

190-957AX-32

Amendment No. 3 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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The Committee on Business Regulation & Consumer Affairs offered the following:

**Amendment to Amendment (112271)**

On page 15, lines 3-22  
remove from the amendment:  
all of said lines

and insert in lieu thereof:

Section 10. Title loan charges; payment.--  
(1) A title loan lender may charge a maximum interest rate of 8 percent per month which shall be calculated, as required in subsection (2), not to exceed the equivalent maximum rate of 96 percent per annum. In determining compliance with the statutory maximum interest, the computations must be simple interest and not add-on interest or any other computations. The original principal amount is the same amount as the amount financed, as defined by the federal Truth in Lending Act and Regulation Z of the Board of Governors of the Federal Reserve System. When a borrower makes payment to the title loan lender, the borrower shall

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Bill No. HB 299

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1 make payment of at least 10 percent of the principal and the  
2 title loan lender shall reduce the original principal amount  
3 in an amount of no less than 10 percent of the amount received  
4 by the title loan lender for each payment. When the total  
5 principal amount is paid down to an amount less than \$10, any  
6 payment received shall be applied to reduce the principal  
7 amount to zero. Any remaining payment amount may then be  
8 applied to the reduction of interest which may be due.

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