

1999 SENATE BILL 96

March 23, 1999 – Introduced by Senators ROBSON, BURKE, WELCH, DRZEWIECKI, DECKER, MOORE, ROSENZWEIG, GROBSCHMIDT, WIRCH and BAUMGART, cosponsored by Representatives GROTHMAN, LADWIG, MUSSER, SERATTI, SCHOOFF, POCAN, BOCK, COGGS, RILEY, CULLEN, COLON, TRAVIS, YOUNG, LA FAVE, SINICKI, WASSERMAN, BLACK, J. LEHMAN, BERCEAU, MILLER, LASSA, WILLIAMS, GRONEMUS and BOYLE. Referred to Committee on Privacy, Electronic Commerce and Financial Institutions.

1 **AN ACT to amend** 138.09 (7) (bp) and 422.201 (3); **to repeal and recreate** 138.09
 2 (title); and **to create** 138.09 (7) (bu) of the statutes; **relating to:** maximum
 3 interest rates.

Analysis by the Legislative Reference Bureau

Under current law, a lender other than a bank, savings bank, savings and loan association or credit union generally must obtain a license from the division of banking in the department of financial institutions in order to charge interest greater than 18%. Current law provides no maximum interest rate for a loan entered into by a licensed lender.

This bill changes current law by generally prohibiting a licensed lender from charging greater than 26% interest on any loan entered into on or after the effective date of this bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 138.09 (title) of the statutes is repealed and recreated to read:
 5 **138.09 (title) Licensed lenders.**

