

Authority: Item 6, Planning Committee
Report 16-003 (PED16039)
CM: February 24, 2016

Bill No. 053

CITY OF HAMILTON

BY-LAW NO. 16-053

**To Amend By-law No. 07-170, a By-law to License and Regulate Various
Businesses**

WHEREAS Council enacted a by-law to license and regulate various businesses being City of Hamilton By-law No. 07-170;

AND WHEREAS this By-law provides for the addition of Schedule 11 to licence payday loan businesses;

NOW THEREFORE the Council of the City of Hamilton enacts as follows:

1. Subsection 5(6) of the General Provisions of By-law No. 07-170 is amended by added the words “a Payday Loan Business licence under Schedule 11 or” after “a person issued”.
2. Subparagraph 6(1)(e)(i) of the General Provisions of By-law No. 07-170 is amended by deleting the words “Schedule 11 Reserved”.
3. Section 30 of the General Provisions of By-law No. 07-170 is amended by deleting “(Reserved)” after “Schedule 11” and replacing it with “Payday Loan Businesses”.
4. By-law No. 07-170 is amended by adding the new Schedule 11, entitled “Payday Loan Businesses”, attached as Appendix A to this By-law.
5. This By-law comes into force on the date it is passed.

PASSED this 24th day of February, 2016.

F. Eisenberger
Mayor

R. Caterini
City Clerk

APPENDIX A

SCHEDULE 11

PAYDAY LOAN BUSINESSES

DEFINITIONS

1. In this Schedule:

"chartered bank annual consumer loan rate" means the most recent chartered bank – consumer loan rate shown at:

<http://www5.statcan.gc.ca/cansim/a26?lang=eng&id=1760043>; and

"payday loan business" means a person or entity licensed as a lender or a loan broker under the *Payday Loans Act, 2008*.

LICENSING

General

2. Every payday loan business shall hold the applicable current and valid licence under this Schedule.
3. Before a licence may be issued, every applicant for a licence, in addition to complying with the General Provisions of this By-law, shall submit, for approval of the Issuer of Licences:
 - (a) Proof of a current and valid licence as a lender or a loan broker under the *Payday Loans Act, 2008*;
 - (b) accurate, scale representations of the posters that will be displayed in accordance with sections 4 and 5; and
 - (c) the credit counselling information that will be given in accordance with section 6.

Poster for Rates

4. Every payday loan business shall display a poster at each of the offices authorized by its *Payday Loans Act, 2008* licence that:
 - (a) has been approved in advance by the Issuer of Licences;
 - (b) is in English;
 - (c) is visible to any person immediately upon entering the office;
 - (d) is of a minimum size of 61 centimetres in width by 91 centimeters in length; and
 - (e) consists of:
 - (i) in 144 point font, a heading setting out the words "Our Annual Interest Rate" and the amount of the payday loan business's annual interest rate, which may be shown on a replaceable card attached to the face of the poster or by any other similar means, immediately below the heading;
 - (ii) in 144 point font, a heading setting out the words "Chartered Bank – Annual Consumer Loan Rate" and the chartered bank annual consumer loan rate, which may be shown on a replaceable card attached to the face of the poster, immediately below the heading; and
 - (iii) in 34 point font and below 4(e)(i) and 4(e)(ii) the words "This poster is required under Schedule 11 of the City of Hamilton's Business Licensing By-law No. 07-170."

Poster for Credit Counselling

5. Every payday loan business shall display a poster at each of the offices authorized by its *Payday Loans Act, 2008* licence that:
 - (a) has been approved in advance by the Issuer of Licences;

- (b) is in English;
- (c) is visible to any person immediately upon entering the office;
- (d) is of a minimum size of 61 centimetres in width by 91 centimeters in length; and
- (e) consists of:
 - (i) in 144 point font, a heading setting out the words "Credit Counselling";
 - (ii) in 144 point font, a heading setting out the word "Contact" followed by one or more of the following credit counselling agencies:
 - Credit Counselling Canada,
 - Canadian Association of Credit Counselling Services,
 - Ontario Association of Credit Counselling Services,
 - Canadian Association of Independent Credit Counselling Agencies,together with their respective telephone number and email address; and
 - (iii) in 34 point font and below 5(e)(i) and 5(e)(ii) the words "This poster is required under Schedule 11 of the City of Hamilton's Business Licensing By-law No. 07-170."

Credit Counselling Information

- 6. Every payday loan business shall ensure that each person who attends at its offices is given, immediately upon him or her expressing an interest in a loan, credit counselling information that has been approved in advance by the Issuer of Licences.