

## Notification of Fee Change

2025-2027 high-cost credit grantors fee changes.

### Introduction

Consumer Protection BC is an independent, self-funded, not-for-profit organization. Government has tasked us with regulating and licensing your sector. We have legal authority to set your licensing fees and other charges. In doing so, we are required by law to recover our costs, to consult with you and to provide at least ninety (90) days' notice prior to changing or introducing new fees.

### What is happening?

We are notifying you that the licensing fees and other charges for 2025-2027 are changing. Our Board of Directors has approved the following fee changes that will take effect on January 1, 2025.

### High-cost credit grantors

Fee type	Current fee	Fees Jan. 1, 2025	Fees Jan. 1, 2026	Fees Jan. 1, 2027
New principal location	\$5,412	\$6,061	\$6,667	\$7,067
New branch	\$2,229	\$2,496	\$2,746	\$2,911
Renewal principal location more than 2 weeks prior to expiry	\$5,412	\$6,061	\$6,667	\$7,067
Renewal principal location less than 2 weeks prior to expiry	\$5,412	\$6,136	\$6,750	\$7,155
Renewal branch more than 2 weeks prior to expiry	\$2,229	\$2,496	\$2,746	\$2,911
Renewal branch less than 2 weeks prior to expiry	\$2,229	\$2,571	\$2,828	\$2,998
New and renewal principal and branch Consumer Financial Education Fund (CFEF) contribution	\$200	\$224	\$246	\$261
Change of name or address	\$61	\$75	\$75	\$75
Change of directors/officers	\$66	\$75	\$75	\$75
NSF payment	\$63	\$50	\$50	\$50
Reconsideration	\$283	\$311	\$330	\$343

### A new structure for renewing your licence

We are aligning the high-cost credit grantor sector with our other licensed sectors by implementing a new structure for licence renewal fees, **effective January 1, 2025**. You will pay a lower fee if you renew your licence at least two (2) weeks before it expires. High-cost credit grantor licences expire on October 31 each year. This means you will pay less if you renew your licence at least two (2) weeks before October 31, starting with 2025 licence renewals. If you don't renew your licence by its expiry date you

will need to submit a new licence application. The purpose of these changes is to encourage our licensed businesses to submit their renewals on time and early. This creates efficiencies in the processing of renewals.

### **Why are fees changing?**

Licensing fees pay for the direct costs of regulating the sector: licensing, compliance inspections, complaint handling and enforcement activities; and indirect costs of managing the sector: information technology, finance and accounting, and office rent. The indirect cost such as rent, and administrative costs are spread proportionately across each licensed sector. Every year these costs increase; sometimes consistent with inflation, in other cases based on unique factors related to a sector (ex. changes to the law that result in new regulatory requirements).

The costs for regulating the high-cost credit grantors sector have been affected primarily by inflation and an information on the actual cost of providing regulation to this sector since 2022. Licensing fees for the high-cost credit granting sector were set in regulation when first implemented in 2022. This is the first fee review and fee change proposed for the sector. In the intervening years Consumer Protection BC has made every effort to reduce costs while maintaining the ability to operate, with the intent of providing as much relief to licenced businesses as possible during unfavourable economic times. The fee changes will ensure that Consumer Protection BC can operate effectively and that costs are accurately recovered for regulating this sector.

### **What did we hear from you?**

During the fee review in the summer, we heard from 8.5% of the licensees in your sector. Our goals for the consultation were to raise awareness of pending licence fee changes and to solicit your feedback on those changes and our process. Of those who responded to our survey from your sector, 70% indicated they understood that we were proposing to change licensing fees and other charges. Further, 70% of respondents indicated they understand how we use their fees to regulate your sector.

The themes from the feedback we received can be summarized as follows:

1. Objection to raising fees and/or the size of fee increase.
2. Concern over regulatory framework.

With respect to these themes, we would like to provide the following context and clarification:

Consumer Protection BC is a regulator and separate from government and operates on a cost recovery basis and as our costs increase (largely due to inflationary pressure) we need to increase our fees to recover the costs of regulation your sector. The licensing fees and other charges represent the cost of regulation. It is important that we maintain our ability to regulate this sector and ensure that we have the resources required to do so. Consumer Protection BC prepares annual financial statements which are made publicly available on our corporate website. Our financial statements are audited by an independent third-party auditor and our annual budget is approved by our Board of Directors. We publish our annual financial statements in the [News & Media Centre](#) section of our corporate website.

The BC Government has [delegated](#) the responsibility to us for administering the *Business Practices and Consumer Protection Act*, the *Motion Picture Act*, the *Cremation, Interment and Funeral Services Act* and the *Ticket Sales Act* and the regulations associated with each of those statutes. We cannot change legislation or advocate for its change on behalf of anyone. If you have concerns about the legislation or want to advocate for change to legislation, you may wish to consider contacting either the constituency office of your [local Member of the Legislative Assembly \(MLA\)](#) or the [ministry responsible for consumer protection legislation in British Columbia](#).