

February 8, 2001

**S 104. SESSION LENGTH LIMITS. TO AMEND THE NORTH CAROLINA CONSTITUTION TO LIMIT THE LENGTH OF LEGISLATIVE SESSIONS.** Requires a referendum in November 2002 on amendments to Art. II of the North Carolina Constitution that limit long sessions of the General Assembly to 135 calendar days plus one 10-day extension and short sessions to 60 calendar days plus one 10-day extension. Sets starting date of term of office for members of the General Assembly on the first Wednesday in December following their election (currently, January 1).

**Intro. by Hoyle.**

Ref. to Judiciary I	CONST
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April 23, 2001

**S 104. FOUR-YEAR TERMS AND SESSION LENGTH LIMITS.** Intro. 2/08/01. Senate committee substitute makes the following changes to 1st edition: (1) changes title to read *TO AMEND THE NORTH CAROLINA CONSTITUTION TO PROVIDE FOR FOUR-YEAR TERMS FOR MEMBERS OF THE GENERAL ASSEMBLY AND TO LIMIT THE LENGTH OF LEGISLATIVE SESSIONS*; (2) amends sections 2 and 4 of Art. II of the NC Constitution to provide for the election of State Senators and Representatives for four-year terms; (3) amends sec. 8 of Art. II to provide for the first election for four-year terms in 2002; (4) amends sec. 14(1) of Art. II to provide that the President Pro Tem. of the Senate serves as the President of the Senate upon succession until the expiration of the term of office as Senator or the qualification of a new Lieutenant Governor, whichever occurs first; (5) amends sec. 2(1) of Art. II to provide that the Governor and the Lieutenant Governor are elected at the places and on the day prescribed by law (now, at the same time and places as members of the General Assembly); (6) amends sec. 7 of Art. II to provide that the members of the Council of State are elected at the same time and place as the Governor is elected and vacancies in these positions are filled at the first election of members of the General Assembly or the Governor, whichever comes first; (7) amends sec. 9(3) of Art. V to provide that clerks of superior court shall be elected at the same time and place as members of the General Assembly or the Governor are elected; (8) amends sec. 18(1) of Art. IV to provide that district attorneys are elected at the same time and places as members of the General Assembly or the Governor are elected; and (9) amends sec. 19 of Art. IV to provide that vacancies occurring in the offices provided for in Art. IV (judicial and prosecutorial officials) are filled by the Governor until the next election for members of the General Assembly or Governor, whichever comes first.

August 28, 2002

**S 104. REGULATE DEFERRED DEPOSIT (NEW).** Intro. 2/8/01. House committee substitute completely rewrites 2nd edition to include various provisions authorizing and regulating deferred deposit transactions. Amends GS 53-275 to define such transactions as check-cashing or similar service in which lender pays cash to borrower and borrower provides post-dated check or lender agrees to hold check (or authorization to debit account electronically) for a specified period of time. Specifies that lender is any person who arranges such a transaction, or acts as agent for a third party to do so; if that third party is exempt from state laws on interest rates, fees and licensure, all other provisions of act are applicable to such transactions. Amends GS 53-276 to require license to engage in these transactions. Adds new GS 53-281.1 through 281.5 to regulate the transactions. Among the regulations are the following: (1) Amount of loan may not exceed \$300; (2) Amount of fee may not exceed 15% of loan; (3) Transaction must be in writing and contain information and disclosure specified in bill; (4) No confession of judgment, arbitration, or waiver of defense or statutory protections is allowed; (5) Lender may not lend money to borrower whom lender knows has other transactions exceeding the \$300 limit, and borrower must disclose any other such transactions that are unsatisfied; (6) Parties may agree to extend payment time in manner specified in bill; and (7) Lender may not require any other security, offer credit insurance to borrower, tie the transaction to any other transaction, threaten the use of criminal process, or take any of several other specified activities. Amends GS 53-286 to raise penalty limit under that section to \$10,000 per violation, and specifies that penalties may also be assessed on person acting on behalf of a licensee or who otherwise violates the provisions of that statute. Effective Oct. 1, 2002, and applies to transactions on or after that date.

September 24, 2002

**S 104. REGULATE DEFERRED DEPOSIT.** Intro. 2/08/01. House amendments make the following changes to 3rd edition. (1) provide that no lender may make deferred deposit transactions unless the lender maintains a place of business in NC; (2) provide that deferred deposit agreements may not contain a mandatory arbitration clause (but the parties may still agree after a dispute has arisen to invoke arbitration or other nonjudicial method of resolving the controversy); (3) provide that violations of the mandatory provisions of the bill constitute unfair trade practices; (4) provide that any deferred transaction agreement which violates the mandatory provisions of the bill (except as a result of accident or bona fide error of computation) is void and the lender has no right to collect, receive, or retain any principal or charges whatsoever; and (5) add to the list of prohibited practices the use of any device or subterfuge to evade requirements imposed by the bill.

September 25, 2002

**S 104. REGULATE DEFERRED DEPOSIT.** Intro. 2/8/01. House amendments make the following changes to 3rd edition. Amendment 7 requires that the loan have no more than a 100% Annual Percentage Rate as defined by the federal Truth in Lending Act. Amendment 8 amends G.S. 53-278 to impose a license application fee on lenders who intend to offer deferred deposit loans in the amount of \$500.00, an investigative fee in the amount of \$1,000 and a license renewal fee of \$500 plus \$250 for each branch location certificate issued. It further requires the Comm'r of Banks to establish a database for tracking deferred deposit transactions and requires that a deferred deposit lender use that database to ensure that the borrower does not have other transactions exceeding \$300 or more than three transactions, regardless of value, prior to making a loan to that borrower.