



State of Wisconsin
2023 - 2024 LEGISLATURE

LRBa0910/2
ARG:cjs

**ASSEMBLY AMENDMENT 1,
TO ASSEMBLY BILL 617**

January 9, 2024 - Offered by Representative O'CONNOR.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 22, line 19: after that line insert:

3 **"SECTION 31m.** 138.09 (7) (i) (intro.), 1. and 2. of the statutes are amended to
4 read:

5 138.09 (7) (i) (intro.) In addition to interest, the licensee may charge all of the
6 following:

7 1. The additional charges allowed in s. 422.202 whether or not the loan is a
8 consumer loan;

9 2. An amount sufficient to cover the fee for filing the termination statement
10 required by s. 409.513 on loans secured by merchandise other than a motor vehicle,
11 a manufactured home, or a boat; and

12 **SECTION 31o.** 138.09 (7) (i) 4. of the statutes is created to read:

1 138.09 (7) (i) 4. A nonrefundable prepaid finance charge on a consumer loan,
2 which is earned by the licensee when charged, subject to the following:

3 a. If the amount financed is \$500 or less, the prepaid finance charge may not
4 exceed 10 percent of the amount financed or \$50, whichever is less.

5 b. If the amount financed is more than \$500 but does not exceed \$1,000, the
6 prepaid finance charge may not exceed 7.5 percent of the amount financed or \$75,
7 whichever is less.

8 c. If the amount financed exceeds \$1,000, the prepaid finance charge may not
9 exceed 5 percent of the amount financed or \$175, whichever is less.

10 d. Notwithstanding subd. 4. a. to c., a prepaid finance charge assessed on a
11 consumer loan that is secured primarily by an interest in real property, in a mobile
12 home, as defined in s. 101.91 (10), or in a manufactured home, as defined in s. 101.91
13 (2), including a refinancing or loan consolidation, may not exceed 2 percent of the
14 amount financed.

15 e. If a licensee charges a prepaid finance charge on a consumer loan in which
16 the amount financed does not exceed \$1,000 that is prepaid from the proceeds of a
17 new loan made by the same licensee within 4 months after the prior loan, then the
18 licensee shall reduce any prepaid finance charge on the new loan by the amount of
19 the prepaid finance charge on the prior loan.

20 f. If a licensee charges a prepaid finance charge on a consumer loan in which
21 the amount financed exceeds \$1,000 that is prepaid from the proceeds of a new loan
22 made by the same licensee within 6 months after the prior loan, then the licensee
23 shall reduce any prepaid finance charge on the new loan by the amount of the prepaid
24 finance charge on the prior loan.”.

25 (END)