S 1878

Predatory Payday Loan Prohibition Act of 2005

Congress: 109 (2005–2007, Ended)
Chamber: Senate
Policy Area: Finance and Financial Sector
Introduced: Oct 17, 2005
Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as
Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as introduced: CR S11438-11439) (Oct 17, 2005)
Official Text: https://www.congress.gov/bill/109th-congress/senate-bill/1878

Sponsor

Name: Sen. Akaka, Daniel K. [D-HI]
Party: Democratic • **State:** HI • **Chamber:** Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Schumer, Charles E. [D-NY]	D · NY		Oct 25, 2005

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Oct 17, 2005

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Summary (as of Oct 17, 2005)

Predatory Payday Loan Prohibition Act of 2005 - Amends the Truth in Lending Act to prohibit a creditor from making a payday loan to any person if the creditor knows, or has reasonable cause to believe, that: (1) the personal check or share draft received in exchange for the loan is drawn on an insured depository institution or an insured credit union; or (2) the account that will be debited in exchange for the loan is a transaction or share draft account at an insured depository institution or an insured credit union.

Defines payday loan as any transaction in which a short-term cash advance is made to a consumer in exchange for: (1) the consumer's personal check or share draft in the amount of the advance plus a fee, where presentment or negotiation of the check or draft is deferred by agreement of the parties until a designated future date; or (2) the consumer's authorization to debit his or her transaction or share draft account in the amount of the advance plus a fee, where such account will be debited on or after a designated future date.

Amends the Federal Deposit Insurance Act to prohibit an insured depository institution from: (1) making any payday loan, either directly or indirectly; or (2) making a loan to another lender for purposes of financing, refinancing, or extending a payday loan.

Actions Timeline

- **Oct 17, 2005:** Introduced in Senate
- **Oct 17, 2005:** Sponsor introductory remarks on measure. (CR S11437-11438)
- **Oct 17, 2005:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as introduced: CR S11438-11439)

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