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State of Misconsin 2023 - 2024 LEGISLATURE

 $\begin{array}{c} LRBa0927/1 \\ ARG: cjs \end{array}$

SENATE AMENDMENT 1, TO SENATE BILL 668

January 10, 2024 - Offered by Senator KNODL.

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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	<u>following</u> :
7	1. The additional charges allowed in s. 422.202 whether or not the loan is a
8	consumer loan <u>;.</u>
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.

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

At the locations indicated, amend the bill as follows:

- 138.09 (7) (i) 4. A nonrefundable prepaid finance charge on a consumer loan, which is earned by the licensee when charged, subject to the following:
- a. If the amount financed is \$500 or less, the prepaid finance charge may not exceed 10 percent of the amount financed or \$50, whichever is less.
- b. If the amount financed is more than \$500 but does not exceed \$1,000, the prepaid finance charge may not exceed 7.5 percent of the amount financed or \$75, whichever is less.
- c. If the amount financed exceeds \$1,000, the prepaid finance charge may not exceed 5 percent of the amount financed or \$175, whichever is less.
- d. Notwithstanding subd. 4. a. to c., a prepaid finance charge assessed on a consumer loan that is secured primarily by an interest in real property, in a mobile home, as defined in s. 101.91 (10), or in a manufactured home, as defined in s. 101.91 (2), including a refinancing or loan consolidation, may not exceed 2 percent of the amount financed.
- e. If a licensee charges a prepaid finance charge on a consumer loan in which the amount financed does not exceed \$1,000 that is prepaid from the proceeds of a new loan made by the same licensee within 4 months after the prior loan, then the licensee shall reduce any prepaid finance charge on the new loan by the amount of the prepaid finance charge on the prior loan.
- f. If a licensee charges a prepaid finance charge on a consumer loan in which the amount financed exceeds \$1,000 that is prepaid from the proceeds of a new loan made by the same licensee within 6 months after the prior loan, then the licensee shall reduce any prepaid finance charge on the new loan by the amount of the prepaid finance charge on the prior loan.".