

## **HB 2419 STAFF MEASURE SUMMARY**

### **House Committee On Business and Labor**

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**Prepared By:** Jan Nordlund, LPRO Analyst

**Meeting Dates:** 2/4

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#### **WHAT THE MEASURE DOES:**

Provides authority to Department of Consumer and Business Services to use Nationwide Multistate Licensing System when issuing or renewing licenses for collection agencies, consumer finance lenders, title loan lenders, and payday loan lenders. Authorizes Department to collect fingerprints for certain applicants of following license types: collection agencies, debt management service providers, money transmitters, and consumer finance lenders, title loan lenders and payday loan lenders.

**REVENUE:** May have revenue impact, but statement not yet issued.

**FISCAL:** May have fiscal impact, but statement not yet issued.

#### **ISSUES DISCUSSED:**

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

The Nationwide Multistate Licensing System is the system of record for non-depository financial services licensing and registration used by participating states. The system allows for improved coordination and information sharing among regulators, increased efficiency for the industry, and enhanced consumer protection. The Department of Consumer and Business Services currently has explicit statutory authority to use the NMLS when issuing and renewing licenses for debt management service providers and money transmitters. This allows the Department to require applicants to submit application forms through the NMLS. House Bill 2419 provides the Department with the same authority to use the NMLS for four additional licensing programs: collection agencies, consumer finance lenders, title loan lenders, and payday loan lenders. The measure also provides the Department the statutory authority needed to require fingerprints of license applicants for all six licensing programs.