

1977 Senate Bill 55

Date published: May 25, 1978

## CHAPTER 401, Laws of 1977

AN ACT to create 138.05 (7) of the statutes, relating to exempting loans of \$150,000 or more from the usury statutes.

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

SECTION 1. 138.05 (7) of the statutes is created to read:

138.05 (7) This section does not apply to any loan or forbearance in the amount of \$150,000 or more made after the effective date of this act (1977) unless secured by an encumbrance on a one- to four-family dwelling which the borrower uses as his or her principal place of residence. For the purposes of this section, a loan is deemed a loan which is in the amount of \$150,000 or more if:

(a) The outstanding principal indebtedness under the loan initially exceeds \$150,000; or

(b) The parties to the loan agree that the principal indebtedness may exceed \$150,000 at some time during the term of the loan and, when the agreement was made, the principal indebtedness was reasonably expected to exceed \$150,000 notwithstanding the fact that less than \$150,000 in the aggregate was initially or later advanced.

---