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SENATE JOINT RESOLUTION NO. 44

Offered January 11, 2012

Prefiled January 10, 2012

*Proposing an amendment to the Constitution of Virginia by adding in Article I a section numbered 15-B, relating to maximum lawful rate of interest.*

Patron—Miller, J.C.

Referred to Committee on Privileges and Elections

RESOLVED by the Senate, the House of Delegates concurring, a majority of the members elected to each house agreeing, That the following amendment to the Constitution of Virginia be, and the same hereby is, proposed and referred to the General Assembly at its first regular session held after the next general election of members of the House of Delegates for its concurrence in conformity with the provisions of Section 1 of Article XII of the Constitution of Virginia, namely:

Amend the Constitution of Virginia by adding in Article I a section numbered 15-B as follows:

ARTICLE I

BILL OF RIGHTS

*Section 15-B. Maximum lawful rate of interest.*

*That the maximum lawful rate of interest on any contract for the loan or forbearance of any money, if the money is for use primarily for personal, family, or household purposes, shall be thirty-six percent per year. In determining the annual rate of interest due on a contract for the loan or forbearance of money, all fees and charges, however denominated, that are paid to the lender in connection with the loan or forbearance of money shall constitute a payment of interest.*

*All such contracts having a rate of interest in excess of the maximum lawful rate shall be void as to the unpaid interest.*

*The provisions of this section shall not be deemed to supersede or otherwise invalidate any provisions of federal law applicable to loans or interest rates.*

*The provisions of this section shall not apply to any contract for the loan or forbearance of money made by a bank, savings and loan institution, credit union, or other depository institution that is subject to licensure by the Commonwealth or another state or by the federal government.*

INTRODUCED

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