

AN ACT
D.C. ACT 18-636

Codification
District of
Columbia
Official Code

2001 Edition

2011 Winter
Supp.

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

DECEMBER 9, 2010

To amend the Check Cashers Act of 1998 to lower the maximum fee that may be charged for cashing a check; to amend the Money Transmitters Act of 2000 to require money transmitters to provide customers with itemized receipts; to amend Chapter 28 of Title 47 of the District of Columbia Official Code to provide notice to, and afford great weight to the opinion of, the affected Advisory Neighborhood Commission when a first-time pawnshop license application is submitted, to repeal provisions for the transfer of a pawnbrokers license, to limit the interest rate that may be contracted for and received by pawnbrokers, and to require that the Commissioner of the Department of Insurance, Securities and Banking ascertain and report to the Council appropriate interest rates after investigation of economic conditions; and to amend section 16-910.1 of the District of Columbia Municipal Regulations to make a conforming amendment.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Alternative Money Lending and Services Reform Amendment Act of 2010".

Sec. 2. Section 18(a) of the Check Cashers Act of 1998, effective May 12, 1998 (D.C. Law 12-111; D.C. Official Code § 26-317(a)), is amended as to read as follows:

Amend
§ 26-317

"(a)(1) Beginning January 1, 2011, no licensee under this act shall directly or indirectly charge any other fee, including late fees or other service fees, for accepting or cashing a payment instrument in excess of the greater of:

"(A) Two percent of the face amount of the payment instrument or \$3, if the payment instrument is issued by the federal government or a state or local government;

"(B) Ten percent of the face amount of a payment instrument or \$5, if the payment instrument is a personal check or money order; or

"(C) Four percent of the face amount of the payment instrument or \$5, for any other type of payment instrument.

"(2) A licensee may charge a customer an additional one-time membership fee not to exceed \$5."

ENROLLED ORIGINAL

Sec. 3. The Money Transmitters Act of 2000, effective July 18, 2000 (D.C. Law 13-140; D.C. Official Code § 26-1001 *et seq.*), is amended by adding a new section 27a to read as follows:

“Sec. 27a. Receipts.

“(a) A licensee who receives money or equivalent value for a money transmission shall provide an itemized receipt to the customer that clearly states the amount of money or the equivalent value presented by the customer for the money transmission and the fees charged by the money transmission licensee.

“(b) If the licensee fixes, when the money transmission is initiated, the rate of exchange for a money transmission to be paid in the currency of another government, the receipt provided by subsection (a) of this section shall disclose the rate of exchange for the transaction and any limit on the length of time that the payment will be made at that fixed rate of exchange.

“(c) If a licensee does not fix the rate of exchange for a money transmission to be paid in the currency of another government, the receipt provided under subsection (a) of this section shall disclose that the rate of exchange for the money transmission will be set when the person designated by the customer to receive the money takes possession of the money.

“(d) For the purposes of this section:

“(1) Money is deemed to have been transmitted when it is available to the person designated by the customer, whether or not the designated person has taken possession of the money.

“(2) The term “fees” shall not include revenue that a licensee or its authorized delegate generates, in connection with a money transmission, in converting the money of the government into the money of another government.”.

Sec. 4. Chapter 28 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-2884.03 is amended by adding a new subsection (f) to read as follows:

Amend
§ 47-2884.03

“(f) No license shall be issued to any person unless:

“(1) At least 30 days prior to the issuance of a license, all affected Advisory Neighborhood Commissions have been provided notice that a pawnbroker license application has been submitted to the Mayor; provided, that this paragraph shall not apply to applications for a renewal of a pawnbroker license; and

“(2) The opinion of all affected Advisory Neighborhood Commissions have been accorded great weight during deliberations to approve or deny the license application.”.

(b) Section 47-2884.05 (b) is amended by striking the phrase “immediately give written notice thereof to the Mayor. Upon receipt of such notice the Mayor shall attach to the license a statement of the change of location and the date thereof, which shall be authority for the operation of such business under such license at the new location” and inserting the phrase “file an application for a new license in accordance with the provisions of § 47-2884.03” in its place.

Amend
§ 47-2884.05

(c) Section 47-2884.09 is amended as follows:

ENROLLED ORIGINAL

(1) Subsection (a) is amended to read as follows:

Amend
§ 47-2884.09

“(a) Beginning January 1, 2011, the maximum rate of interest which a pawnbroker may contract for, and receive, including fees, shall not exceed 5% per month, or fraction of the month, for the first 6 months of a loan, and 3% per month, or fraction of the month, thereafter; provided that, a pawnbroker may contract for, and receive, a minimum charge of \$2 per month, or fraction of the month, in lieu of interest.”

(2) New subsection (c) and (d) are added to read as follows:

“(c) Once during each calendar year, a borrower shall have the right to rescind any pawn loan by the end of the same business day of the transaction. A \$2 fee may be assessed by the licensee to offset the administrative cost of the rescission.

“(d) The Mayor shall, no more frequently than once every 3 years, investigate from time to time the economic conditions and other factors relating to and affecting the business of making pawnbroker loans under this part and shall ascertain and report to the Council all pertinent facts necessary to determine what maximum rate of interest should be permitted.”

(d) Section 47-2884.11(d) is amended by striking the phrase “on forms to be prescribed by the Mayor of the District of Columbia” and inserting the phrase “on forms or via electronic means in a format prescribed by the Mayor” in its place.

Amend
§ 47-2884.11

(e) The text of section 47-2884.17 is amended to read as follows:

Amend
§ 47-2884.17

“The Mayor, pursuant to Chapter 2 of Title 5, may issue rules to implement the provisions of this act.”

Sec. 5. Subsection 16-910.1 of the District of Columbia Municipal Regulations is amended to read as follows:

DCMR

“910.1 Except as provided in § 910.2, as of January 1, 2011, the maximum rate of interest which a pawnbroker may contract for, and receive, including fees, shall not exceed 5% per month, or fraction of the month, for the first 6 months of a loan, and 3% per month, or fraction of the month, thereafter.”

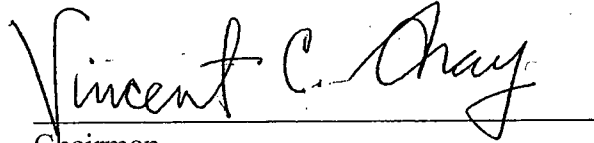
Sec. 6. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 603(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813:D.C. Official Code § 1-206.02(c)(3)).

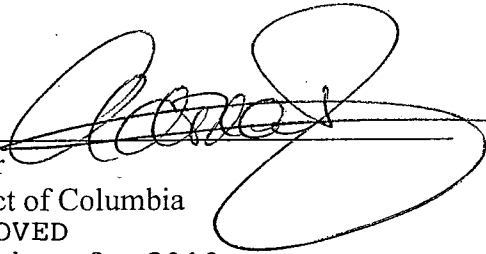
Sec. 7. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December

24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.



Chairman
Council of the District of Columbia



Mayor
District of Columbia
APPROVED
December 9, 2010



**COUNCIL OF THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20004**

Docket No. **B18-715**

[] ITEM ON CONSENT CALENDAR

[X] ACTION & DATE

ADOPTED FIRST READING, 11-09-10

[X] VOICE VOTE

RECORDED VOTE ON REQUEST

APPROVED

ABSENT

ALL PRESENT

[] ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn Gray	X				Brown, M.	X				Mendelson	X			
Alexander	X				Catania	X				Thomas, Jr.	X			
Barry	X				Cheh	X				Wells	X			
Bowser	X				Evans	X								
Brown, K.	X				Graham	X								
X - Indicate Vote					AB - Absent					NV - Present, Not Voting				

CERTIFICATION RECORD

Cynthia Brock Smith
Secretary to the Council

December 1, 2010
Date

[X] ITEM ON CONSENT CALENDAR

[X] ACTION & DATE

ADOPTED FINAL READING, 11-23-10

[X] VOICE VOTE

RECORDED VOTE ON REQUEST

APPROVED

ABSENT

M. BROWN AND THOMAS, JR.

[] ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn Gray	X				Brown, M.				X	Mendelson	X			
Alexander	X				Catania	X				Thomas, Jr.				X
Barry	X				Cheh	X				Wells	X			
Bowser	X				Evans	X								
Brown, K.	X				Graham	X								
X - Indicate Vote					AB - Absent					NV - Present, Not Voting				

CERTIFICATION RECORD

Cynthia Brock Smith
Secretary to the Council

December 1, 2010
Date

[] ITEM ON CONSENT CALENDAR

[] ACTION & DATE

[] VOICE VOTE

RECORDED VOTE ON REQUEST

ABSENT

[] ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn Gray					Brown, M.					Mendelson				
Alexander					Catania					Thomas, Jr.				
Barry					Cheh					Wells				
Bowser					Evans									
Brown, K.					Graham									
X - Indicate Vote					AB - Absent					NV - Present, Not Voting				

CERTIFICATION RECORD