

## S 3426

### SAFE Lending Act of 2012

**Congress:** 112 (2011–2013, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** Jul 24, 2012

**Current Status:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

**Latest Action:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Jul 24, 2012)

**Official Text:** <https://www.congress.gov/bill/112th-congress/senate-bill/3426>

## Sponsor

**Name:** Sen. Merkley, Jeff [D-OR]

**Party:** Democratic • **State:** OR • **Chamber:** Senate

## Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Durbin, Richard J. [D-IL]	D · IL		Jul 24, 2012
Sen. Udall, Tom [D-NM]	D · NM		Jul 24, 2012
Sen. Blumenthal, Richard [D-CT]	D · CT		Sep 13, 2012

## Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Jul 24, 2012

## Subjects & Policy Tags

### Policy Area:

Finance and Financial Sector

## Related Bills

Bill	Relationship	Last Action
112 HR 6483	Related bill	Oct 23, 2012: Referred to the Subcommittee on Financial Institutions and Consumer Credit.
112 HR 3782	Related bill	Jan 25, 2012: Referred to the Subcommittee on Intellectual Property, Competition and the Internet.
112 S 2029	Related bill	Dec 17, 2011: Read twice and referred to the Committee on Finance.

Stopping Abuse and Fraud in Electronic Lending Act of 2012 or SAFE Lending Act of 2012 - Amends the Electronic Fund Transfer Act to authorize the issuance of remotely created checks only if the consumer has designated in writing a person to issue them.

Defines a "remotely created check" as one that: (1) is not created by the financial institution that holds the customer account from which the check is to be paid; and (2) does not bear a signature applied, or purported to be applied, by the person from whose account the check is to be paid.

Treats as a preauthorized electronic fund transfer (EFT) subject to the protections of such Act any voluntary repayment by a consumer of an extension of a small-dollar (\$5,000 or less) consumer credit transaction by means of an EFT.

Amends the Truth in Lending Act to require any small-dollar consumer credit transaction made over the Internet, telephone, FAX, mail, electronic mail, or other electronic communication, as well as any conducted by an insured depository institution, to comply with the laws of the state in which the consumer resides with respect to annual percentage rates, interest, fees, charges, and such other matters as the Consumer Financial Protection Bureau (CFPB) may determine.

Prohibits persons engaged in the business of facilitating, brokering, arranging, gathering applications for, distributing sensitive personal financial information, or extending credit in connection with a small-dollar consumer credit transaction unless that person is directly extending the small-dollar consumer credit to the consumer.

Subjects violators of this Act to civil liability. Empowers the CFPB to investigate violations of this Act. Sets forth investigative and cease-and-desist enforcement procedures, particularly with respect to offshore persons conducting business directed to U.S. residents but from a location outside any U.S. judicial district.

Directs the Government Accountability Office (GAO) to study the availability of capital on Indian reservations and the impact that small-dollar consumer credit extended through Internet and non-Internet means to members of Indian tribes has had upon economic opportunity and wealth for tribal members.

## **Actions Timeline**

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- **Jul 24, 2012:** Introduced in Senate
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