

**RESOLUTION NO. 071513**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION IN OPPOSITION TO ASSEMBLY BILL 1158 (CALDERON),  
DEFERRED DEPOSIT TRANSACTIONS**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, current state law prohibits payday lenders from loaning more than \$300 per transaction, which includes the fee assessed for the loan; and

**WHEREAS**, borrowers will be charged approximately \$75 in fees for a \$500 loan; and

**WHEREAS**, an individual in California may obtain multiple payday loans at the same time, as long as each loan is obtained from a different licensee; and

**WHEREAS**, payday lenders are disproportionately concentrated in predominantly low-income African American and Latino neighborhoods; and

**WHEREAS**, studies have shown that too many consumers are caught in a debt trap because of the exorbitant interest rates and additional finance charges and that many borrowers are forced to go to many payday lenders and take out multiple payday loans simultaneously to pay back other payday loans; and

**WHEREAS**, according to the Department of Corporations there are approximately 24 payday lending establishments in the County of San Mateo; and

**WHEREAS**, the Center for Responsible Lending, a consumer and research and advocacy organization, has found that on average each payday lending establishment collects \$252,840 in fees per store resulting in approximately \$6 million in payday lending fees assessed to San Mateo County residents.

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Board of Supervisors by the adoption of this resolution hereby opposes Assembly Bill 1158 (Calderon) regarding deferred deposit transactions.

\* \* \* \* \*

Regularly passed and adopted this 12<sup>TH</sup> day of July, 2011.

*AYES and in favor of said resolution:*

Supervisors: DAVE PINE  
CAROLE GROOM  
ROSE JACOBS GIBSON  
ADRIENNE J. TISSIER  
DON HORSLEY

*NOES and against said resolution:* NONE

*Absent Supervisors:* NONE

Carole Groom  
President, Board of Supervisors  
County of San Mateo  
State of California

Certificate of Delivery

*I certify that a copy of the original resolution filed in the Office of the Clerk of the Board of Supervisors of San Mateo County has been delivered to the President of the Board of Supervisors.*

R. Romero  
Rebecca Romero, Deputy  
Clerk of the Board of Supervisors