

New law retains existing law providing for regulatory oversight on credit repair organizations to promote the safety and welfare of citizens from unqualified or unscrupulous individuals that may injure or mislead the public; however, new law changes oversight from regulatory to statutory. Prior law provided for licensure by the office of financial institutions. New law deletes these provisions.

Prior law provided that credit repair service organizations shall be regulated by the office of financial institutions. New law provides for regulation by the attorney general of Louisiana.

New law repeals all powers of the commissioner of the office of financial institutions under the Credit Repair Services Organizations Act.

Prior law required an organization to buy a \$100,000 surety bond or establish a trust account and file same with the office of financial institutions.

New law eliminates the trust account option. Further provides that failure to obtain or file the surety bond is a violation for purposes of civil or criminal remedies or penalties. Requires the bond to be filed with the attorney general instead of the office of financial institutions.

Prior law required that orders and decisions arising from violations relating to the following actions to be made available to the general public:

- (1) Cease and desist orders.
- (2) Denial or revocation or suspension of a license.
- (3) Assessment of civil money penalties or fines.
- (4) Obtaining injunctive relief.
- (5) Unlicensed activities.

New law provides that only actions relating to cease and desist orders, assessment of penalties, and injunctive relief be made available to the general public.

Effective upon signature by the governor (July 9, 2008).

(Amends R.S. 9:3573.1, 3573.2(A), 3573.3(1), (8), (9) and (10), 3573.4, 3573.6(A)(2), 3573.10(C), 3573.11(B) and (C), 3573.13(B) and (C), and 3573.16; repeals R.S. 9:3573.3(7), 3573.9 and 3573.17)