



General Assembly

January Session, 2023

Raised Bill No. 1032

LCO No. 3290



Referred to Committee on BANKING

Introduced by:
(BA)

AN ACT REQUIRING CERTAIN FINANCING DISCLOSURES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective January 1, 2024*) As used in this section,
2 and sections 2 to 13, inclusive, of this act:

3 (1) "Affiliate of a financial institution" means an entity that is
4 controlled by or is under common control with a financial institution,
5 such that the financial institution (A) directly or indirectly, acting
6 through one or more other persons, owns, controls or has the power to
7 vote more than fifty per cent of any class of voting securities of the
8 affiliated entity, (B) controls, in any manner, the election of a majority of
9 directors or trustees of the affiliated entity, or (C) directly or indirectly
10 exercises a controlling influence over the management or policies of the
11 affiliated entity;

12 (2) "Closed-end financing" means a closed-end extension of credit,
13 secured or unsecured, that includes a finance charge, including, but not
14 limited to, financing with an established principal amount and duration,
15 and equipment financing that is not considered a lease, as defined in

16 section 42a-2A-102 of the general statutes, the proceeds of which the
17 recipient does not intend to use primarily for personal, family or
18 household purposes;

19 (3) "Commercial financing" means open-end financing, closed-end
20 financing, sales-based financing, factoring transaction or any other form
21 of financing, the proceeds of which the recipient does not intend to use
22 primarily for personal, family or household purposes;

23 (4) "Commercial financing broker" means a person that, for
24 compensation or the expectation of compensation, offers, or offers to
25 obtain, commercial financing from a provider for a recipient;

26 (5) "Factoring transaction" means an accounts receivable purchase
27 transaction that includes an agreement to purchase, transfer or sell a
28 legally enforceable claim for payment held by a recipient for goods the
29 recipient has supplied, or services the recipient has rendered, that have
30 been ordered but for which payment has not yet been made;

31 (6) "Finance charge" means the cost of financing expressed as a dollar
32 amount, including (A) any charge payable directly or indirectly by the
33 recipient and imposed directly or indirectly by the provider as an
34 incident to or a condition of the extension of financing, (B) all charges
35 that would be included under the definition of "finance charge" in 12
36 CFR 1026.4, as amended from time to time, as if the transaction were
37 subject to said section, and (C) any other charge as determined by the
38 Banking Commissioner;

39 (7) "Financial institution" means (A) a bank, trust company or
40 industrial loan company doing business under the authority of, or in
41 accordance with, a license, certificate or charter issued by the United
42 States, this state or any other state, district, territory or commonwealth
43 of the United States that is authorized to transact business in this state,
44 (B) a federally chartered savings and loan association, federal savings
45 bank or federal credit union that is authorized to transact business in
46 this state, or (C) a savings and loan association, savings bank or credit
47 union organized under the laws of this or any other state that is

48 authorized to transact business in this state;

49 (8) "Open-end financing" means an agreement for one or more
50 extensions of open-end credit, secured or unsecured, the proceeds of
51 which the recipient does not intend to use primarily for personal, family
52 or household purposes, and includes credit extended by a provider
53 under a plan in which (A) the provider reasonably contemplates
54 repeated transactions, (B) the provider may impose a finance charge
55 from time to time on an outstanding unpaid balance, and (C) the amount
56 of credit that may be extended to the recipient during the term of the
57 plan up to any limit set by the provider is generally made available to
58 the extent that any outstanding balance is repaid;

59 (9) "Person" means an individual, corporation, partnership, limited
60 liability company, joint venture, association, joint stock company, trust
61 or unincorporated organization, including, but not limited to, a sole
62 proprietorship;

63 (10) "Provider" means a person who extends a specific offer of
64 commercial financing to a recipient and includes, unless otherwise
65 exempt, a commercial financing broker, but does not include any (A)
66 financial institution or affiliate of a financial institution, (B) person
67 acting in such person's capacity as a technology services provider to an
68 entity exempt under this section for use as part of the exempt entity's
69 commercial financing program, provided such person has no interest,
70 arrangement or agreement to purchase any interest in the commercial
71 financing extended by the exempt entity in connection with such
72 program, (C) lender regulated under the federal Farm Credit Act, 12
73 USC 2001 et seq., as amended from time to time, (D) commercial
74 financing transaction secured by real property, (E) lease as defined in
75 section 42a-2A-102 of the general statutes, (F) person or provider who
76 makes not more than five commercial financing transactions in this state
77 in a twelve-month period, (G) individual commercial financing
78 transaction in an amount greater than two hundred fifty thousand
79 dollars, or (H) commercial financing transaction entered into pursuant
80 to a commercial financing agreement or commercial open-end credit

81 plan of at least fifty thousand dollars, in which the recipient is (i) a
82 dealer, as defined in section 14-1 of the general statutes, or an affiliate of
83 such a dealer, or (ii) a motor vehicle rental company, or an affiliate of
84 such a company;

85 (11) "Recipient" means a person, or the authorized representative of
86 a person, who applies for commercial financing and is made a specific
87 offer of commercial financing by a provider, but does not include a
88 person who is acting as a commercial financing broker;

89 (12) "Sales-based financing" means a transaction that is repaid by the
90 recipient to the provider over time as (A) a percentage of sales or
91 revenue, in which the payment amount may increase or decrease
92 according to the volume of sales made or revenue received by the
93 recipient, or (B) according to a fixed payment mechanism that provides
94 for a reconciliation process that adjusts the payment to an amount that
95 is a percentage of sales or revenue; and

96 (13) "Specific offer" means the specific terms of commercial financing,
97 including, but not limited to, a price or amount, that is quoted to a
98 recipient based on information obtained from or about the recipient,
99 which, if accepted by the recipient, would be binding on the provider,
100 subject to any specific requirements stated in such terms.

101 Sec. 2. (NEW) (*Effective January 1, 2024*) For purposes of determining
102 whether financing is commercial financing, the provider may rely on
103 any statement of intended purpose made by the recipient. The statement
104 may be (1) a separate statement signed by the recipient, (2) contained in
105 the financing application, financing agreement or other document
106 signed or consented to by the recipient, or (3) provided orally by the
107 recipient if such oral statement is documented in the recipient's
108 application file by the provider. Electronic signatures and consents are
109 valid for purposes of this section. The provider shall not be required to
110 ascertain that the proceeds of commercial financing are used in
111 accordance with the recipient's statement of intended purpose.

112 Sec. 3. (NEW) (*Effective January 1, 2024*) A provider shall provide to a

113 recipient, when the provider extends a specific offer for sales-based
114 financing, the following disclosures in a format prescribed by the
115 Banking Commissioner:

116 (1) The total amount of the commercial financing and the
117 disbursement amount, if different from the financing amount, after any
118 fees are deducted or withheld at disbursement.

119 (2) The finance charge.

120 (3) The estimated annual percentage rate, using the words annual
121 percentage rate or the abbreviation "APR", expressed as a yearly rate,
122 inclusive of any fees and finance charges, and calculated in accordance
123 with 12 CFR 1026.22, as amended from time to time, based on the
124 estimated term of repayment and the projected periodic payment
125 amounts. The estimated term of repayment and the projected periodic
126 payment amounts shall be calculated based on the projection of the
127 recipient's sales. The projected sales volume may be calculated using the
128 historical method or the opt-in method as described in subparagraphs
129 (A) and (B) of this subdivision. The provider shall provide notice to the
130 Banking Commissioner, in a form and manner prescribed by the
131 commissioner, disclosing which method the provider intends to use in
132 all instances of sales-based financing offered in calculating the estimated
133 annual percentage rate pursuant to this section.

134 (A) A provider using the historical method shall use an average
135 historical volume of sales or revenue by which the financing's payment
136 amounts are based and the estimated annual percentage rate is
137 calculated. The provider shall fix the historical time period used to
138 calculate the average historical volume and use such period for all
139 disclosure purposes for all sales-based financing products offered. The
140 fixed historical time period shall either be the preceding time period
141 from the specific offer or, alternatively, the provider may use average
142 sales for the same number of months with the highest sales volume
143 within the past twelve months. The fixed historical time period shall be
144 at least one month and shall not exceed twelve months.

145 (B) A provider using the opt-in method shall determine the estimated
146 annual percentage rate, the estimated term and the projected payments
147 using a projected sales volume that the provider elects for each
148 disclosure, provided such provider participates in a review process
149 prescribed by the commissioner. A provider shall, not later than October
150 1, 2024, and annually thereafter, report data to the commissioner
151 disclosing the estimated annual percentage rates the provider disclosed
152 to recipients and the actual retrospective annual percentage rates of
153 completed transactions. The report shall contain such information as the
154 commissioner may prescribe as necessary or appropriate for the
155 purpose of making a determination of whether the deviation between
156 the estimated annual percentage rate and the actual retrospective
157 annual percentage rates of completed transactions was reasonable. The
158 commissioner shall establish the method of reporting and may, upon a
159 finding by the commissioner that the use of projected sales volume by
160 the provider has resulted in an unacceptable deviation between the
161 estimated and actual annual percentage rates, require the provider to
162 use the historical method. The commissioner may consider unusual and
163 extraordinary circumstances impacting the provider's deviation
164 between estimated and actual annual percentage rates in making such
165 finding.

166 (4) The total repayment amount, which is the disbursement amount
167 plus the finance charge.

168 (5) The estimated time period required for the periodic payments to
169 equal the total amount required to be repaid based on the projected sales
170 volume.

171 (6) The payment amounts, based on the projected sales volume as
172 follows:

173 (A) For payment amounts that are fixed, the payment amounts and
174 frequency, and, if the payment frequency is other than monthly, the
175 amount of the average projected payments per month; or

176 (B) For payment amounts that are variable, a payment schedule or a

177 description of the method used to calculate the amounts and frequency
178 of payments, and the amount of the average projected payments per
179 month.

180 (7) A description of all other potential fees and charges not included
181 in the finance charge, including, but not limited to, draw fees, late
182 payment fees and returned payment fees.

183 (8) If the recipient elects to pay off or refinance the commercial
184 financing prior to full repayment, the provider shall disclose:

185 (A) Whether the recipient will be required to pay any finance charges
186 other than interest accrued since the recipient's last payment and, if so,
187 the percentage of any unpaid portion of the finance charge and the
188 maximum dollar amount the recipient may be required to pay; and

189 (B) Whether the recipient will be required to pay any additional fees
190 not already included in the finance charge.

191 (9) A description of collateral requirements or security interests, if
192 any.

193 (10) If the commercial financing agreement includes a waiver of the
194 recipient's right for a hearing concerning the attachment of the
195 recipient's bank account, a clear and conspicuous disclosure that:

196 (A) The recipient has a right to such a hearing if the provider pursues
197 such attachment; and

198 (B) Such waiver may result in the attachment of the recipient's bank
199 account without a hearing.

200 (11) A statement disclosing whether, in connection with the specific
201 offer of sales-based financing, the provider will pay compensation
202 directly to a commercial financing broker out of the financed amount
203 and, if so, the amount of such compensation.

204 Sec. 4. (NEW) (*Effective January 1, 2024*) A provider shall provide to a

205 recipient, when the provider extends a specific offer for closed-end
206 financing, the following disclosures in a format prescribed by the
207 Banking Commissioner:

208 (1) The total amount of the commercial financing and the
209 disbursement amount, if different from the financing amount, after any
210 fees are deducted or withheld at disbursement;

211 (2) The finance charge;

212 (3) The annual percentage rate, using only the words "annual
213 percentage rate" or the abbreviation "APR", expressed as a yearly rate,
214 inclusive of any fees and finance charges that cannot be avoided by a
215 recipient, and calculated in accordance with 12 CFR 1026.22, as
216 amended from time to time;

217 (4) The total repayment amount, which is the disbursement amount
218 plus the finance charge;

219 (5) The term of the financing;

220 (6) The payment amounts as follows:

221 (A) For payment amounts that are fixed, the payment amounts and
222 frequency, and, if the term is longer than one month, the average
223 monthly payment amount; or

224 (B) For payment amounts that are variable, a full payment schedule
225 or a description of the method used to calculate the amounts and
226 frequency of payments, and, if the term is longer than one month, the
227 estimated average monthly payment amount;

228 (7) A description of all other potential fees and charges that can be
229 avoided by the recipient, including, but not limited to, late payment fees
230 and returned payment fees;

231 (8) If the recipient elects to pay off or refinance the commercial
232 financing prior to full repayment, the provider shall disclose whether

233 the recipient would be required to pay:

234 (A) Any finance charges other than interest accrued since the
235 recipient's last payment and, if so, disclose the percentage of any unpaid
236 portion of the finance charge and maximum dollar amount the recipient
237 may be required to pay; and

238 (B) Any additional fees not included in the finance charge;

239 (9) A description of collateral requirements or security interests, if
240 any;

241 (10) If the commercial financing agreement includes a waiver of the
242 recipient's right for a hearing concerning the attachment of the
243 recipient's bank account, a clear and conspicuous disclosure that:

244 (A) The recipient has a right to such a hearing if the provider pursues
245 such attachment; and

246 (B) Such waiver may result in the attachment of the recipient's bank
247 account without a hearing; and

248 (11) A statement disclosing whether, in connection with the specific
249 offer of closed-end financing, the provider will pay compensation
250 directly to a commercial financing broker out of the financed amount
251 and, if so, the amount of such compensation.

252 Sec. 5. (NEW) (*Effective January 1, 2024*) A provider shall provide to a
253 recipient, when the provider extends a specific offer for open-end
254 financing the following disclosures in a format prescribed by the
255 Banking Commissioner:

256 (1) The maximum amount of credit available to the recipient and the
257 amount scheduled to be drawn by the recipient at the time the offer is
258 extended, if any, minus any fees deducted or withheld at disbursement;

259 (2) The finance charge, which, for the purposes of open-end
260 financing, shall assume the maximum amount of credit available to the

261 recipient is drawn and held for the duration of the term or draw period;

262 (3) The annual percentage rate, using only the words "annual
263 percentage rate" or the abbreviation "APR", expressed as a nominal
264 yearly rate, inclusive of any fees and finance charges that cannot be
265 avoided by a recipient, and calculated in accordance with 12 CFR
266 1026.22, as amended from time to time, and based on the maximum
267 amount of credit available to the recipient and the term resulting from
268 making the minimum required payments for the term as disclosed;

269 (4) The total repayment amount, which is the draw amount, minus
270 any fees deducted or withheld at disbursement, plus the finance charge.
271 The total repayment amount shall assume a draw amount equal to the
272 maximum amount of credit available to the recipient if drawn and held
273 for the duration of the term or draw period;

274 (5) The term of the open-end financing plan, if applicable, or the
275 period over which a draw is amortized;

276 (6) The payment frequency and amounts, based on the assumptions
277 used in the calculation of the annual percentage rate, including, but not
278 limited to, a description of payment amount requirements such as a
279 minimum payment amount, and if the payment frequency is not
280 monthly, the amount of the average projected payments per month. For
281 payment amounts that are variable, the provider shall include a
282 payment schedule, or a description of the method used to calculate the
283 amounts and frequency of payments, and the estimated average
284 monthly payment amount;

285 (7) A description of all other potential fees and charges that can be
286 avoided by the recipient, including, but not limited to, draw fees, late
287 payment fees and returned payment fees;

288 (8) If the recipient elects to pay off or refinance the commercial
289 financing prior to full repayment, the provider shall disclose whether
290 the recipient would be required to pay:

291 (A) Any finance charge other than interest accrued since the
292 recipient's last payment and, if so, disclose the percentage of any unpaid
293 portion of such finance charge and the maximum dollar amount the
294 recipient could be required to pay; and

295 (B) Any additional fees not already included in the finance charge;

296 (9) A description of collateral requirements or security interests, if
297 any;

298 (10) If the commercial financing agreement includes a waiver of the
299 recipient's right for a hearing concerning the attachment of the
300 recipient's bank account, a clear and conspicuous statement disclosing
301 that:

302 (A) The recipient has a right to such a hearing if the provider pursues
303 such attachment; and

304 (B) Such waiver may result in the attachment of the recipient's bank
305 account without a hearing; and

306 (11) A statement disclosing whether, in connection with the specific
307 offer of open-end financing, the provider will pay compensation
308 directly to a commercial financing broker out of the financed amount
309 and, if so, the amount of such compensation.

310 Sec. 6. (NEW) (*Effective January 1, 2024*) A provider shall provide to a
311 recipient, when the provider extends a specific offer for a factoring
312 transaction, the following disclosures in a format prescribed by the
313 Banking Commissioner:

314 (1) The amount of the receivables purchase price paid to the recipient
315 and, if different from the purchase price, the amount disbursed to the
316 recipient after any fees deducted or withheld at disbursement;

317 (2) The finance charge, which, for the purposes of a factoring
318 transaction, includes the discount taken on the face value of the accounts
319 receivable;

320 (3) The estimated annual percentage rate, using that term, calculated
321 according to 12 CFR Part 1026, Appendix J, as amended from time to
322 time, as a single advance, single payment transaction. To calculate the
323 estimated annual percentage rate, the purchase amount is the financing
324 amount, the purchase amount minus the finance charge is the payment
325 amount, and the term is established by the payment due date of the
326 receivables. As an alternate method of establishing the term, the
327 provider may estimate the term for a factoring transaction as the
328 average payment period, using its historical data over a period not to
329 exceed the previous twelve months, concerning payment invoices paid
330 by the party owing the accounts receivable in question;

331 (4) The total payment amount, which is the purchase amount plus the
332 finance charge;

333 (5) A description of all other potential fees and charges that may be
334 avoided by the recipient;

335 (6) A description of the receivables purchased and any additional
336 collateral requirements or security interests;

337 (7) If the commercial financing agreement includes a waiver of the
338 recipient's right for a hearing concerning the attachment of the
339 recipient's bank account, a clear and conspicuous disclosure that:

340 (A) The recipient has a right to such a hearing if the provider pursues
341 such attachment; and

342 (B) Such waiver may result in the attachment of the recipient's bank
343 account without a hearing; and

344 (8) A statement disclosing whether, in connection with the specific
345 offer for a factoring transaction, the provider will pay compensation
346 directly to a commercial financing broker out of the financed amount
347 and, if so, the amount of such compensation.

348 Sec. 7. (NEW) (*Effective January 1, 2024*) The Banking Commissioner
349 may require a provider extending a specific offer for commercial

350 financing that is not open-end financing, closed-end financing, sales-
351 based financing or a factoring transaction, but which otherwise is
352 commercial financing, to provide to a recipient, when the provider
353 extends such specific offer, the following disclosures in a format
354 prescribed by the Banking Commissioner:

355 (1) The total amount of the commercial financing and the
356 disbursement amount, if different from the financing amount, after any
357 fees deducted or withheld at disbursement;

358 (2) The finance charge;

359 (3) The annual percentage rate, using only the words "annual
360 percentage rate" or the abbreviation "APR", expressed as a yearly rate,
361 inclusive of any fees and finance charges, and calculated in accordance
362 with the relevant provisions of 12 CFR Part 1026 or sections 1 to 10,
363 inclusive, of this act;

364 (4) The total repayment amount which is the disbursement amount
365 plus the finance charge;

366 (5) The term of the financing;

367 (6) The payment amounts, as follows:

368 (A) For payment amounts that are fixed, the payment amounts and
369 frequency, and the average monthly payment amount; or

370 (B) For payment amounts that are variable, a payment schedule or a
371 description of the method used to calculate the amounts and frequency
372 of payments, and the estimated average monthly payment amount;

373 (7) A description of all other potential fees and charges that can be
374 avoided by the recipient, including, but not limited to, late payment fees
375 and returned payment fees;

376 (8) If the recipient elects to pay off or refinance the commercial
377 financing prior to full repayment, the provider shall disclose whether

378 the recipient would be required to pay:

379 (A) Any finance charge other than interest accrued since the
380 recipient's last payment and, if so, disclose the percentage of any unpaid
381 portion of the finance charge and maximum dollar amount the recipient
382 may be required to pay; and

383 (B) Any additional fees not already included in the finance charge;

384 (9) A description of collateral requirements or security interests, if
385 any;

386 (10) If the commercial financing agreement includes a waiver of the
387 recipient's right for a hearing concerning the attachment of the
388 recipient's bank account, a clear and conspicuous disclosure that:

389 (A) The recipient has a right to such a hearing if the provider pursues
390 such attachment; and

391 (B) Such waiver may result in the attachment of the recipient's bank
392 account without a hearing; and

393 (11) A statement disclosing whether, in connection with the specific
394 offer for commercial financing, the provider will pay compensation
395 directly to a commercial financing broker out of the financed amount
396 and, if so, the amount of such compensation.

397 Sec. 8. (NEW) (*Effective January 1, 2024*) If as a condition of obtaining
398 commercial financing the provider requires the recipient to pay off the
399 balance of existing commercial financing from the same provider, the
400 provider shall disclose to the recipient:

401 (1) The amount of the new commercial financing used to pay off the
402 portion of the existing commercial financing that consists of prepayment
403 charges required to be paid and any unpaid interest expense that was
404 not forgiven at the time of renewal. For financing for which the total
405 repayment amount is calculated as a fixed amount, the prepayment
406 charge is equal to the original finance charge multiplied by the amount

407 of the renewal used to pay off existing financing as a percentage of the
408 total repayment amount, minus any portion of the total repayment
409 amount forgiven by the provider at the time of prepayment. If the
410 amount is more than zero, such amount shall be included in the
411 disclosure as the answer to the following question and presented as
412 follows: "Does the renewal financing include any amount that is used to
413 pay unpaid finance charge or fees, also known as double dipping? Yes,
414 (enter amount). If the amount is zero, the answer would be No."

415 (2) If the disbursement amount will be reduced to pay down any
416 unpaid portion of the outstanding balance, the actual dollar amount by
417 which such disbursement amount will be reduced.

418 Sec. 9. (NEW) (*Effective January 1, 2024*) The provider shall obtain the
419 recipient's signature, which may be fulfilled by an electronic signature,
420 on all disclosures required to be presented to the recipient pursuant to
421 sections 1 to 10, inclusive, of this act before authorizing the recipient to
422 proceed further with the commercial financing transaction application.

423 Sec. 10. (NEW) (*Effective January 1, 2024*) Nothing in this section or
424 sections 1 to 9, inclusive, of this act shall prevent a provider from
425 providing or disclosing additional information concerning commercial
426 financing offered to a recipient, provided such additional information
427 shall not be disclosed as part of any disclosure required pursuant to this
428 section and sections 1 to 9, inclusive, of this act. If other information
429 concerning financing costs is disclosed or used in the application
430 process for commercial financing, such information shall not be
431 presented as a rate other than the annual interest rate or the annual
432 percentage rate. The term interest, when used to describe a percentage
433 rate, shall only be used to describe annualized percentage rates, such as
434 the annual interest rate. When a provider states a rate of finance charge
435 or a financing amount to a recipient during an application process for
436 commercial financing, the provider shall also state the rate as an annual
437 percentage rate, using that term or the abbreviation "APR".

438 Sec. 11. (NEW) (*Effective January 1, 2024*) If the Banking Commissioner

439 determines that the laws of another state require commercial financing
 440 disclosures that meet or exceed the commercial financing disclosure
 441 requirements established under sections 1 to 10, inclusive, of this act,
 442 any commercial financing disclosure form that such other state
 443 approves for the purposes of complying with such other state's
 444 commercial financing disclosure laws may be used for the purposes of
 445 complying with the commercial financing disclosure requirements
 446 established under sections 1 to 10, inclusive, of this act.

447 Sec. 12. (NEW) (*Effective January 1, 2024*) The Banking Commissioner
 448 may adopt regulations, in accordance with the provisions of chapter 54
 449 of the general statutes, to carry out the provisions of sections 1 to 13,
 450 inclusive, of this act.

451 Sec. 13. (NEW) (*Effective January 1, 2024*) (a) Any provider who
 452 violates any provision of sections 1 to 11, inclusive, of this act or any
 453 regulation adopted pursuant to section 12 of this act shall be liable for a
 454 civil penalty not to exceed two thousand dollars per violation or, in the
 455 case of a wilful violation, not to exceed ten thousand dollars per
 456 violation.

457 (b) In addition to any civil penalty imposed pursuant to subsection
 458 (a) of this section, if the Banking Commissioner finds that a provider has
 459 knowingly violated any provision of sections 1 to 11, inclusive, of this
 460 act or any regulation adopted pursuant to section 12 of this act, the
 461 commissioner may seek an injunction in a court of competent
 462 jurisdiction, and may exercise the powers granted to the commissioner
 463 under section 36a-50 of the general statutes, on behalf of any recipient
 464 affected by the violation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2024</i>	New section
Sec. 2	<i>January 1, 2024</i>	New section
Sec. 3	<i>January 1, 2024</i>	New section
Sec. 4	<i>January 1, 2024</i>	New section

Sec. 5	<i>January 1, 2024</i>	New section
Sec. 6	<i>January 1, 2024</i>	New section
Sec. 7	<i>January 1, 2024</i>	New section
Sec. 8	<i>January 1, 2024</i>	New section
Sec. 9	<i>January 1, 2024</i>	New section
Sec. 10	<i>January 1, 2024</i>	New section
Sec. 11	<i>January 1, 2024</i>	New section
Sec. 12	<i>January 1, 2024</i>	New section
Sec. 13	<i>January 1, 2024</i>	New section

Statement of Purpose:

To (1) require certain providers of commercial financing to make various commercial financing disclosures, (2) authorize the Banking Commissioner to adopt regulations concerning such disclosures, and (3) establish civil penalties for violations of such commercial financing disclosure requirements.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]