

STATE CORPORATION COMMISSION

2001 Fiscal Impact Statement

1. **Bill Number** SB1079

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Stosch

3. **Committee** Committee on Corporations, Insurance & Banking

4. **Title** Financial institutions; interest and loan limits.

5. **Summary/Purpose:**

Financial institutions; interest and loan limits. Prohibits borrowers from availing themselves of statutes relating to usury or case law to avoid obligations under loans made by banks, savings institutions, and credit unions, regardless of the principal amount of the loan. Currently, a borrower is barred from availing himself of usury laws to avoid payments only if the initial principal amount of the loan is \$5,000 or more. The amendments do not apply to loans made by industrial loan associations.

6. No Fiscal Impact on state agencies

7. Budget amendment necessary: None.

8. Fiscal implications: None.

9. Specific agency or political subdivisions affected: State Corporation Commission's Bureau of Financial Institutions.

10. Technical amendment necessary: None.

11. Other comments: The House passed a substitute version of this bill. Therefore this fiscal impact statement on the engrossed version of the bill is not relevant since the engrossed version of the bill has been superseded by the House substitute. The Senate must act on the House substitute.

Date: 02/21/01

Analyst: Joe Face

cc: Secretary of Commerce and Trade

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