

276

## ARTICLE 2

277 7-3-13 7-3-10.

278 No person shall advertise, display, distribute, or broadcast in any manner whatsoever any  
279 false, misleading, or deceptive statement or representation with regard to the rates, terms,  
280 or conditions for loans subject to this chapter.

281 7-3-14 7-3-11.

282 Every licensee under this chapter may ~~loan~~ lend any sum of money not exceeding  
283 \$3,000.00 for a period of 36 months and 15 days or less and may charge, contract for,  
284 collect, and receive interest and fees and may require the fulfillment of conditions on such  
285 loans as provided in this Code section:

286 (1) **Interest.** A licensee may charge, contract for, receive, and collect interest at a rate  
287 not to exceed 10 percent per annum of the face amount of the contract, whether repayable  
288 in one single payment or repayable in monthly or other periodic installments. On loan  
289 contracts repayable in 18 months or less, the interest may be discounted in advance; and,  
290 on contracts repayable over a greater period, the interest shall be added to the principal  
291 amount of the loan. On all contracts, interest or discount shall be computed  
292 proportionately on equal calendar months;

293 (2) **Loan fee.** In addition thereto, a licensee may charge, contract for, receive, or collect  
294 at the time the loan is made a fee in an amount not greater than 8 percent of the first  
295 \$600.00 of the face amount of the contract plus 4 percent of the excess; provided,  
296 however, that such fee shall not be charged or collected on that part of a loan which is  
297 used to pay or apply on a prior loan or installment of a prior loan from the same licensee  
298 to the same borrower made within the immediately preceding six-month period; provided,  
299 however, if the loan balance is \$300.00 or less, the said period shall be two months, not

300 six months; provided, further, that nothing contained in this paragraph and paragraph (1)  
301 of this Code section shall be construed to permit charges, interest, or fees of any nature  
302 whatsoever in the aggregate in excess of the charges, interest, and fees which would  
303 constitute a violation of Code Section 7-4-18 and this chapter shall in no way affect Code  
304 Section 7-4-18. If a borrower prepays his or her entire loan to a licensee and within the  
305 following 15 days ~~makes~~ obtains a new loan with ~~from~~ that licensee and if this is done  
306 within the six-month period or the two-month period above described, as may be  
307 applicable, the fee may be charged only on the excess by which the face amount of the  
308 new contract exceeds the amount which the borrower repaid to that licensee within the  
309 said 15 day period;

310 (3) **Insurance premiums.** A licensee may charge and collect from the borrower  
311 premiums actually paid or to be paid for insurance obtained for the borrower. A licensee  
312 may accept as security on any loan or advance made under this chapter any one or any  
313 combination of the following:

- 314 (A) Insurance on tangible property against substantial risks or loss;
- 315 (B) Reasonable insurance on the life and health of the principal party; or
- 316 (C) Reasonable insurance against accident of the principal party;

317 provided, however, that any such insurance shall be reasonably related to the type and  
318 value of the property insured and to the amount and term of the loan and shall be obtained  
319 from an insurance company authorized to conduct such business in the State of Georgia  
320 and at rates lawfully filed by such company with the Commissioner of Insurance and  
321 through a regular insurance agent licensed by the Commissioner of Insurance; provided,  
322 further, ~~that~~ the amount of life, health, or accident insurance required as security for loans  
323 made under this chapter shall not exceed the amount of the loan, including charges, to be  
324 secured; and the premiums on such insurance required of the principal party obligated  
325 shall be limited to premiums reasonably based upon reliable actuarial experience and  
326 sound insurance practice; and the Commissioner of Insurance is authorized and directed  
327 to promulgate rules and regulations to effectuate this provision related to insurance  
328 obtained by the borrower in accordance with the spirit and intent thereof. It shall be the  
329 duty of the Commissioner of Insurance ~~from time to time under the foregoing direction,~~  
330 ~~after public hearing in the manner provided in subsection (b) of Code Section 7-3-7,~~ to  
331 determine and promulgate by rule and regulation the rates and maximum premiums  
332 permissible to be charged for life, health, and accident insurance required as security for  
333 a loan made under this chapter and to make regulations incident thereto necessary to  
334 effectuate the same; such premiums, when thus established and as changed from time to  
335 time in the manner aforesaid, shall be the maximum effective and permissible charges  
336 under this paragraph. Premiums paid or to be paid pursuant to the authority of this

337 paragraph shall not constitute interest. The insurance company in turn may pay to the  
338 party writing the insurance policy sold in connection with the loan a fee or commission  
339 in an amount which is reasonable in relationship to the transaction and in no event in  
340 excess of the amount of fee or commission customarily paid within the industry where  
341 comparable insurance is sold in a transaction not involving credit, as determined by the  
342 Commissioner of Insurance;

343 (4) **Late charge.** A licensee may charge and collect from the borrower a late or  
344 delinquent charge of \$10.00 or an amount equal to 5¢ for each \$1.00 of any installment  
345 which is not paid within five days from the date such payment is due, whichever is  
346 greater, provided that this late or delinquent charge shall not be collected more than once  
347 for the same default; and

348 (5) **Maintenance charge.** In addition thereto, a licensee may contract for, charge,  
349 receive, and collect a maintenance charge of \$3.00 for each month in the term of the loan  
350 contract on each loan made, whether repayable in one single payment or repayable in  
351 weekly, monthly, or other periodic installments. Refunds of unearned maintenance  
352 charges shall be made in accordance with the method prescribed in Code Section 7-3-17  
353 7-3-14, and such maintenance charges will be subject to paragraph (4) of this Code  
354 section. Nothing contained in Code Section 7-4-18, as now or hereafter amended, shall  
355 be construed to apply to this paragraph; and loans made in conformity with this paragraph  
356 shall in no way constitute a violation of Code Section 7-4-18, as now or hereafter  
357 amended.

358 7-3-15 7-3-12.

359 No licensee shall charge, contract for, or receive any other or further amount in connection  
360 with any loans authorized by this chapter in addition to those provided in Code Section  
361 7-3-14 7-3-11, except the actual lawful fees paid to a public official or agency of the state  
362 for filing, recording, or, on loans over \$100.00, the amount of the lawful premiums, no  
363 greater than such fees, actually paid for insurance against the risk of nonrecording or  
364 releasing any instrument securing the loan; the court costs and attorney fees authorized by  
365 law incurred in the collection of any contract in default; and the actual and reasonable  
366 expenses of repossessing, storing, and selling any collateral pledged as security for any  
367 contract in default. No licensee shall divide into separate parts any contract for the purpose  
368 or with the effect of obtaining charges in excess of those authorized by this chapter.

369 7-3-16 7-3-13.

370 ~~No loan shall be made by any licensee for the purpose of paying all or any part of the~~  
371 ~~amount owed on If a licensee purchases or receives by transfer or assignment~~ any note, bill

372 of sale to secure debt, title retention contract, conditional sales contract, or any other  
373 similar contract which has been purchased by or assigned or transferred to such licensee  
374 for a period of at least 90 days from the date of such purchase or transfer that would  
375 otherwise be governed by this chapter, the licensee shall comply with the provisions of this  
376 chapter when making a loan for the purpose of paying off all or any part of such  
377 instrument.

378 7-3-17 7-3-14.

379 Notwithstanding the provisions of any contract to the contrary, a borrower may at any time  
380 prepay all or any part of the unpaid balance to become payable under any installment  
381 contract loan. If the borrower pays the time balance prepays the loan in full before  
382 maturity, the licensee shall refund to him the borrower a portion of the prepaid interest,  
383 calculated in complete even months (odd days omitted), as follows: The the amount of the  
384 refund shall represent at least as great a proportion of the total interest as the sum of the  
385 periodical time balance after the date of prepayment bears to the sum of all periodical time  
386 balances under the schedule of payments in the original contract. Where the amount of the  
387 refund due to anticipation of payment is less than \$1.00, no refund need be made. If the  
388 borrower has been required to purchase insurance coverage other than insurance coverage  
389 in a blanket policy when he the borrower has paid no acquisition cost, he the borrower shall  
390 have the option to continue such insurance in force for the balance of the policy period,  
391 with all rights transferred to the borrower or his or her assigns, in which event no refund  
392 of insurance premiums shall be made to him.

393 7-3-18 7-3-15.

394 In addition to any applicable disclosure requirements, at the time the installment At the  
395 time the loan is made, each licensee under this chapter shall deliver to the borrower or, if  
396 there are two or more multiple borrowers, to one of them the borrowers a copy of the loan  
397 contract or a written itemized statement in the English language showing in clear terms the  
398 date and amount of the loan, a schedule of the payments or a description thereof, the type  
399 of security for the loan, the licensee's name, unique identifier, and business address, the  
400 actual amount of cash advanced to or on behalf of the borrower, the amount of each class  
401 of insurance carried and the premiums paid thereon, and the amount of interest and fees.  
402 Each licensee shall give a receipt for every cash payment made.

403 7-3-19 7-3-16.

404 (a) In addition to all other taxes, fees, license fees, fines, or other charges now or hereafter  
405 levied or assessed, there is levied a tax of 3 percent on the total amount of interest on any

406 loan collected by any ~~person licensed under this chapter~~ licensee from any borrower to  
407 whom such licensee has made ~~a~~ an installment loan.

408 (b) Said tax is levied and assessed against the person so licensed and shall be paid by such  
409 person and shall not be added in any manner as an additional fee or charge against the  
410 borrower. Any person licensed under this chapter who adds such tax in any manner as an  
411 additional fee or charge against the borrower shall be liable for the recovery of triple the  
412 amount of such charge by action against the lender in any court of competent jurisdiction.

413 (c) As used in this Code section, the term 'interest collected' means the gross amount of  
414 interest charged and collected on loan contracts, less any amount of unearned interest  
415 refunded to borrowers and such interest on such portion of ~~uncollectable~~ uncollectible  
416 accounts that are charged off as bad debts by the licensee; except that, for those licensees  
417 whose records are kept on an accrual basis, the 3 percent tax levied in subsection (a) of this  
418 Code section shall be remitted on such portion of the interest as accrues during the taxable  
419 month period.

420 7-3-20 7-3-17.

421 The tax provided for in Code Section ~~7-3-19~~ 7-3-16 shall be remitted to the ~~Commissioner~~  
422 ~~on or before the twentieth day of each month for the preceding calendar month department~~  
423 ~~at the time and in the manner specified by rules and regulations of the department.~~ The  
424 ~~Commissioner department~~ and ~~his~~ its authorized ~~agents~~ examiners and employees shall  
425 have the right to inspect all records of any person so licensed, and the ~~Commissioner~~  
426 ~~department~~ is authorized to promulgate rules and regulations relative to the enforcement  
427 of Code Section ~~7-3-19~~ 7-3-16, this Code section, and Code Section ~~7-3-21~~ 7-3-18.

428 7-3-21 7-3-18.

429 (a) In the event any person fails or refuses to remit the tax required by Code Sections  
430 7-3-16 and 7-3-17 within the time prescribed, the tax shall bear interest at the rate of  
431 1 percent per month. Interest shall begin to accrue from the date the tax is due until the  
432 date the tax is paid. For the purposes of this Code section, any period of less than one  
433 month shall be considered to be one month.

434 (b) In the event any person fails or refuses to remit the tax required by Code Sections  
435 7-3-19 and 7-3-20 ~~7-3-16 and 7-3-17~~ within the time prescribed, there shall be added to the  
436 tax a penalty equivalent to 25 percent of the tax but in no case shall the penalty so added  
437 be less than \$5.00. In the event any person fraudulently remits the incorrect tax, there shall  
438 be added to the tax a penalty equivalent to 50 percent of the tax but in no case shall the  
439 penalty so added be less than \$5.00. The amounts so added as penalties shall be collected  
440 as a part of the tax.

441

ARTICLE 3442 7-3-20.443 (a) Each applicant for an original or renewal license shall:444 (1) Submit an application in writing, under oath, and in such form as the department may  
prescribe;446 (2) Furnish to the Nationwide Multistate Licensing System and Registry the following  
information:448 (A) The legal name and principal business address of the person applying for the  
license;450 (B) The names and the residence and business addresses of each director, owner, and  
executive officer of the applicant;452 (C) The address of each location where the applicant will engage in the business of  
making installment loans in this state;454 (D) Any name, subject to approval by the department, under which the applicant will  
engage in the business of making installment loans in this state; and456 (E) The name and address of the initial registered agent and registered office for  
service of process in this state;458 (3) Submit such other data, financial statements, and pertinent information as the  
department may require with respect to the applicant or its directors, owners, or executive  
officers; and461 (4) Pay a nonrefundable supervision fee established by rules and regulations of the  
department.463 (b) A person applying for an original license shall pay a nonrefundable investigation fee  
established by rules and regulations of the department.465 7-3-21.466 (a) An applicant shall provide with its application a corporate surety bond issued by a  
bonding company or insurance company authorized to do business in this state and  
approved by the department.469 (b) The bond shall:470 (1) Be in a form satisfactory to the department;471 (2) Be in the aggregate amount of \$25,000.00 for the primary location to be operated by  
a licensee plus \$5,000.00 for each additional location to be operated by such licensee,  
provided that no licensee shall be required to have a bond that exceeds a total amount of  
\$100,000.00;

475     (3) Run to the State of Georgia for the benefit of the department or any claimant against  
476     a licensee arising out of the licensee's business of making installment loans;  
477     (4) Require a licensee to pay any and all money for the benefit of any person damaged  
478     by noncompliance of the licensee with this chapter, with rules, regulations, or orders  
479     issued by the department pursuant to this chapter, or with any condition of the bond; and  
480     (5) Require a licensee to pay any and all money that may become due and owing to any  
481     creditor of or claimant against the licensee arising out of the licensee's business of making  
482     installment loans.

483     (c) Payments due under the bond shall include money owed to the department for fees,  
484     taxes and related interest and penalties under Code Sections 7-3-16, 7-3-17, and 7-3-18,  
485     and fines or penalties for noncompliance of the licensee with this chapter or rules,  
486     regulations, or orders issued pursuant to this chapter.

487     (d) Claimants or creditors against the licensee may bring an action directly on the bond.

488     (e) In no event shall the aggregate liability of the surety exceed the principal sum of the  
489     face amount of the bond.

490     (f) In the event that the principal sum of the bond is reduced by one or more recoveries or  
491     payments thereon, a licensee shall:

492         (1) Provide a new or additional bond so that the total or aggregate principal sum of such  
493         bond or bonds equals the sum required under subsection (b) of this Code section; or  
494         (2) Provide an endorsement duly executed by the corporate surety reinstating the bond  
495         to the required principal sum thereof.

496     (g) A bond shall not be canceled by either the licensee or the corporate surety except upon  
497     notice to the department electronically through the Nationwide Multistate Licensing  
498     System and Registry, and such cancellation shall be effective no sooner than 30 days after  
499     receipt by the department of such notice and only with respect to any breach of condition  
500     occurring after the effective date of such cancellation.

501     7-3-22.

502     (a) The department shall conduct an investigation of every applicant for licensure to  
503     determine the financial responsibility, experience, character, general fitness, and eligibility  
504     for licensure of such applicant. The department may issue the applicant a license if the  
505     department determines to its general satisfaction that:

506         (1) The applicant is financially sound and responsible and able to engage in the business  
507         of making installment loans in an honest, fair, and efficient manner and with the  
508         confidence and trust of the community;

509         (2) Approval of the application will promote the convenience and advantage of the  
510         community in which the applicant proposes to operate; and

511     (3) All conditions for licensure set forth in this chapter and in the rules and regulations  
512     of the department have been satisfied.

513     (b) No license shall be transferable or assignable.

514     (c) Each license shall expire on December 31 of each year, and application for renewal  
515     shall be made annually on or before December 1 of each year.

516     7-3-23.

517     (a) The department is authorized to:

518         (1) Participate in the Nationwide Multistate Licensing System and Registry to facilitate  
519         the sharing of information and standardization of the licensing and application processes  
520         for persons subject to this chapter;

521         (2) Enter into operating agreements, information sharing agreements, interstate  
522         cooperative agreements, and other contracts necessary for the department's participation  
523         in the Nationwide Multistate Licensing System and Registry;

524         (3) Disclose or cause to be disclosed without liability, via the Nationwide Multistate  
525         Licensing System and Registry, applicant and licensee information, including, but not  
526         limited to, violations of this chapter and enforcement actions, to facilitate regulatory  
527         oversight;

528         (4) Request that the Nationwide Multistate Licensing System and Registry adopt an  
529         appropriate privacy, data security, and security breach notification policy that is in full  
530         compliance with existing state and federal law; and

531         (5) Establish and adopt, by rule and regulation, requirements for participation by  
532         applicants and licensees in the Nationwide Multistate Licensing System and Registry,  
533         upon the department's determination that each requirement is consistent with both the  
534         public interest and the purposes of this chapter.

535     (b) The department shall enact rules and regulations establishing a process whereby  
536     licensees may challenge information entered by the department into the Nationwide  
537     Multistate Licensing System and Registry.

538     (c) Regardless of its participation in the Nationwide Multistate Licensing System and  
539     Registry, the department shall retain full and exclusive authority over determinations of  
540     whether to grant, renew, suspend, or revoke licenses issued under this chapter. Nothing in  
541     this Code section shall be construed to reduce or otherwise limit such authority.

542     (d) Information disclosed through the Nationwide Multistate Licensing System and  
543     Registry is deemed to be disclosed directly to the department and subject to Code  
544     Section 7-1-70. Such information shall not be disclosed to the public and shall remain  
545     privileged and confidential pursuant to Code Section 7-1-70.

546 (e) Applicants and licensees shall be required to pay the charges associated with their  
547 utilization of the Nationwide Multistate Licensing System and Registry.

548 7-3-22.

549 (a) ~~For the purpose of discovering violations of this chapter, the Commissioner or his duly~~  
550 ~~authorized representative may from time to time examine the books, accounts, papers, and~~  
551 ~~records of:~~

552 (1) ~~Any licensee;~~  
553 (2) ~~Any person who advertises for, solicits, or holds himself out as willing to make loans~~  
554 ~~in amounts of \$3,000.00 or less; or~~  
555 (3) ~~Any person whom the Commissioner has reason to believe is violating or is about to~~  
556 ~~violate the provisions of this chapter.~~

557 (b) ~~The Commissioner may subpoena witnesses, books, accounts, papers, and records;~~  
558 ~~administer oaths; hold hearings; and take testimony under oath in conducting examinations~~  
559 ~~and hearings authorized under this chapter.~~

560 (c) ~~The cost of any such examination, investigation, or hearing, in the discretion of the~~  
561 ~~Commissioner, may be charged to the licensee or person examined subject to review by the~~  
562 ~~superior court under Code Section 7-3-27. The examinations, investigations, or hearings~~  
563 ~~provided for in this Code section may be conducted at the state capitol or, in the discretion~~  
564 ~~of the Commissioner, in the county wherein the business of the licensee is located or where~~  
565 ~~the person required to have a license under this chapter is engaging in the business of~~  
566 ~~making loans or elsewhere, upon the consent of the parties involved.~~

567 7-3-23.

568 ~~In the event the Commissioner shall find cause to believe that any person is violating this~~  
569 ~~chapter or the rules and regulations promulgated by the Commissioner pursuant to this~~  
570 ~~chapter, he shall make such investigation and have such hearings, before him or such~~  
571 ~~person as he designates, as will permit him to determine the facts and then may issue a~~  
572 ~~cease and desist order if he so determines. If such cease and desist order is thereafter~~  
573 ~~violated by the person against whom it is issued, such violation shall constitute a public~~  
574 ~~nuisance, and the Commissioner is authorized to seek, and the superior courts shall grant,~~  
575 ~~injunctions against such person's further violating this chapter or the lawful rules and~~  
576 ~~regulations promulgated by the Commissioner pursuant to this chapter. Such action for~~  
577 ~~injunction may be maintained notwithstanding the existence of other legal remedies or the~~  
578 ~~pendency or successful completion of a criminal prosecution as for a misdemeanor.~~

579 7-3-24.

580 (a) The Commissioner, upon ten days' written notice in the form of a show cause order to  
581 the licensee stating his contemplated action and in general the ground therefor and after  
582 giving the licensee a reasonable opportunity to be heard, subject to the right to review  
583 provided in Code Section 7-3-27, may by order in writing suspend or revoke any license  
584 issued under this chapter if the Commissioner shall find that:

585 (1) The licensee has failed to pay the annual license fee or any fee required under this  
586 chapter; or

587 (2) The licensee has violated any provision of this chapter or any rule or regulation  
588 promulgated by the Commissioner under this chapter or has violated the terms of any  
589 cease or desist order entered by the Commissioner under Code Section 7-3-23.

590 (b) Any such suspension or revocation shall not become final pending and subject to the  
591 right of review provided in Code Section 7-3-27, but the court shall have and is granted  
592 power to enter such order as justice shall require pending hearing of such appeal. The court  
593 upon such appeal may tax the cost, including the cost of the hearing before the  
594 Commissioner, against the losing party.

595 (c) No suspension, revocation, relinquishment, or expiration of any license shall invalidate,  
596 impair, or affect the legality or obligations of any preexisting contracts or prevent the  
597 enforcement and collection thereof.

598

#### ARTICLE 4

599 7-3-30.

600 (a) Each licensee shall:

601 (1) Conspicuously post a copy of its license in each location where the licensee engages  
602 in installment lending;

603 (2) Submit to the Nationwide Multistate Licensing System and Registry timely reports  
604 of condition, which shall be in such form and shall contain such information as the  
605 department may require;

606 (3) Clearly label all advertisements and any other documents required by rules and  
607 regulations of the department with its unique identifier;

608 (4) Make, keep, and use in its business such books, accounts, and records as the  
609 department may require; and

610 (5) Make available to the department, upon request, any books, accounts, records, files,  
611 documents, evidence, or other information relating to the business of making installment  
612 loans.

613 (b) Each licensee shall preserve any books, accounts, and records required to be made,  
614 kept, or used pursuant to this Code section or rules and regulations of the department for  
615 five years or such greater period of time as prescribed by rules and regulations of the  
616 department to the licensee.

617 (c) A licensee may maintain any books, accounts, and records required to be made, kept,  
618 or used pursuant to this Code section:

619 (1) In photographic, electronic, or other similar form; and  
620 (2) At a location outside of this state so long as such records are transmitted to a location  
621 designated by the department within ten days of the date of a written request by the  
622 department.

623 7-3-31.

624 (a) A licensee shall send written notice to the department within ten days of the following:

625 (1) Any knowledge or discovery that any of the licensee's owners, executive officers,  
626 directors, trustees, agents, or covered employees has been convicted of a felony as  
627 described in subsection (a) of Code Section 7-3-42;

628 (2) Any knowledge or discovery that any of the licensee's owners, executive officers,  
629 directors, trustees, agents, or covered employees has committed fraud, engaged in  
630 dishonest activities, or made any misrepresentation;

631 (3) The discharge of a covered employee for actual or suspected misrepresentations,  
632 dishonest acts, or fraudulent acts;

633 (4) Any knowledge or discovery of an administrative, civil, or criminal action initiated  
634 by any governmental entity against the licensee;

635 (5) Any knowledge or discovery of a criminal action initiated by any governmental entity  
636 for misrepresentations, dishonest acts, or fraudulent acts against any owner, executive  
637 officer, director, trustee, agent, or covered employee of a licensee; and

638 (6) The filing of a petition by or against the licensee under the United States Bankruptcy  
639 Code, 11 U.S.C. Sections 101 through 110, for bankruptcy reorganization or the filing of  
640 a petition by or against the licensee for receivership or the making of a general  
641 assignment for the benefit of its creditors.

642 (b) A licensee shall send written notice to the department within 30 days of the following:

643 (1) The commencement of any action brought against it relating to its business of  
644 installment lending in Georgia;

645 (2) The commencement of any action by any creditor or claimant relating to its business  
646 of installment lending in Georgia or involving a claim against the bond filed with the  
647 department pursuant to Code Section 7-3-21;

648     (3) The entry of any judgment against the licensee related to its business of installment  
649     lending in Georgia; and

650     (4) Any change in the address of its principal place of business or registered agent for  
651     service in Georgia.

652     (c) The corporate surety that issued a licensee a bond pursuant to Code Section 7-3-21  
653     shall send written notice to the department within ten days of paying any claim or judgment  
654     to any creditor or claimant.

655     (d) Any notice sent pursuant to this Code section shall be sent by registered or certified  
656     mail or statutory overnight delivery and include sufficient details for the department to  
657     identify any relevant creditor or claimant, claim, cause of action, judgment, payment, or  
658     prohibited act.

659     7-3-32.

660     (a) A licensee shall not engage in the business of installment lending at a location in this  
661     state unless the licensee has first received written approval from the department.  
662     Applications or renewals for such additional locations shall be made in writing on a form  
663     prescribed by the department and accompanied by a nonrefundable fee in an amount  
664     established by rules and regulations of the department.

665     (b) Each manager of a licensee's location in Georgia shall be approved in writing by the  
666     department. A licensee may allow an individual to begin working as a new location  
667     manager prior to such approval, provided that the licensee submits an application for  
668     approval within 15 days of the new location manager beginning work as a location  
669     manager. If the department denies approval of such new location manager, the licensee  
670     shall immediately remove the individual upon notice of such denial.

671     (c) No person shall become an owner of any licensee through acquisition or other change  
672     in control or become an executive officer of a licensee unless the person has first received  
673     written approval from the department. To apply for such approval, the person shall:

674         (1) Submit an application to the department in such form as the department may  
675         prescribe;

676         (2) Provide such other information as the department may require concerning the  
677         financial responsibility, background, experience, and activities of the applicant or its  
678         directors, owners, and executive officers; and

679         (3) Pay a nonrefundable application fee as prescribed by rule and regulation of the  
680         department.

681     (d) The department may prescribe by rule and regulation additional requirements for  
682     approval of an application submitted pursuant to this Code section.

683 (e) The department shall approve an application properly submitted pursuant to this Code  
684 section if it finds that the applicant and its directors, owners, and executive officers have  
685 the financial responsibility, character, reputation, experience, and general fitness to warrant  
686 a belief that the business will be operated efficiently and fairly, in the public interest, and  
687 in accordance with the law.

688 (f) This Code section shall not apply to:

689 (1) The acquisition of an interest in a licensee by merger or consolidation with a person  
690 licensed pursuant to this article or a person exempt from the licensure requirements of  
691 this article under Code Section 7-3-4;

692 (2) The acquisition of an interest in a licensee by merger or consolidation with a person  
affiliated through common ownership with the licensee; or

694 (3) The acquisition of an interest in a licensee by a person by bequest, descent, or  
695 survivorship or by operation of law.

696 (g) Any person acquiring an interest in a licensee in a transaction which is exempt  
697 pursuant to subsection (f) of this Code section shall send written notice to the department  
698 of such acquisition within 30 days of the closing of such transaction.

699 7-3-25 7-3-33.

700 ~~(a) Any license shall be subject to suspension or revocation, after notice and hearing as~~  
701 ~~provided for in Code Section 7-3-24, in the event No licensee or employee or agent thereof~~  
702 ~~shall willfully use any unreasonable collection tactics shall be willfully used by the licensee~~  
703 ~~or any employee or agent thereof. Unreasonable collection tactics shall include, but not be~~  
704 ~~limited to, any conduct by the licensee or any employee or agent thereof which:~~

705 (1) Causes the borrower or any member of his or her family to suffer bodily injury or  
706 physical harm;

707 (2) Constitutes a willful or intentional trespass by force of the borrower's home or his  
708 personal property without process of law;

709 (3) Holds up the borrower to public ridicule or unreasonably degrades him the borrower  
710 in the presence of his neighbors or business associates;

711 (4) Involves use of printed material which simulates or resembles a summons, warrant,  
712 or other legal process; or

713 (5) Although otherwise lawful, occurs at an unreasonable hour of the night. Attempts  
714 to make collections by means of personal visits, telephone calls, and the like shall be  
715 deemed to occur at an unreasonable hour of the night if they occur between the hours of  
716 10:00 P.M. and 5:00 A.M.

717 ~~(b) Any order or decision of the Commissioner on the matter of suspension or revocation~~  
718 ~~shall be subject to review as provided for in Code Section 7-3-27.~~

719 7-3-26.

720 ~~In addition to all other penalties provided for under this chapter, the Commissioner shall have authority to place any licensee on probation for a period of time not to exceed one year for each and every act or violation of this chapter or of the rules and regulations of the Commissioner and may subject such licensee to a monetary penalty of up to \$1,000.00 for each and every act or violation of this chapter or of the rules and regulations of the Commissioner. If the licensee knew or reasonably should have known he was in violation of this chapter or the rules and regulations of the Commissioner, the monetary penalty provided for in this Code section may be increased to an amount up to \$5,000.00 for each and every act or violation.~~

729 7-3-27.

730 ~~The decision of the Commissioner in granting or refusing to grant a license and in revoking or suspending such license and in any other order or decision authorized in this chapter shall be final, conclusive, and binding as to all determinations of fact made by him; but any applicant or licensee who deems himself aggrieved may have such decision reviewed under Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act,' for the review of contested cases.~~

736

## ARTICLE 5

737 7-3-40.

738 (a) The department is authorized to investigate and examine the affairs, businesses, premises, and records of any applicant, licensee, or any other installment lender as often as it deems necessary to carry out the purposes of this chapter, regardless of whether such applicant, licensee, or other installment lender acts or claims to act under any other licensing or registration requirement of this state. The department may conduct such investigation outside of this state if it deems necessary.

744 (b) The department may conduct an investigation or examination pursuant to this Code section at least once every 60 months; provided, however, that the department may alter the frequency or scope of investigations or examinations through rules and regulations or waive an investigation or examination if it determines that, based on records submitted to the department and the past history of operations in this state, such investigation or examination is unnecessary.

750 (c) A licensee or other installment lender shall pay a fee as prescribed by rule or regulation of the department to cover the cost of an investigation or examination.

752   (d) In carrying out an investigation or examination pursuant to this Code section, the  
753   department shall be authorized to:

754   (1) Conduct an on-site examination of any applicant, licensee, or other installment lender  
755   at any location without prior notice;

756   (2) Access, receive, and use any books, accounts, records, files, documents, evidence,  
757   or other information, including, but not limited to:

758     (A) Criminal, civil, and administrative history information, including information  
759     related to charges that did not result in a conviction;

760     (B) Personal history and experience information, including, but not limited to,  
761     independent credit reports obtained from a consumer reporting agency described in the  
762     federal Fair Credit Reporting Act, 15 U.S.C. Section 1681a; and

763     (C) Any other documents, information, or evidence the department deems relevant to  
764     the investigation or examination, regardless of the location, possession, control, or  
765     custody of such documents, information, or evidence;

766   (3) Enter into agreements or relationships with other government officials or regulatory  
767   authorities to improve efficiencies and reduce regulatory burden by sharing resources,  
768   documents, records, information, or evidence or by utilizing standardized or uniform  
769   methods or procedures;

770   (4) Accept and rely on investigation or examination reports made by other government  
771   officials or regulatory authorities within or outside this state, provided that such reports  
772   provide information necessary to fulfill the responsibilities of the department under this  
773   chapter;

774   (5) Accept and incorporate in any report of the department audit reports or portions of  
775   audit reports made by an independent certified public accountant on behalf of an  
776   applicant or licensee;

777   (6) Require or permit any person to file a statement in writing as to all the facts and  
778   circumstances concerning any matter to be investigated pursuant to this chapter;

779   (7) Request any financial data relevant to the business of making installment loans;

780   (8) Administer oaths, call any party to testify under oath, and require the attendance of  
781   witnesses;

782   (9) Require the production of books, accounts, records, files, documents, and papers;

783   (10) Take the depositions of witnesses; and

784   (11) Issue subpoenas for any witness or for the production of documentary evidence.

785   (e) Each licensee or person subject to this chapter shall make available to the department,  
786   upon request, any books, accounts, records, files, documents, evidence, or other  
787   information relating to the activities of engaging in the business of making installment  
788   loans.

789 (f) No licensee or person subject to investigation or examination under this chapter shall  
790 knowingly withhold, abstract, remove, mutilate, destroy, or secrete any books, accounts,  
791 records, files, documents, evidence, or other information.

792 7-3-41.

793 (a) A subpoena issued pursuant to Code Section 7-3-40 may be served by:

794 (1) Registered or certified mail or statutory overnight delivery, return receipt requested,  
795 to the addressee's business or personal mailing address;

796 (2) Examiners appointed by the department; or

797 (3) The sheriff of the county where such witness resides or is found or where the person  
798 in custody of any books, accounts, records, files, documents, or papers resides or is  
799 found.

800 (b) The department may issue and apply to enforce subpoenas in this state at the request  
801 of any governmental agency, department, organization, or entity regulating the making of  
802 installment loans in another state if the activities constituting the alleged violation for  
803 which the information is sought would be a violation of this chapter if the alleged activities  
804 had occurred in this state.

805 (c) If any person refuses to obey a subpoena issued under this chapter, a superior court of  
806 appropriate jurisdiction, upon application by the department, may issue to the person an  
807 order requiring such person to appear before the court to show cause why such person  
808 should not be held in contempt for refusal to obey the subpoena. Failure to obey a  
809 subpoena may be punished as contempt by the court.

810 7-3-42.

811 (a) The department shall not issue a license and may revoke a license if it finds that the  
812 applicant or licensee or any director, trustee, agent, owner, executive officer, or covered  
813 employee of the applicant or licensee has been convicted of a felony in any jurisdiction or  
814 of a crime which, if committed within this state, would constitute a felony under the laws  
815 of this state. For the purposes of this article, a person shall be deemed to have been  
816 convicted of a crime if such person shall have pleaded guilty or nolo contendere to a charge  
817 thereof before a court or federal magistrate or shall have been found guilty thereof by the  
818 decision or judgment of a court or federal magistrate or by the verdict of a jury, irrespective  
819 of the pronouncement of sentence or the suspension thereof and regardless of whether first  
820 offender treatment without adjudication of guilt pursuant to the charge was entered or an  
821 adjudication or sentence was otherwise withheld or not entered on that charge, unless and  
822 until such plea of guilty or nolo contendere or such decision, judgment, or verdict shall  
823 have been set aside, reversed, or otherwise abrogated by lawful judicial process or until

824 probation, sentence, or both probation and sentence of a first offender without adjudication  
825 of guilt have been successfully completed and documented or unless the person convicted  
826 of the crime shall have received a pardon therefor from the President of the United States  
827 or the governor or other pardoning authority in the jurisdiction where the conviction  
828 occurred.

829 (b) The department shall be authorized to obtain criminal history record checks with  
830 respect to any applicant or licensee, any owner of the applicant or licensee, and any  
831 individual who is a director, trustee, executive officer, agent, or covered employee of the  
832 applicant or licensee. Such criminal history record checks may be requested by the  
833 department through the Georgia Crime Information Center and the Federal Bureau of  
834 Investigation, and the department shall have the authority to receive the results of such  
835 checks. Fees required for a criminal history record check by the Georgia Crime  
836 Information Center or the Federal Bureau of Investigation shall be paid by the applicant or  
837 licensee.

838 (c) Upon receipt of fingerprints, fees, and other required information, the Georgia Crime  
839 Information Center shall promptly transmit one set of fingerprints to the Federal Bureau  
840 of Investigation for a search of bureau records and an appropriate report and shall retain  
841 the other set and promptly conduct a search of its own records and records to which it has  
842 access. The Georgia Crime Information Center shall notify the department in writing of  
843 any finding or if there are no such findings.

844 (d) All criminal history record checks received by the department or by the applicant or  
845 licensee shall be used by the party requesting such records for the exclusive purpose of  
846 carrying out the responsibilities of this article, shall not be a public record, shall be  
847 confidential and privileged, and shall not be disclosed to any other person or agency except  
848 to any person or agency which otherwise has a legal right to inspect such records. All such  
849 records received by the requesting party shall be maintained in conformity with the  
850 requirements of the Georgia Crime Information Center and the Federal Bureau of  
851 Investigation.

852 (e) Every applicant and licensee shall be authorized and required to obtain and maintain  
853 the results of criminal history record checks on covered employees. Such checks shall be  
854 handled by the Georgia Crime Information Center pursuant to Code Section 35-3-34 and  
855 the rules and regulations of the Georgia Crime Information Center. Applicants and  
856 licensees shall be responsible for any applicable fees charged by the Georgia Crime  
857 Information Center. An applicant or licensee may only employ an individual whose  
858 criminal history has been checked and has been found to be in compliance with all lawful  
859 requirements prior to the initial date of hire. This provision shall not apply to directors,  
860 owners, or executive officers of applicants or licensees, whose backgrounds shall have

861 been investigated through the department before taking office, beginning employment, or  
862 securing ownership.

863 (f) Upon request by the department, an applicant or licensee shall take all steps necessary  
864 to have an international criminal history record check performed on any directors, owners,  
865 executive officers, and covered employees of applicants and licensees. The results of such  
866 international criminal history record check shall be provided to the department.

867 (g) Applicants and licensees shall have the primary responsibility for obtaining criminal  
868 history record checks on covered employees. The department shall be entitled to review  
869 the files of any applicant or licensee to determine whether the required record checks have  
870 been run and whether all covered employees are qualified. The department shall be  
871 authorized to discuss the status of covered employee criminal history record checks with  
872 applicants and licensees. Notwithstanding any other provisions of this article, the  
873 department shall retain the right to obtain criminal history record checks on covered  
874 employees of applicants and licensees.

875 7-3-43.

876 (a) The department may suspend or revoke a license if it finds that any ground exists  
877 which would require or warrant the denial of an application for the issuance or renewal of  
878 a license.

879 (b) The department may deny an application or suspend or revoke a license upon a finding  
880 that an applicant or a licensee has:

881 (1) Committed any fraud, engaged in any dishonest activities, or made any  
882 misrepresentation;

883 (2) Violated any provision of this chapter, any rule, regulation, or order issued by the  
884 department pursuant to this chapter, or any other law in the course of its business of  
885 making installment loans;

886 (3) Made a false statement or failed to give a true reply in an application;

887 (4) Demonstrated incompetency or untrustworthiness to act as an installment lender;

888 (5) Failed to pay within 30 days after it became final a judgment recovered in any court  
889 in an action arising out of the licensee's business of making installment loans;

890 (6) Purposely withheld, deleted, destroyed, or altered information requested by the  
891 department or made misrepresentations to the department;

892 (7) Operated in an unsafe or unsound manner; or

893 (8) Failed or refused to remit the tax required by Code Section 7-3-16 within the required  
894 time period.

895 (c) The department shall not issue a license and shall revoke a license if it determines that  
896 the applicant or licensee is not financially sound or responsible or not able to engage in the

897 business of making installment loans in an honest, fair, and efficient manner and with the  
898 confidence and trust of the community.

899 (d) The department shall not issue a license and may suspend or revoke a license if an  
900 applicant or licensee was subject to, or employs any person subject to, a final cease and  
901 desist order or license revocation under this chapter within the preceding five years. Each  
902 applicant or licensee shall, before hiring an employee, examine the Nationwide Multistate  
903 Licensing System and Registry to determine that such employee is not subject to a cease  
904 and desist order or license revocation.

905 (e) The department shall not issue a license and may suspend or revoke a license if it finds  
906 that any owner, director, trustee, or executive officer of the applicant or licensee has been  
907 in one or more of those roles for a licensee whose application has been denied or revoked  
908 or suspended within the preceding five years.

909 7-3-44.

910 (a) Notice of the department's intention to enter an order denying an application or  
911 suspending or revoking a license shall be sent to the applicant or licensee in writing by  
912 registered or certified mail or statutory overnight delivery addressed to the principal  
913 business address of such applicant or licensee. If a person refuses to accept service of such  
914 notice, the notice shall be served by the department under any other method of lawful  
915 service, and the person shall be liable to the department for a sum equal to the actual costs  
916 incurred to serve the notice. Such liability shall be paid upon notice and demand by the  
917 department and shall be assessed and collected in the same manner as other fees or fines  
918 administered by the department.

919 (b) Within 20 days of the date of the notice issued pursuant to subsection (a) of this Code  
920 section, the applicant or licensee may request in writing a hearing to contest the order. If  
921 no such hearing is requested, the department shall enter a final order stating the grounds  
922 for the denial, suspension, or revocation. Such final order shall be effective on the date of  
923 issuance, and the department shall promptly mail a copy thereof to the principal business  
924 address of such applicant or licensee.

925 (c) A decision by the department denying an application for licensure or an order of the  
926 department suspending or revoking a license shall be subject to review in accordance with  
927 Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act,' except that judicial  
928 review shall be available solely in the superior court of the county of domicile of the  
929 department.

930 (d) The department may pursue any administrative action initiated under this chapter  
931 against an applicant or licensee to its conclusion, regardless of whether the applicant or

932 licensee withdraws its application or whether a licensee does not renew or surrenders its  
933 license.

934 (e) The suspension, revocation, or expiration of a license shall not alter, ameliorate, or void  
935 the duties, defenses, and liabilities of either a borrower or a licensee under any existing  
936 agreement or contract entered into by the licensee prior to such suspension, revocation, or  
937 expiration.

938 7-3-45.

939 (a) The department may issue an order requiring a person to cease and desist immediately  
940 from unauthorized activities whenever it shall appear to the department that:

941 (1) Except as provided in paragraphs (2) and (3) of this subsection, a person has violated  
942 any law of this state or any rule, regulation, or order of the department. Such cease and  
943 desist order shall be final 20 days from the date of issuance unless the person to whom  
944 it is issued requests a hearing in writing within such 20 day period;

945 (2) A person without a license is engaging in or has engaged in activities requiring  
946 licensure under this chapter. Such cease and desist order shall be final 30 days from the  
947 date of issuance without the opportunity for an administrative hearing. If such person  
948 obtains a license or submits to the department evidence of licensure or exemption from  
949 licensure within the 30 day period, the department shall rescind the order; or

950 (3) A licensee has received a notice of bond cancellation under Code Section 7-3-21.  
951 Such cease and desist order shall be final 20 days from the date of issuance without the  
952 opportunity for an administrative hearing. If the required bond is reinstated or replaced  
953 and documentation evidencing such is submitted to the department within the 20 day  
954 period, the department shall rescind the order. In the event such cease and desist order  
955 becomes final, the license shall expire.

956 (b) Any cease and desist order authorized by this Code section shall be in writing, sent by  
957 registered or certified mail or statutory overnight delivery, and addressed to the person's  
958 business address or, if the person is an individual, to either the business address or the  
959 individual's personal address. Any cease and desist order sent to the person's address that  
960 is returned to the department as 'refused' or 'unclaimed' shall be deemed as received and  
961 lawfully served.

962 (c) Any hearing authorized under paragraph (1) of subsection (a) of this Code section shall  
963 be conducted in accordance with Chapter 13 of Title 50, the 'Georgia Administrative  
964 Procedure Act.'

965 (d) Judicial review of a final decision of the department issued pursuant to paragraph (1)  
966 of subsection (a) of this Code section shall be in accordance with Chapter 13 of Title 50.

967 the 'Georgia Administrative Procedure Act,' except that judicial review shall be available  
968 solely in the superior court of the county of domicile of the department.

969 (e) Judicial review of a final decision of the department issued pursuant to paragraph (2)  
970 or (3) of subsection (a) of this Code section shall be in accordance with Code Section  
971 7-1-90, except that judicial review shall be available solely in the superior court of the  
972 county of domicile of the department.

973 7-3-46.

974 (a) Whenever a person fails to comply with the terms of a final order or decision of the  
975 department issued pursuant to this chapter, the department may, through the Attorney  
976 General, petition any superior court of this state having jurisdiction over one or more  
977 defendants for an order directing such person to obey the order of the department within  
978 a period of time as shall be fixed by the court. Upon the filing of such petition, the court  
979 shall allow a motion to show cause why it should not be granted. After a hearing upon the  
980 merits or after failure of such person to appear when ordered, the court shall grant the  
981 petition of the department upon a finding that the order of the department was properly  
982 issued.

983 (b) Any person who violates the terms of any final order or decision issued pursuant to this  
984 chapter shall be liable for a civil penalty not to exceed \$1,000.00. Each day the violation  
985 continues shall constitute a separate offense. In determining the amount of the penalty, the  
986 department shall take into account the appropriateness of the penalty relative to the size of  
987 the financial resources of such person, the good faith efforts of such person to comply with  
988 the order, the gravity of the violation, the history of previous violations by such person, and  
989 such other factors or circumstances that contributed to the violation. The department may  
990 reduce any penalty which is subject to imposition or has been imposed pursuant to this  
991 Code section. Such penalty shall be final except as to judicial review as provided in Code  
992 Section 7-1-90, except that judicial review shall be available solely in the superior court  
993 of the county of domicile of the department.

994 (c) The department may bring an appropriate civil action to enforce any provision of this  
995 chapter or any rule, regulation, decision, or order issued pursuant to this chapter, whether  
996 by injunction or otherwise, in the superior court of this state having jurisdiction over one  
997 or more of the defendants.

998 (d) The department may prescribe by rule and regulation administrative fines for violations  
999 of this chapter or of rules, regulations, decisions, or orders issued pursuant to this chapter.

1000 7-3-47.

1001 (a) Except as provided in this Code section, information obtained by the department  
1002 pursuant to this chapter, which shall include any information disclosed through the  
1003 Nationwide Multistate Licensing System and Registry, is confidential as provided in Code  
1004 Section 7-1-70.

1005 (b) In addition to the exceptions set forth in subsection (b) of Code Section 7-1-70, the  
1006 department is authorized to share information obtained under this chapter with other  
1007 regulatory or law enforcement authorities. In the case of such sharing, the safeguards to  
1008 confidentiality already in place within such agencies or authorities shall be deemed  
1009 adequate. A designated employee or agent of the department may disclose such  
1010 information as is necessary to conduct a civil or administrative investigation or proceeding  
1011 related to the business of making installment loans.

1012 (c) The department is authorized to make the following information available to the public  
1013 on the department's website, upon receipt by the department of a written request, or in the  
1014 Nationwide Multistate Licensing System and Registry:

- 1015 (1) The name, business address, telephone number, facsimile number, and unique  
1016 identifier of a licensee;
- 1017 (2) The names and titles of the executive officers of a licensee;
- 1018 (3) The names of the owners of a licensee;
- 1019 (4) The name, business address, telephone number, and facsimile number of all locations  
1020 of a licensee;
- 1021 (5) The terms of or a copy of any bond filed by a licensee;
- 1022 (6) Information concerning any violation of this chapter or any rule, regulation, or order  
1023 issued pursuant to this chapter, provided that such information is derived from a final  
1024 order of the department;
- 1025 (7) The imposition of an administrative fine or penalty under this chapter; and
- 1026 (8) The address of a licensee's registered agent for service of process in this state.

1027 7-3-48.

1028 (a) Except in the case of malice, fraud, or bad faith, no person shall be subject to civil  
1029 liability arising out of furnishing the department with information required pursuant to this  
1030 chapter. No civil cause of action of any nature shall arise against such person:

- 1031 (1) For any information relating to suspected prohibited conduct furnished to or received  
1032 from law enforcement officials, their agents, or employees or furnished to or received  
1033 from other regulatory authorities;
- 1034 (2) For any information furnished to or received from other persons subject to the  
1035 provisions of this chapter; or

1036 (3) For any information furnished in complaints filed with the department.

1037 (b) Neither the department nor its employees or agents shall be subject to civil liability,  
1038 and no civil cause of action of any nature shall exist against the department or its  
1039 employees or agents arising out of the performance of activities or duties pursuant to this  
1040 chapter or by publication of any report of activities under this Code section.

1041 7-3-28 7-3-49.

1042 Nothing in this chapter shall be construed as repealing Code Section 7-4-4.

1043 7-3-29 7-3-50.

1044 (a) Any person, including the executive officers, directors, trustees, owners, agents, and  
1045 employees of such person, that willfully engages in the business of making installment  
1046 loans without a license or an exemption pursuant to Code Section 7-3-4 shall be guilty of  
1047 a felony and punished as provided in Code Section 7-1-845.

1048 (b) Any person who shall make loans under this chapter without first obtaining a license  
1049 ~~or who shall make~~ makes a false statement under oath in an application for a license under  
1050 this chapter or who ~~shall do business~~ engages in the business of making installment loans  
1051 while the license of such person under this chapter is suspended ~~or revoked~~ shall be guilty  
1052 of a misdemeanor; and any.

1053 (c) Any contract made under this chapter by such a person guilty of a felony or  
1054 misdemeanor under subsection (a) or (b) of this Code section shall be null and void.

1055 (b)(d) ~~Except as otherwise provided in this chapter, any duly licensed Any~~ installment  
1056 ~~lender who fails to comply with this chapter in connection with a loan under this chapter~~  
1057 shall be liable to the borrower or borrowers thereon for a single penalty in an amount equal  
1058 to twice the amount of all interest and loan fees charged ~~to~~ said borrower or borrowers on  
1059 the most recent loan made by the lender to said borrower or borrowers; provided, however,  
1060 that the liability under this subsection shall not be less than \$100.00.

1061 (c)(e) ~~A lender duly licensed under this chapter has licensee shall have~~ no liability under  
1062 ~~subsection (b)~~ (d) ~~of this Code section if, within 15 days after discovering an error or~~  
1063 ~~violation and prior to the institution of an action under this Code section or the receipt of~~  
1064 ~~written notice of the error or violation, the lender notifies the person concerned of the error~~  
1065 ~~or violation and makes whatever any necessary adjustments in the appropriate account are~~  
1066 ~~necessary~~ to ensure that such person will not be required to pay charges in excess of those  
1067 permitted by this chapter.

1068 (d)(f) ~~A lender may licensee shall not be held liable in any action brought under this Code~~  
1069 ~~section for a violation of this chapter if the lender licensee shows by a preponderance of~~  
1070 ~~the evidence that the violation was not intentional and resulted from a bona fide clerical or~~

1071 typographical error, notwithstanding the maintenance of procedures reasonably adopted to  
1072 avoid any such error, and makes any necessary adjustments in the appropriate account to  
1073 ensure that no borrower will be required to pay charges in excess of those permitted by this  
1074 chapter.

1075 (e)(g) A claim of violation of this chapter against a ~~duly licensed lender~~ licensee may be  
1076 asserted in an individual action only and may not be the subject of a class action under  
1077 Code Section 9-11-23 or any other provision of law. A claim of violation of this chapter  
1078 against an unlicensed lender may be asserted in a class action under Code Section 9-11-23  
1079 or any other provision of law.

1080 (f)(h) If a contract is made in good faith in conformity with an interpretation of this chapter  
1081 by the appellate courts of this state or in a rule or regulation officially promulgated by the  
1082 ~~Commissioner after public hearings, department,~~ no provision in this Code section  
1083 imposing any penalty shall apply, notwithstanding that, after such contract is made, such  
1084 rule or regulation is amended, rescinded, or determined by judicial or other authority to be  
1085 invalid for any reason.

1086 (g)(i) Any ~~lender duly licensed under this chapter~~ installment lender who shall knowingly  
1087 and willfully with intent to defraud a borrower make a contract in violation of this chapter  
1088 shall be guilty of a misdemeanor, and the contract so made shall be null and void.

1089 (h) ~~No person may, more than one year after April 9, 1980, assert or contend offensively~~  
1090 ~~or defensively in any court that a contract predating April 9, 1980, is null and void or is~~  
1091 ~~illegal, void, invalid, or not good consideration for a renewal or refinanced contract. This~~  
1092 ~~subsection is a statute of repose and limitation, barring such remedies, and only such~~  
1093 ~~remedies, as of that date; provided, however, that after that date a borrower or borrowers~~  
1094 ~~on a contract predating April 9, 1980, shall be entitled to the appropriate penalty provided~~  
1095 ~~under subsections (a) through (g) of this Code section, but such right to said penalty shall~~  
1096 ~~not in any way adversely affect the validity of any renewal or refinanced contract.~~

1097 7-3-51.

1098 Without limiting the power conferred by Chapter 1 of this title, the department may make  
1099 reasonable rules and regulations, not inconsistent with law, for the interpretation and  
1100 enforcement of this chapter.

1101 7-3-52.

1102 Every license in force and effect under the former provisions of this chapter on June 30,  
1103 2020, shall remain in full force and effect on July 1, 2020, and all such existing licensees  
1104 shall be required to renew their licenses pursuant to Code Sections 7-3-20 and 7-3-22."

1105

**SECTION 3.**

1106 Said title is further amended in Code Section 7-1-845, relating to miscellaneous felonies  
1107 relative to financial institutions, by striking "or" at the end of subparagraph (a)(3)(F) and  
1108 adding a new subparagraph to read as follows:

1109       "(H) Making installment loans unless licensed by the department or exempt from  
1110       licensing requirements pursuant to Code Section 7-3-4; or"

1111

**SECTION 4.**

1112 Said title is further amended by revising Code Section 7-4-19, relating to civil action to  
1113 enforce chapter relative to interest and usury, as follows:

1114       "7-4-19.

1115       The Department of Banking and Finance ~~or the Industrial Loan Commissioner~~ may bring  
1116       an appropriate civil action to enforce any provision of this chapter whether by injunction  
1117       or otherwise in any superior court of this state having jurisdiction over one or more  
1118       defendants. ~~In the case of a loan made pursuant to this chapter by a licensee under~~  
1119 ~~Chapter 3 of this title, relating to industrial loans, such action shall be brought by the~~  
1120 ~~Industrial Loan Commissioner. In the case of any other loan, the action shall be brought~~  
1121 ~~by the Department of Banking and Finance."~~

1122

**SECTION 5.**

1123 Title 16 of the Official Code of Georgia Annotated, relating to crimes and offenses, is  
1124 amended by revising Code Section 16-17-1, relating to "payday lending" defined, legislative  
1125 findings, prohibited activity, and no impairment of agencies with concurrent jurisdiction, as  
1126 follows:

1127       "16-17-1.

1128       (a) Without limiting in any manner the scope of this chapter, 'payday lending' as used in  
1129       this chapter encompasses all transactions in which funds are advanced to be repaid at a later  
1130       date, notwithstanding the fact that the transaction contains one or more other elements and  
1131       a 'payday lender' shall be one who engages in such transactions. This definition of 'payday  
1132       lending' expressly incorporates the exceptions and examples contained in subsections (a)  
1133       and (b) of Code Section 16-17-2.

1134       (b) Despite the fact that the Attorney General of the State of Georgia has opined in Official  
1135       Opinion 2002-3 entered on June 27, 2002, that payday lending is in violation of Georgia  
1136       law and despite the fact that ~~the Industrial Loan Commissioner has issued cease and desist~~  
1137       orders against various payday lenders in the State of Georgia have been issued, the General  
1138       Assembly has determined that payday lending continues in the State of Georgia and that

1139 there are not sufficient deterrents in the State of Georgia to cause this illegal activity to  
1140 cease.

1141 (c) The General Assembly has determined that various payday lenders have created certain  
1142 schemes and methods in order to attempt to disguise these transactions or to cause these  
1143 transactions to appear to be 'loans' made by a national or state bank chartered in another  
1144 state in which this type of lending is unregulated, even though the majority of the revenues  
1145 in this lending method are paid to the payday lender. The General Assembly has further  
1146 determined that payday lending, despite the illegality of such activity, continues to grow  
1147 in the State of Georgia and is having an adverse effect upon military personnel, the elderly,  
1148 the economically disadvantaged, and other citizens of the State of Georgia. The General  
1149 Assembly has further determined that substantial criminal and civil penalties over and  
1150 above those currently existing under state law are necessary in order to prohibit this activity  
1151 in the State of Georgia and to cause the cessation of this activity once and for all. The  
1152 General Assembly further declares that these types of loans are currently illegal and are in  
1153 violation of Code Section 7-4-2. The General Assembly declares that the use of agency or  
1154 partnership agreements between in-state entities and out-of-state banks, whereby the  
1155 in-state agent holds a predominant economic interest in the revenues generated by payday  
1156 loans made to Georgia residents, is a scheme or contrivance by which the agent seeks to  
1157 circumvent Chapter 3 of Title 7, the 'Georgia Industrial Installment Loan Act,' and the  
1158 usury statutes of this state.

1159 (d) Payday lending involves relatively small loans and does not encompass loans that  
1160 involve interstate commerce. Certain payday lenders have attempted to use forum selection  
1161 clauses contained in payday loan documents in order to avoid the courts of the State of  
1162 Georgia, and the General Assembly has determined that such practices are unconscionable  
1163 and should be prohibited.

1164 (e) Without limiting in any manner the scope of this chapter, the General Assembly  
1165 declares that it is the general intent of this chapter to reiterate that in the State of Georgia  
1166 the practice of engaging in activities commonly referred to as payday lending, deferred  
1167 presentment services, or advance cash services and other similar activities are currently  
1168 illegal and to strengthen the penalties for those engaging in such activities.

1169 (f) This chapter in no way impairs or restricts the authority granted to the commissioner  
1170 of banking and finance, ~~the Industrial Loan Commissioner~~, or any other regulatory  
1171 authority with concurrent jurisdiction over the matters stated in this chapter."

1172

**SECTION 6.**

1173 Chapter 14 of the Title 45 of the Official Code of Georgia Annotated, relating to the  
1174 Commissioner of Insurance, is amended by revising Code Section 45-14-3, relating to duties  
1175 as Safety Fire Commissioner and Industrial Loan Commissioner, as follows:

1176 "45-14-3.

1177 The Commissioner of Insurance shall be the Safety Fire Commissioner ~~and the Industrial~~  
1178 ~~Loan Commissioner.~~"

1179

**SECTION 7.**

1180 Said chapter is further amended by revising Code Section 45-14-5, relating to seal, as  
1181 follows:

1182 "45-14-5.

1183 The Commissioner of Insurance; ~~and~~ Safety Fire Commissioner, ~~and Industrial Loan~~  
1184 ~~Commissioner~~ shall have an official seal for each office of such design as he or she shall  
1185 select with the approval of the Governor."

1186

**SECTION 8.**

1187 The Official Code of Georgia Annotated is amended by replacing "industrial loan" with  
1188 "installment loan" and "industrial loans" with "installment loans" wherever the former  
1189 phrases occur in:

1190 (1) Code Section 10-1-2, relating to definitions and construction relative to retail installment  
1191 and home solicitation sales.

1192 (2) Code Section 10-1-31, relating to definitions and construction relative to motor vehicle  
1193 sales financing.

1194 (3) Code Section 10-1-33.1, relating to advancement of money for satisfaction of lease, lien,  
1195 or security interest in motor vehicle.

1196 (4) Code Section 10-1-42, relating to advancement of money to satisfy lease, lien, or security  
1197 interest in motor vehicle and inclusion in gross capitalized cost.

1198 (5) Code Section 10-5-2, relating to definitions relative to Georgia uniform securities.

1199 (6) Code Section 13-1-14, relating to collection of closing fees for contracts for the advance  
1200 of money or the extension of credit, refund of closing fees in certain instances, and limited  
1201 application.

1202 (7) Code Section 13-1-15, relating to when a convenience fee is appropriate.

1203

**SECTION 9.**

1204 The Official Code of Georgia Annotated is amended by replacing "Georgia Industrial Loan  
1205 Act" with "Georgia Installment Loan Act" wherever the former phrase occurs in:

1206 (1) Code Section 7-1-1001, relating to registration requirements for mortgage lenders and  
1207 brokers and exemptions for certain persons and entities.

1208 (2) Code Section 7-4-2, relating to legal rate of interest, maximum rate of interest generally,  
1209 and certain items not considered interest.

1210 (3) Code Section 16-17-2, relating prohibition on loans of less than \$3,000.00, exceptions,  
1211 and penalty for violations.

1212 (4) Code Section 18-5-3, relating to exemption for debt adjustment by certain individuals  
1213 or entities.

1214 **SECTION 10.**

1215 This Act shall apply to all installment loan agreements entered into on and after July 1, 2020.

1216 **SECTION 11.**

1217 This Act shall become effective upon its approval by the Governor or upon its becoming law  
1218 without such approval.

1219 **SECTION 12.**

1220 All laws and parts of laws in conflict with this Act are repealed.