

BALLOT PROPOSITION #200
Payday Loan Reform Act

Publicity Pamphlet Fiscal Impact Summary

State law requires the Joint Legislative Budget Committee (JLBC) Staff to prepare a summary of the fiscal impact of certain ballot measures. By continuing to regulate payday lenders, Proposition 200 would allow the state to continue to collect \$360,000 in fees from payday lenders that are deposited into the General Fund. These monies would otherwise stop being collected on July 1, 2010. The proposition would also require the state to continue to expend funding to oversee payday lenders, which would otherwise end in 2010. Currently, the Department of Financial Institutions spends \$60,000 annually to regulate the industry. The proposition may cause the Department of Financial Institutions' workload to oversee payday lenders to increase.