

Regular Session, 2012

HOUSE BILL NO. 424

BY REPRESENTATIVE WESLEY BISHOP

CREDIT/CONSUMER LOANS: Provides for changes to interest rates on deferred presentments and small loans

1 AN ACT

2 To amend and reenact R.S. 9:3578.4(A), relative to interest rates on deferred presentments
3 and small loans; to decrease the maximum interest rate on deferred presentments and
4 small loans; to repeal the delinquent interest rates for deferred presentments and
5 small loans; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 9:3578.4(A) is hereby amended and reenacted to read as follows:

8 §3578.4. Finance charge and fees

9 A.(1) In conjunction with a deferred presentment transaction or small loan,
10 a licensee may charge a fee not to exceed ~~sixteen and seventy-five one hundredths~~
11 fifteen percent of the face amount of the check issued or in the case of a small loan,
12 the equivalent rate of interest, provided however that such fee or interest does not
13 exceed forty-five dollars, regardless of the name or type of charge.

14 (2) However, if the loan remains unpaid at contractual maturity, the licensee
15 may charge ~~one of the following~~:

16 (a) ~~An amount equal to the rate of thirty-six percent per annum for a period~~
17 ~~not to exceed one year and beginning one year after contractual maturity, the rate~~
18 ~~shall not exceed eighteen percent per annum.~~

