

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Commerce Committee
 2 Representative Stevenson offered the following:

Amendment (with directory and title amendments)

5 Between lines 62 and 63, insert:

6 (1) INTEREST RATES.—A licensee may lend any sum of money
 7 up to \$25,000. A licensee may not take a security interest
 8 secured by land on any loan less than \$1,000. The licensee may
 9 charge, contract for, and receive thereon interest charges as
 10 provided and authorized by this section. The maximum interest
 11 rate shall be 30 percent per annum, computed on the first \$3,000
 12 of the principal amount; 24 percent per annum on that part of
 13 the principal amount exceeding \$3,000 and up to \$4,000; and 18
 14 percent per annum on that part of the principal amount exceeding
 15 \$4,000 and up to \$25,000. The original principal amount as used
 16 in this section is the same as the amount financed as defined by

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17 the federal Truth in Lending Act and Regulation Z of the
18 Consumer Financial Protection Bureau ~~Board of Governors of the~~
19 ~~Federal Reserve System~~. In determining compliance with the
20 statutory maximum interest and finance charges set forth herein,
21 the computations used shall be simple interest and not add-on
22 interest or any other computations. If two or more interest
23 rates are applied to the principal amount of a loan, the
24 licensee may charge, contract for, and receive interest at that
25 single annual percentage rate which, if applied according to the
26 actuarial method to each of the scheduled periodic balances of
27 principal, would produce at maturity the same total amount of
28 interest as would result from the application of the two or more
29 rates otherwise permitted, based upon the assumption that all
30 payments are made as agreed.

31 (2) ANNUAL PERCENTAGE RATE UNDER FEDERAL TRUTH IN LENDING
32 ACT.—The annual percentage rate of finance charge which may be
33 contracted for and received under any loan contract made by a
34 licensee under this chapter may equal, but not exceed, the
35 annual percentage rate which must be computed and disclosed as
36 required by the federal Truth in Lending Act and Regulation Z of
37 the Consumer Financial Protection Bureau ~~Board of Governors of~~
38 ~~the Federal Reserve System~~. The maximum annual percentage rate
39 of finance charge which may be contracted for and received is 12
40 times the maximum monthly rate, and the maximum monthly rate
41 shall be computed on the basis of one-twelfth of the annual rate

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42 for each full month. The commission shall by rule establish the
43 rate for each day in a fraction of a month when the period for
44 which the charge is computed is more or less than 1 month.

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47 **D I R E C T O R Y A M E N D M E N T**

48 Remove lines 60-61 and insert:

49 Section 2. Subsections (1) and (2) of section 516.031,
50 Florida Statutes, are amended, and subsection (6) is added to
51 that section, to read:

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53

54 **T I T L E A M E N D M E N T**

55 Remove line 7 and insert:

56 s. 516.031, F.S.; revising references to implementing
57 regulations of the federal Truth in Lending Act;
58 prohibiting a person licensed to