

SENATE BILL 1762

By Herron

AN ACT to amend Tennessee Code Annotated, Title 45  
and Title 47, relative to loans.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-17-112, is amended by deleting subsection (b) in its entirety and substituting instead the following:

(b) A licensee may charge interest calculated in compliance with 15 U.S.C. 1606 and not exceeding an annual percentage rate greater than twenty-eight percent (28%).

SECTION 2. Tennessee Code Annotated, Section 45-17-112, is further amended by deleting the word "fees" in subsection (g) and substituting instead the language "interest, fees".

SECTION 3. Tennessee Code Annotated, Section 45-17-112, is further amended by deleting the word "fees" in subsection (m) and substituting instead the word "interest".

SECTION 4. Tennessee Code Annotated, Section 45-17-119(a), is amended by deleting subdivision (4) and by substituting instead the following:

(4) Annual profits, balance sheets, statements of income and expense, and other statistical information that may be reasonably required by the commissioner, consistent with generally accepted accounting practices, for the purpose of determining the general results of operations under this chapter; and

SECTION 5. Tennessee Code Annotated, Section 45-17-119(a), is further amended by adding the following as a new, appropriately designated subdivision:

( ) Compensation paid to any employees of the licensee, including but not limited to wages, salary, and benefits;

SECTION 6. Tennessee Code Annotated, Section 47-14-104, is amended by deleting subdivision (a)(1) in its entirety and substituting instead the following:

(1) The maximum effective rate of interest shall be that rate fixed, from time to time, as fair and reasonable, by rule adopted by the commissioner of financial institutions, but in no event to exceed ten percent (10%) per annum, except as provided in § 45-17-112; and

SECTION 7. This act shall take effect July 1, 2009, the public welfare requiring it.