

State Corporation Commission 2016 Fiscal Impact Statement

1. Bill Number: SB164

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Surovell

3. Committee: Commerce and Labor

4. Title: Consumer finance loans; rate of interest.

5. Summary: Consumer finance loans; rate of interest. Caps the maximum rate of interest that a licensed consumer finance company may charge on any loan at 36 percent annually. The measure eliminates the existing provision that permits such licensees to charge any agreed-upon amount of interest on consumer finance loans over \$2,500. The measure also limits the late charge that a licensee may charge to the lesser of \$20 or five percent of the unpaid installment. Currently, such late charges may not exceed five percent of the unpaid installment. Finally, the measure extends the grace period that must elapse before a late charge may be assessed from seven to 10 calendar days.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission.

8. Fiscal Implications: None on the State Corporation Commission.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission and the Commission's Bureau of Financial Institutions

10. Technical Amendment Necessary: No.

11. Other Comments: This bill was defeated (failed to report) in committee on January 25, 2016. The substitute incorporates Senate Bill 623 introduced by Senator Locke.