

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6226

BILL NUMBER: HB 1009

DATE PREPARED: Nov 10, 1999

BILL AMENDED:

SUBJECT: Consumer credit.

FISCAL ANALYST: Susan Preble

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: This bill specifies that the maximum rate of interest may not be exceeded upon prepayment for the period a credit sale or loan was in effect for a simple interest transaction that includes prepaid credit service charges or finance charges. It requires a creditor to provide accurate payoff information to the debtor. It specifies that a person may not regularly engage in the business of making consumer loans unless the person is a supervised financial institution or is licensed by the Department of Financial Institutions. It specifies that the three month window to operate without an approved license to make consumer loans applies only to lenders taking assignment of mortgages. It limits the accrual of additional pawnbroker fees. It also makes certain other changes and conforming amendments.

Effective Date: July 1, 2000.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: