

Bill Summary
1st Session of the 57th Legislature

Bill No.:	SB 732
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Request No.:	439
Author:	Sen. Leewright
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Bill Analysis

SB 732 increases the maximum loan from \$300.00 to \$1,500.00 for lenders to make alternative charges on a loan. Loans of up to \$143.95 may be charged at the ratio of \$1.00 for each \$5.00 of principal. Loans more than \$143.95 are limited to an acquisition charge of no more than 10% and are subject to increasing amounts of monthly payments depending on the loan amount.

The tiers of loan amounts may be changed by the Administrator of the Commission on Consumer Credit based on the Consumer Price Index for Urban Wage Earners and Clerical Workers. Beginning on July 1, 2020, the tiers for graduated loan charges change if the percentage of change between the Index at the end of the preceding year and the Reference Base Index is ten percent (10%) or more. The measure provides the method to calculate these changes.

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