

**Introduced by Senator Polanco**

February 23, 2001

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An act to amend Section 22107 of the Financial Code, relating to finance lenders.

LEGISLATIVE COUNSEL'S DIGEST

SB 1046, as introduced, Polanco. Finance lenders.

Existing law, the California Finance Lenders Law, requires a person to be licensed by the Commissioner of Corporations in order to engage in the business of a finance lender or broker. Existing law requires a licensee to pay to the commissioner a specified amount assessed by the commissioner.

This bill would make a nonsubstantive change to that provision relating to the payment a licensee is required to make.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 22107 of the Financial Code is amended  
2 to read:  
3 22107. (a) Each licensee shall pay to the commissioner its  
4 pro rata share of all costs and expenses reasonably incurred in the  
5 administration of this division, as estimated by the commissioner,  
6 for the ensuing year and any deficit actually incurred or anticipated  
7 in the administration of the program in the year in which the  
8 assessment is made. The pro rata share shall be the proportion that  
9 a licensee's gross income bears to the aggregate gross income of  
10 all licensees as shown by the annual financial reports to the



1 commissioner, for the costs and expenses remaining after the  
2 amount assessed pursuant to subdivision (c).

3 (b) On or before the 30th day of May~~in~~ of each year, the  
4 commissioner shall notify each licensee by mail of the amount  
5 assessed and levied against~~it~~ *the licensee* and that amount shall be  
6 paid within 20 days thereafter. If payment is not made within 20  
7 days, the commissioner shall assess and collect a penalty, in  
8 addition to the assessment, of 1 percent of the assessment for each  
9 month or part of a month that the payment is delayed or withheld.

10 (c) In the levying and collection of the assessment, a licensee  
11 shall neither be assessed for nor be permitted to pay less than two  
12 hundred fifty dollars (\$250) per licensed location per year.

13 (d) If a licensee fails to pay the assessment on or before the 30th  
14 day of June following the day upon which payment is due, the  
15 commissioner may by order summarily suspend or revoke the  
16 certificate issued to the licensee. If, after an order is made, a  
17 request for hearing is filed in writing within 30 days, and a hearing  
18 is not held within 60 days thereafter, the order is deemed rescinded  
19 as of its effective date. During any period when its certificate is  
20 revoked or suspended, a licensee shall not conduct business  
21 pursuant to this division except as may be permitted by order of the  
22 commissioner. However, the revocation, suspension, or surrender  
23 of a certificate shall not affect the powers of the commissioner as  
24 provided in this division.

