



November 27, 2023

Submitted via email to: regulations@dfpi.ca.gov
cc: peggy.fairman@dfpi.ca.gov; charles.carriere@dfpi.ca.gov

Department of Financial Protection and Innovation
Attn: Araceli Dyson
2101 Arena Boulevard
Sacramento, California 95834

RE: COMMENT ON FIRST MODIFIED TEXT OF PROPOSED RULEMAKING UNDER THE CALIFORNIA CONSUMER FINANCIAL PROTECTION LAW AND THE CALIFORNIA FINANCING LAW, PRO 01-21

Dear Commissioner:

Payactiv, Inc. ("Payactiv") appreciates the opportunity to provide additional feedback to the Department of Financial Protection and Innovation ("DFPI" or "Department") on the first modified text of its proposed rulemaking under the California Consumer Financial Protection Law ("CCFPL") and the California Financing Law ("CFL"), Pro 01-21 ("the Proposal") related to income-based advances, also referred to as earned wage access ("EWA") products.

We have carefully reviewed the First Modified Text of the Proposal dated November 6, 2023 ("Modified Proposal"), and appreciate the consideration that went into the revisions. We also appreciate the Department's continued engagement over the course of the last several months, its careful attention to comments, and its focus on ensuring consumer protection while promoting innovation.

Attached, please find our comment on the Modified Proposal, along with an agreed upon set of proposed line edits from numerous EWA providers, including Payactiv.

We would welcome the opportunity to discuss our suggestions at your earliest convenience. Thank you for your time and consideration.

Aaron Marienthal

Senior Vice President and General Counsel, Payactiv

I. Summary of Relevant Revisions in Modified Proposal

Relevant to EWA, the Modified Proposal would keep proposed Section 1461 intact by continuing to classify EWA as a “loan” and “wage assignment,” and providers of EWA as “finance lenders.” However, proposed Section 1461 now includes new subsection (d), which would clarify that Section 1461 should not be read to interpret what is a wage assignment under the Labor Code, consumer credit under the federal Truth in Lending Act (“TILA”), or a loan under the California Constitution’s usury provision.

Similarly, revised Section 1462 continues to exempt EWA providers from the “CFL by stating that providers are “not ‘in the business’ of a finance lender or broker for purposes of licensure under [CFL] section 22100” so long as the advance (1) is offered in accordance with the proposed regulation, and (2) the provider registers with the Department.

Finally, former subsection (3) of Section 1462 has been removed.¹

II. Providers That Do Not Offer Loans and Comply With Best Practices Should be Excluded from Section 1461.

As it currently stands, Section 1461 – which classifies EWA as a loan and a wage assignment – remains unclear. As written, this section will cause significant harm to most EWA providers without a corresponding benefit to consumers. We respectfully urge the Department to reconsider the scope of Section 1461 for the following reasons:

First, the conclusion that a non-recourse, no-obligation product is a “loan” under the CFL remains legally flawed. For a contract to involve “credit” there must be a “debt,” which must include an “obligation” (whether “absolute or contingent”).² Because “income-based advances” – as we propose that term be defined – do not involve an “obligation,” or “legal duty” to pay money, they do not implicate a “debt” or “loan” as a matter of law.³

¹ Payactiv agrees with the removal of this subsection because it would have inappropriately subjected providers to the substantive requirements of the CFL. As described more fully in our May 17, 2023 comment letter, this would have, at a minimum (a) incentivized providers to become licensed lenders, potentially transforming EWA into a traditional, recourse-based credit product, (b) required Payactiv and other providers to overhaul their pricing structures and likely begin charging users origination fees, interest, and late fees, (c) reduced or eliminated free EWA access options, and (d) made EWA access confusing and less consumer friendly.

² See May 17, 2023 Comment Letter at Section V.B.

³ As detailed in the proposed revisions, the expanded definitions of “provider” and “income-based advance” contain numerous meaningful consumer protections and clarify that to qualify as such, a provider must inform a user that the provider does not intend to create any legal obligation to repay, and that the user can cancel the services at any time without a charge.

As a result, **the Department should limit Section 1461 to products and providers that do not meet the expanded definition of “earned income advance” as set forth in the proposed revisions to Section 1004(g) attached hereto.** By doing so, the Department would (a) create meaningful consumer protections for California users,⁴ (b) avoid evasions of the CFL by unscrupulous actors, and (c) be aligned with California law.

Second, given the proposed edits, Section 1461 does not appear to serve a material purpose as written. The Department’s Initial Statement of Reasons (ISOR) states (at 54), in part, that Section 1461(a) “is necessary to ensure that providers understand that limitations on collection do not operate to exclude companies from regulation.” But the proposed regulation can and does achieve this purpose – ensuring that providers are subject to regulation regardless of limitations on collections – without unnecessarily misclassifying products offered by registrants as a lending arrangement. **It would be more appropriate to define as “loans” those products that do not meet the expanded definition of “earned income advance.”**

To the extent the Department believes that it must categorize EWA as a loan in order to supervise providers under the CFL, we respectfully reiterate that the Department may supervise EWA providers because they are “covered persons” under Financial Code Section 90005(f) – *i.e.* they engage in offering or providing a “consumer financial product or service,” which, in turn, is defined in relevant part as: “A financial product or service that is delivered, offered, or provided for use by consumers primarily for personal, family, or household purposes.” Cal. Fin. Code section 90005(e)(1). A “financial product or service” means among other things, **“Providing payments or other financial data processing products or services to a consumer by any technological means**, including processing or storing financial or banking data for any payment instrument, or through any payment system or networks used for processing payment data, including payments made through an online banking system or mobile telecommunications network.” Cal. Fin. Code section 90005(k)(7).

We see no reason why this would not apply to EWA. There is no question that EWA involves the provision of payments, that it fits this definition of “consumer financial product or service,” or that the DFPI has authority to regulate EWA as a non-credit solution.⁵ Indeed, Payactiv’s Memorandum of Understanding (“MOU”) with the Department states as much:

The CCFPL provides the Department with authority to regulate and investigate certain consumer financial providers such as the Company. Company offers a consumer financial product or service through its on-demand pay product as

⁴ This includes (1) no recourse against the consumer; (2) no credit impact or creditworthiness check; (3) no late fees, penalties, or interest; (4) a mandatory “no cost” or free option; (5) clear disclosures regarding fees and the absence of a legal obligation to repay; (6) the ability to cancel without a charge; (7) reimbursement for certain overdraft or non-sufficient funds fees; and (8) clear disclosure that tips may be zero and are voluntary.

⁵ Employer-integrated EWA providers may also be covered persons because they may “collect[], analyz[e], maintain[], or provid[e] ... other account information ... used ... in connection with any decision regarding the offering of a consumer financial product or service....” Cal. Fin. Code section 90005(k)(9). Payactiv, for example, uses employer payroll data to provide EWA. In addition, EWA providers could be classified as a covered person via the “catch-all” provision located in Cal. Fin. Code section 90005(k)(12).

defined in the CCFPL and thus is a "covered person" as defined in Financial Code section 90005(f).⁶

Third, as we have previously shared with the Department, employers who offer employer-integrated EWA as a benefit to their employees often do so in part because they are averse to loan products, and endeavor to help their employees avoid payday loans, overdrafts, and other small dollar lending products. Moreover, in our experience, many providers' contractual arrangements with partners, employers, and financial institutions are contingent or premised upon EWA being *distinct* from credit products. As a result, unnecessarily deeming EWA to be a loan will (1) decrease employer incentive or interest in offering or continuing to offer EWA as an employee benefit, leaving such employees with less consumer-friendly alternatives, and (2) put contractual relationships between providers, partners, and employers at risk. If EWA benefits are taken away from workers, these workers will miss out on the inherent protections in the employer-integrated EWA model – including a contractual relationship with the employer and verified time and attendance payroll and census data – and will be forced to turn to less safe, or higher-cost options.

Finally, while we appreciate the Department's clarifying language in new Section 1461(d), considerable uncertainty would remain absent our suggested revisions, particularly with respect to EWA's treatment under other state and federal laws, such as California's Debt Collection Licensing Act ("DCLA"), the California Deferred Deposit Transaction Law ("CDDTL"), or the Military Lending Act ("MLA"). For example, as drafted, the Department's proposed classification of EWA as a "loan" in Section 1461 will create confusion about whether EWA implicates a "consumer debt" under the DCLA, a "deferred deposit transaction" under the CDDTL, or a "consumer loan" under the MLA and other federal credit laws. This is reason alone to avoid sweeping, and unneeded, classifications that may impact both state and federal laws beyond those articulated in revised subsection (d) of Section 1461. As a result, the Department should adopt suggested revisions to Section 1461 such that it encompasses only products and providers that **do not meet** the expanded definitions of "income-based advances" or "providers" respectively. **If the Department does not intend to adopt these suggested revisions, it should, at a minimum, expand upon revised subsection (d) of Section 1461 and include a broad "catch-all" category of laws and regulations that Section 1461 shall not be read to interpret.**

III. Conclusion

While we appreciate the revisions the Department made in the Modified Proposal, the ramifications of unnecessarily classifying EWA products as loans and providers as finance lenders cannot be understated. Accordingly, we, along with several other providers as identified in Exhibit A, urge the Department to adopt the proposed revisions to the Proposal as set forth herein, and create powerful consumer protections without adversely impacting providers. We

⁶<https://dfpi.ca.gov/wp-content/uploads/sites/337/2021/01/Admin.-Action-Payactiv-Inc.-Memorandum-of-Understanding.pdf>



think these proposed revisions accomplish the DFPI's consumer protection and oversight goals without harming EWA providers or their customers.

We thank the DFPI for its continued efforts to create strong, meaningful protections for consumers while allowing for innovative products that serve workers and provide alternatives to high-cost lending products. We remain committed to providing constructive feedback to the Department on its rulemaking and are available to discuss at your convenience.

Exhibit A



Department of Financial Protection and Innovation
Attn: Araceli Dyson
Regulations Coordinator
2101 Arena Boulevard
Sacramento, California 95834

Re: PRO 01-21 on Income-Based Advances, Notice of Proposed Modification

Dear Ms. Dyson,

On behalf of the earned wage access (EWA) industry – represented by the companies and trade associations signed on to this letter – we are respectfully submitting our recommended changes to the proposed regulations in the First Modified Text of the Proposal dated November 6, 2023 for PRO 01-21 on Income-Based Advances (Proposed Modifications).

Despite the exemption created by Section 1462, Section 1461 would continue to misclassify EWA as a loan and providers as “finance lenders” within the meaning of the Financing Law. We recommend a few select revisions to the Proposed Modifications to provide clarity and expand consumer protections. This will eliminate the unnecessary negative impacts to both the industry and California consumers if the Department promulgated the proposal as presently written.

In addition to the recommended revisions, we have also provided a brief explanation for each of the changes in the corresponding comments.

We thank the Department for the opportunity to provide these recommended changes, and strongly urge their adoption to support working Californians.

Sincerely,

American Fintech Council
Phil Goldfeder, CEO

Brigit
Stephen Bowe, Vice President, Head of Legal & Compliance

Chamber of Progress
Adam Kovacevich, CEO

Cleo
Neela Kiely, Head of Legal & Compliance

Cross River
Tara Rider, Head of State Government Affairs

DailyPay
Jared DeMatteis, Chief Legal & Strategy Officer

EarnIn
David Durant, General Counsel

Financial Technology Association
Penny Lee, President & CEO

Immediate
Michael Orme, Chief Operating Officer

MoneyLion
Adam VanWagner, Chief Legal Officer

Payactiv
Aaron Marienthal, General Counsel

WageStream
Kevin Lefton, Head of Legal & Regulatory, North America

ZayZoon
Garth McAdam, General Counsel

PROPOSED CHANGES TO
FIRST MODIFIED TEXT OF PROPOSED REGULATIONS
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION TITLE
10. INVESTMENT
CHAPTER 3. COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION PRO 01-
21

(The original proposed text is shown without underline. The first modifications to the text are shown with underline for additions and strikethrough for deletions.) **Proposed changes to the first modified text of proposed regulations are shown in bold type. Deletions are shown as strikethroughs, and additions are shown as underlined italics.**

Subchapter 4. California Consumer Financial Protection Law

§ 1004. Definitions – Income-Based Advances.

With respect to income-based advances, these terms shall have the following meanings:

- (a) “Amount due” means the amount to be paid by the consumer of an income-based advance on the collection date.
- (b) “Account transfer fee” means a fee imposed to move an income-based advance from an account designated or required by the provider to other accounts owned or controlled by the consumer. For purposes of annual reporting account transfer fees pursuant to section 1045, a registrant should only report known account transfer fees assessed by the registrant for funds received from income-based advances.
- (c) “Charges” mean any interest, fees, bonuses, commissions, brokerage, discounts, expenses, and other forms of costs charged, contracted for, or received by a person in connection with ~~the investigating, arranging, negotiating, procuring, guaranteeing, making, servicing, collecting, and enforcing of~~ an income-based advance, ~~or any other service rendered~~. Charges include, without limitation, subscription fees, expedited funds fees, account transfer fees, and gratuities. For purposes of this definition, “charges” include amounts received by a person from a consumer for payment of optional or discretionary services elected by the consumer in connection with income-based advances. ~~education financing.~~
- (d) “Collection date” means the date a provider plans to collect all previous unpaid income-based advances made during a particular period. This date may be a consumer’s payday or the date when the provider anticipates that amounts that have accrued to the benefit of the consumer will be paid to the consumer.
- (e) “Expedited funds fee” means ~~is~~ any amount paid by a consumer to accelerate the receipt of an income-based advance.
- (f) “Gratuity” means an optional payment made by a consumer in connection with the provider’s provision of an income-based advance to the consumer that does not affect the service rendered by the provider to the consumer.
- (g) “Income-based advance” means an advance made to a consumer by a ~~provider~~ person and that has all of the following characteristics:
 - (1) The advance is based on income ~~the provider~~ person ~~has reasonably determined to have that~~ ~~has~~ accrued to the benefit of the consumer but has not, at the time of the advance, been paid to the consumer;
 - (2) When the advance is made, the advance is scheduled or anticipated for collection in a single payment on a date within ~~thirty-one (31)~~ thirty-four (34) days, and that date corresponds to the

date that the **provider person** anticipates the income described in paragraph (1) of this subdivision will be paid to the consumer; and

- (3) The **provider person** warrants to the consumer as part of the contract between the parties on behalf of the **provider person** and, if applicable, any business partners partner(s) that:
- (A) The **provider person** and any the business partners partner(s) have no legal or contractual claim or remedy against the consumer based on the consumer's failure to repay in full the event the amount of the advance, provided that this provision shall not prohibit a person from suspending income-based advance services to a consumer as a result of the consumer's failure to repay an income-based advance advanced is not repaid in full; and
- (B) ~~If With respect to the amount due is not repaid on the collection date, advanced to the consumer, the **provider person** and any the business partners partner(s) will not engage in any debt collection activities, if the advance is not repaid on the scheduled date, or place the amount due advanced as a debt with or sell it to a third party, or report to a consumer reporting agency concerning the amount due, advanced. In this paragraph, "debt collection activities" do not include initiating with the consumer's authorization an electronic fund transfer or payroll deduction to collect any outstanding amount due.~~

(h) "Obligor" means:

- (1) A consumer's employer, or
- (2) A person other than a consumer's employer who is not an employer, but who is contractually obligated to pay a consumer a sum of money on an hourly, project-based, piecework, or other basis for labor or services provided by the consumer to or for the benefit on behalf of the person.

(i) "Obligor-based advance" means any income-based advance where the provider intends to collect the amounts that have accrued to the benefit of the consumer directly from the consumer's obligor on the collection date.

(j) "Provider" means a person other than an obligor that engages in the business of providing income-based advances, adheres to the requirements in paragraph (1) of this subdivision, and refrains from engaging in the prohibited acts in paragraph (2) of this subdivision.

(1) To meet the definition of a provider, a person that provides income-based advances to a consumer must do all of the following:

(A) Develop and implement policies and procedures to respond to inquiries raised by consumers and address complaints from consumers in an expedient manner.

(B) Whenever it offers a consumer the option to receive proceeds for a charge, the provider must also provide the consumer at least one reasonable option to obtain the same amount of proceeds at no cost and clearly explain how the consumer may select the no-cost option.

(C) Before entering into an agreement with a consumer for the provision of income-based advances, the provider must do all of the following:

(i) Inform the consumer of the consumer's rights under the agreement;

(ii) Inform the consumer that the agreement is not intended to create a legal obligation for the consumer to repay advances;

- (iii) Fully and clearly disclose to the consumer all charges associated with the provision of income-based advances.
- (D) Inform the consumer of the fact of any material changes to the terms of conditions of the income-based advance agreement before implementing those changes for that consumer.
- (E) Allow the consumer to cancel use of the provider's income-based advance services at any time, without incurring a charge for that cancellation.
- (F) Comply with all applicable local, state, and federal privacy and information security laws.
- (G) Provide income-based advances to a consumer via any means mutually agreed upon by the consumer and the provider.
- (H) If a provider solicits, charges, or accepts a gratuity from a consumer, the provider must do all of the following:

 - (i) Clearly and conspicuously disclose to the consumer immediately prior to each transaction that a gratuity amount may be zero, and that the act of paying a gratuity is voluntary;
 - (ii) Clearly and conspicuously disclose in its service agreement with the consumer that gratuities are voluntary and that the offering of income-based advances, including the amount of an income-based advance a consumer is eligible to request and the frequency with which income-based advances are provided to a consumer, is not contingent on whether the consumer pays a gratuity or on the size of the gratuity.
- (I) If a provider seeks repayment of income-based advances or payment of charges in connection with the provision of income-based advances from a consumer's depository institution account, including via electronic funds transfer, that provider must do all of the following:

 - (i) Comply with applicable provisions of the federal Electronic Fund Transfer Act, 15 USC 1693 et seq., and regulations adopted pursuant to that act; and
 - (ii) Reimburse the consumer for the full amount of any overdraft or non-sufficient funds fees imposed on that consumer by the consumer's depository institution, which are caused by the provider attempting to seek repayment of income-based advances or charges on a date before, or in an incorrect amount from, the date or amount previously disclosed to the consumer.
- (2) To meet the definition of a provider, a person that provides income-based advances to a consumer may not do any of the following:

 - (A) Compel or attempt to compel repayment of income-based advances or charges through any of the following means:

 - (i) A suit against the consumer in a court of competent jurisdiction;
 - (ii) Use of outbound telephone calls;
 - (iii) Use of a third party debt collector to pursue collection from the consumer on the provider's behalf;

(iv) Sale of outstanding amounts to a third-party debt collector or debt buyer for collection from the consumer.

(B) Share with an obligor any portion of charges received from a consumer in connection with income-based advances.

(C) Require a credit report or credit score issued by a consumer reporting agency to determine a consumer's eligibility for income-based advances.

(D) Accept repayment of income-based advances or charges by a consumer via any form of credit, including a credit card.

(E) Impose a charge for failure of a consumer to repay income-based advances or charges.

(F) Report any information about a consumer's failure to repay income-based advances or charges to a consumer reporting agency or debt collector.

(G) If a provider solicits or accepts gratuities from a consumer, that provider may not mislead or deceive consumers about the voluntary nature of those gratuities or make representations that gratuities will benefit any specific individuals.

(3) A person shall not be rendered ineligible to be a provider for purposes of this subdivision by compelling or attempting to compel repayment of income-based advances or charges that were incurred by a consumer through fraudulent or other unlawful means or by pursuing an obligor for a breach of its contractual obligations to that person.

(k) "Subscription fee" means any periodic fee paid by a consumer under an agreement that includes any right, whether absolute or conditioned, to receive an income-based advance.

NOTE: Authority cited: Section 90009, Financial Code. Reference: Sections 90003, 90005, and 90009, Financial Code.

§ 1021. Registration Application.

The procedures set forth in this section are applicable to a person who is required to be registered pursuant to this subchapter. If an applicant is offering or providing more than one subject product, separate registration is required for each subject product. The application for registration shall be filed as follows:

(a) INITIAL APPLICATION: The applicant shall complete and file Form MU1 in accordance with the instructions of NMLS and this subchapter for transmission to the Commissioner. Unless otherwise specified below, an applicant shall complete all sections of the Form MU1. All exhibits and supporting documents related to the application or amendment required by NMLS or identified in this section shall also be filed with NMLS (unless otherwise specified), in accordance with the instructions of NMLS and this subchapter for transmission to the Commissioner. An applicant shall provide the following information, exhibits, and documentation in the manner provided below.

- (1) ITEMS NOT REQUIRED: Applicants are not required to complete Item Number 9 (Approvals and Designations), Item Number 10 (Bank Account Information), or Item Number 17 (Qualifying Individuals) of Form MU1.

- (2) BUSINESS ACTIVITIES: On Item Number 1 of Form MU1 (Business Activities), an applicant shall indicate that it will offer or provide a subject product according to the following instructions.
- (A) For debt settlement services, the applicant shall select “Debt settlement/debt adjuster,” “Debt management/credit counseling,” and/or “Debt Negotiation” as applicable under the Debt section of the form.
 - (B) For student debt relief services, the applicant shall select “Debt settlement/debt adjuster,” “Debt management/credit counseling,” and/or “Debt Negotiation” as applicable under the Debt section of the form.
 - (C) For education financing, the applicant shall select “Private student loan lending” under the Consumer Finance section of the form.
 - (D) For income-based advances, an applicant shall select “Consumer loan lending” under the Consumer Finance section of the form, until such time as NMLS creates a separate product category for income-based advances which shall instead be selected at such time.
- (3) IDENTIFYING INFORMATION: An applicant shall provide all identifying information on Item Number 2 of Form MU1, i.e., the entity’s name, IRS employee identification number or social security number, legal name amendment, main address (not a P.O. Box), business phone number, toll-free number for consumers, fax line, email address, mailing address, and a statement as to whether the entity conducts business with consumers through branch offices or other business locations.

-----No changes are proposed to the remainder of Section 1021

(Remainder of section is excluded in the interest of brevity)-----

§ 1461. Advances Under the California Financing Law.

(a) Any advance of funds to be repaid in whole or in part by the receipt of a consumer’s wages, salary, commissions, or other compensation for services, is a sale or assignment of wages and a loan subject to the California Financing Law, unless either of the following conditions is met:

(1) The advance of funds is an income-based advance, as that term is defined by California Code of Regulations, title 10, section 1004, subdivision (g) and the person advancing those funds is a provider, as that term is defined in California Code of Regulations, title 10, section 1004, subdivision (j) regardless of the funding provider’s means of collection, whether the provider has legal recourse if the provider is unable to collect the amount it advanced, or whether the consumer has the right to cancel collection of the amount advanced. ~~or~~

(2) The funds are provided by an obligor, ~~This section does not apply to obligors,~~ as that term is defined by California Code of Regulations, title 10, section Section 1004, subdivision (h), of subchapter 4 of these rules who advance advances from their its own funds only income that has accrued to the benefit of a consumer, but ~~that~~ has not, at the time of the advance, been paid to the consumer.

(b) A consumer who receives an advance of funds considered a loan under subdivision (a) of this section is a borrower, and a ~~provider~~ a person who makes an that advance is a finance lender within the meaning of the California Financing Law.

(c) For the purposes of determining whether an advance of funds to a California consumer is to be repaid in whole or in part by the receipt of wages, salary, commissions, or other compensation for services, the source of funds from which the lender ordinarily collects its advances in similar transactions may be considered.

(d) This section shall not be read to interpret what is considered a wage assignment under the Labor Code, consumer credit under the federal Truth in Lending Act (15 U.S.C. § 1601 et seq.), or a loan or forbearance of money under the California Constitution, article XV, section 1.

NOTE: Authority cited: Sections 22150 and 90009, Financial Code. Reference: Sections 22203 and 22335, Financial Code.

§ 1462. Licensure of Advance Providers – Income-Based Advances.

(a) A provider, as defined by California Code of Regulations, title 10, Section 1004, subdivision (j) of an advance of funds as described in sSection 1461 of these rules is not “in the business” of a finance lender or broker for purposes of licensure under Financial Code section 22100 of the California Financing Law (dDivisions 9 (commencing with sSection 22000) of the Financial Code) if:

(1) The advance of funds is an income-based advance as defined by California Code of Regulations, title 10, section Section 1004, subdivision (g), and of subchapter 4 of these rules;
and

(2) The provider is registered with the Department to offer income-based advances under California Code of Regulations, title 10, section Section 1010 of subchapter 4; or

(3) The provider has received written notification from the Commissioner that it is exempt from the California Financing Law. **and**

~~1. The charges collected by the provider in connection with each income-based advance do not exceed charges that would be permitted under the California Financing Law if the provider were licensed under that law.~~

~~This paragraph (b) **Paragraph (2) of subdivision (a)** section shall expire when the registration requirements for income-based advance providers under sSection 1010 of subchapter 4 of these rules expire.~~

NOTE: Authority cited: Sections 22150 and 90009, Financial Code. Reference: Sections 22100 and 22335, Financial Code.

§ 1465. Voluntary or Optional PaymentsCharges.

A voluntary or optional payment, including, without limitation, a tip or gratuity, paid by a borrower to a licensee or any other person in connection with the investigating, arranging, negotiating, procuring, guaranteeing, making, servicing, collecting, and enforcing of a loan or any other service rendered in connection with a loan, is a charge under Financial Code section 22200.

NOTE: Authority cited: Sections 22150 and 90009, Financial Code. Reference: Sections 22200 ~~and~~ 22335, Financial Code.