

SENATE BILL NO. 725

BY SENATOR DUPLESSIS

1 AN ACT

2 To amend and reenact R. S. 9:3514(B), 3530(C)(1), and 3578.4(A), relative to consumer
3 credit contracts; to provide for the contents of credit contracts and agreements; to
4 provide for a change in documentation fees charged by a lender; to allow for a
5 delinquency charge on deferred presentment transactions; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 9:3514(B), 3530(C)(1), and 3578.4(A) are hereby amended and
9 reenacted to read as follows:

10 §3514. Agreement to contract; disclosures of the contract

11 * * *

12 B. Written credit contracts and agreements shall accurately reflect the actual
13 terms, conditions, **applicable amount of fees**, and repayment schedule agreed to by
14 the parties. If a loan is to be repaid on demand, in a lump sum, or at undefined
15 intervals of time, interest on the loan shall be computed by the actuarial or simple
16 interest method when allocating payments made on the loan.

17 * * *

18 §3530. Fees; origination; notary, documentation; over-the-credit-limit fee

19 * * *

20 C.(1) A lender may charge a documentation fee ~~as reimbursement for actual~~
21 ~~costs incurred, not to exceed five dollars~~ **in an amount not to exceed one-half of**
22 **the amount authorized in Paragraph (4) of this Subsection**, in connection with
23 a non-real estate consumer loan transaction.

24 * * *

25 §3578.4. Finance charge and fees

26 A.**(1)** In conjunction with a deferred presentment transaction or small loan,
27 a licensee may charge a fee not to exceed sixteen and seventy-five one hundredths

1 percent of the face amount of the check issued or in the case of a small loan, the
2 equivalent rate of interest, provided however that such fee or interest does not exceed
3 forty-five dollars, regardless of the name or type of charge.

4 (2) However, if the loan remains unpaid at contractual maturity, the licensee
5 may charge **one of the following**:

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

9 (b) **A one-time delinquency charge as authorized in R.S. 9:3527(A)(1).**

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PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____