



State of Wisconsin
2009 - 2010 LEGISLATURE

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**SENATE AMENDMENT 1,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2009 SENATE BILL 530**

April 12, 2010 – Offered by Senators CARPENTER, ELLIS and GROTHMAN.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 1, line 5: delete the material beginning with “regulating” and ending
with “penalty” on line 7 and substitute “finance charges for licensed lenders”.

3 **2.** Page 5, line 1: delete the material beginning with that line and ending with
page 32, line 10, and substitute:

4 “**SECTION 1m.** 138.09 (1d) of the statutes is renumbered 138.09 (1d) (intro.) and
5 amended to read:

6 138.09 (1d) (intro.) In this section, “~~division~~”:

7 (a) “Division” means the division of banking.

8 **SECTION 2m.** 138.09 (1d) (b) of the statutes is created to read:

9 138.09 (1d) (b) “Finance charge” has the meaning given in s. 421.301 (20).

10 **SECTION 3m.** 138.09 (1m) (a) of the statutes is amended to read:

1 138.09 (1m) (a) Before any person may do business under this section or charge
2 the interest authorized by sub. (7) and before any creditor other than a bank, savings
3 bank, savings and loan association or credit union may ~~assess a finance charge on~~
4 make a consumer loan in excess of 18% per year \$5,000 or less, that person shall first
5 obtain a license from the division. Applications for a license shall be in writing and
6 upon forms provided for this purpose by the division. An applicant at the time of
7 making an application shall pay to the division a nonrefundable \$300 fee for
8 investigating the application and a \$500 annual license fee for the period
9 terminating on the last day of the current calendar year. If the cost of the
10 investigation exceeds \$300, the applicant shall upon demand of the division pay to
11 the division the amount by which the cost of the investigation exceeds the
12 nonrefundable fee.

13 **SECTION 4m.** 138.09 (7m) of the statutes is created to read:

14 138.09 (7m) (a) No creditor who is licensed under sub. (1m) may assess a
15 finance charge on a consumer loan that is more than 36 percent per year.

16 (b) If a creditor makes a consumer loan that violates par. (a), the borrower may
17 bring an action against the creditor for an amount equal to twice the amount of the
18 finance charge in connection with the loan, or the actual damages, including any
19 incidental and consequential damages, sustained by the borrower by reason of the
20 violation, whichever is greater, and, notwithstanding s. 814.04 (1), the costs of the
21 action, including reasonable attorney fees.

22 **SECTION 5m. Initial applicability.**

23 (1) This act first applies to loans made, refinanced, or consolidated on the
24 effective date of this subsection.

25 **SECTION 6m. Effective date.**

