



**NOTICE OF SECOND MODIFICATION TO PROPOSED RULEMAKING
UNDER THE CALIFORNIA CONSUMER FINANCIAL PROTECTION LAW,
CALIFORNIA FINANCING LAW, CALIFORNIA DEFERRED DEPOSIT
TRANSACTION LAW, AND CALIFORNIA STUDENT LOAN SERVICING ACT
PRO 01-21**

On March 17, 2023, the Department of Financial Protection and Innovation gave notice of the proposed adoption of the following in California Code of Regulations, title 10, chapter 3:

- In subchapter 4, the adoption of article 1, consisting of sections 1000, 1001, 1002, 1003, 1004, 1010, 1011, 1012, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1030, 1031, 1032, 1033, and 1034; the adoption of article 2, consisting of sections 1040, 1041, 1042, 1043, 1044, and 1045; and the adoption of article 3, consisting of sections 1048, 1050, 1051, and 1052;
- in subchapter 6, article 3, the adoption of section 1430.1, and, in article 4, the adoption of sections 1461, 1462, 1462.5, 1463, 1464, 1465, and 1466;
- in subchapter 13, article 3, the adoption of section 2030.5; and
- in subchapter 15, article 6, the adoption of section 2044.1.

The proposed regulations implement, interpret, and make specific registration requirements for covered persons under the California Consumer Financial Protection Law; requirements for exemption from registration for licensees under the California Financing Law, California Deferred Deposit Transaction Law, and Student Loan Servicing Act; and the regulation of certain advances under the California Financing Law.

On November 6, 2023, the Department made available for comment a modification to the originally proposed regulations (First Modified Text).

After considering written comments on the First Modified Text, the Department has modified the proposed regulations. A copy of the text of the originally proposed regulations, with all changes to the original text indicated, is being made available to the public in accordance with Government Code section 11346.8, subdivision (c), and California Code of Regulations, title 1, sections 44 and 46. The Department is also providing a version that shows only changes made to the First Modified Text.

The public may submit written comments on these changes. In accordance with Government Code sections 11346.8, subdivision (c), and 11346.9, subdivision (a)(3), the Department will not respond to any comments that are not specifically directed at the changes made since the last comment period.

The proposed regulations, as modified, are not yet effective and will not become effective until

approved by the Office of Administrative Law and filed with the Secretary of State as provided in Government Code section 11349.3.

15-DAY COMMENT PERIOD

No later than Tuesday, February 6, 2024, any interested person or authorized representative may submit written comments regarding these changes to the proposed regulation to the Department by electronic or postal mail, addressed as follows:

Electronic mail

Comments may be submitted electronically to regulations@dfpi.ca.gov. Include “PRO 01-21” in the subject line. Comments submitted as attachments in Microsoft Word format (.docx) are preferred.

Postal mail

Department of Financial Protection and Innovation
Attn: DeEtte Phelps
2101 Arena Boulevard
Sacramento, California 95834

THE RULEMAKING FILE

The notices of proposed actions, initial statement of reasons, and texts of the proposed regulations are available at the Department’s website at www.dfpi.ca.gov. At the top of the home page, under the “Licensees” tab, click “Laws and Regulations,” then click the “Regulations / Rulemaking” link, and then click the “California Consumer Financial Protection Law (CCFPL)” link. The rulemaking file is also available for public inspection during regular business hours at the Department’s Legal Division.

Dated: January 17, 2024