

By the Committee on Banking and Insurance; and Senators Garcia and Taddeo

597-01804-18

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1 A bill to be entitled  
2 An act relating to consumer finance; amending s.  
3 516.031, F.S.; revising a provision relating to the  
4 maximum delinquency charge that may be charged for  
5 consumer finance loans; amending s. 516.36, F.S.;  
6 revising a requirement relating to installment  
7 repayments for consumer finance loans; providing an  
8 effective date.

9  
10 Be It Enacted by the Legislature of the State of Florida:

11  
12 Section 1. Paragraph (a) of subsection (3) of section  
13 516.031, Florida Statutes, is amended to read:

14 516.031 Finance charge; maximum rates.—

15 (3) OTHER CHARGES.—

16 (a) In addition to the interest, delinquency, and insurance  
17 charges provided in this section, further or other charges or  
18 amount for any examination, service, commission, or other thing  
19 or otherwise may not be directly or indirectly charged,  
20 contracted for, or received as a condition to the grant of a  
21 loan, except:

22 1. An amount of up to \$25 to reimburse a portion of the  
23 costs for investigating the character and credit of the person  
24 applying for the loan;

25 2. An annual fee of \$25 on the anniversary date of each  
26 line-of-credit account;

27 3. Charges paid for the brokerage fee on a loan or line of  
28 credit of more than \$10,000, title insurance, and the appraisal  
29 of real property offered as security if paid to a third party

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30 and supported by an actual expenditure;

31 4. Intangible personal property tax on the loan note or  
32 obligation if secured by a lien on real property;

33 5. The documentary excise tax and lawful fees, if any,  
34 actually and necessarily paid out by the licensee to any public  
35 officer for filing, recording, or releasing in any public office  
36 any instrument securing the loan, which may be collected when  
37 the loan is made or at any time thereafter;

38 6. The premium payable for any insurance in lieu of  
39 perfecting any security interest otherwise required by the  
40 licensee in connection with the loan if the premium does not  
41 exceed the fees which would otherwise be payable, which may be  
42 collected when the loan is made or at any time thereafter;

43 7. Actual and reasonable attorney fees and court costs as  
44 determined by the court in which suit is filed;

45 8. Actual and commercially reasonable expenses for  
46 repossession, storing, repairing and placing in condition for  
47 sale, and selling of any property pledged as security; or

48 9. A delinquency charge ~~of up to \$15~~ for each payment in  
49 default for at least 10 days if the charge is agreed upon, in  
50 writing, between the parties before imposing the charge.

51 Delinquency charges may be imposed as follows:

52 a. For payments due monthly, the delinquency charge for a  
53 payment in default may not exceed \$15.

54 b. For payments due semimonthly, the delinquency charge for  
55 a payment in default may not exceed \$7.50.

56 c. For payments due every 2 weeks, the delinquency charge  
57 for a payment in default may not exceed \$7.50 if two payments  
58 are due within the same calendar month, and may not exceed \$5 if

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59 three payments are due within the same calendar month.

60  
61 Any charges, including interest, in excess of the combined total  
62 of all charges authorized and permitted by this chapter  
63 constitute a violation of chapter 687 governing interest and  
64 usury, and the penalties of that chapter apply. In the event of  
65 a bona fide error, the licensee shall refund or credit the  
66 borrower with the amount of the overcharge immediately but  
67 within 20 days after the discovery of such error.

68 Section 2. Section 516.36, Florida Statutes, is amended to  
69 read:

70 516.36 ~~Monthly~~ Installment requirement.—Every loan made  
71 pursuant to this chapter must ~~shall~~ be repaid in periodic  
72 ~~monthly~~ installments as nearly equal as mathematically  
73 practicable, except that the final payment may be less than the  
74 amount of the prior installments. Installments may be due every  
75 2 weeks, semimonthly, or monthly. This section does ~~shall~~ not  
76 apply to lines of credit.

77 Section 3. This act shall take effect July 1, 2018.