
DIGEST

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HB 952 Engrossed

2026 Regular Session

Jordan

Abstract: Provides relative to consumer loans.

Present law provides that the maximum loan finance charge for any consumer loan other than one made with a lender credit card that may be charged, contracted for or received by a licensed lender or supervised financial organization may equal but not exceed:

- (1) 36% per year for that portion of the unpaid principal amount of the loan not exceeding \$1400.
- (2) 27% per year for that portion of the unpaid principal amount of the loan exceeding \$1400 and not exceeding \$4000.
- (3) 24% per year for that portion of the unpaid principal amount on the loan exceeding \$4000 and not exceeding \$7000.
- (4) 21% per year for that portion of the unpaid principal amount of the loan exceeding \$7000.

Proposed law instead provides that the maximum loan finance charge for any consumer loan other than one made with a lender credit card that may be charged, contracted for, or received by a licensed lender or supervised financial organization shall not exceed the following rates for the respective portions of the unpaid principal balance of the loan:

- (1) 36% per year for that portion of the unpaid principal amount of the loan not exceeding \$5,000.
- (2) 24% per year for that portion of the unpaid principal amount of the loan exceeding \$5,000 and not exceeding \$20,000.
- (3) 17% per year for that portion of the unpaid principal amount on the loan exceeding \$20,000.

Present law provides that a lender may charge an origination fee that does not exceed \$50 on a consumer loan or revolving loan account.

Proposed law increases the fee to \$75.

Proposed law provides that in the event of a "major disaster" declaration by FEMA in this state, if

a licensed lender offers any assistance programs to borrowers impacted by the disaster, the licensed lender shall notify each borrower within 10 days of the licensed lender's establishment of the program, including certain information.

Proposed law provides that in the event of a "major disaster" declaration by FEMA in this state, licensed lenders operating in the designated parishes shall suspend for a period of 60 days from the date of the initial declaration, the following:

- (1) The application of late charges and delinquency fees as provided for in present law.
- (2) The filing of new actions for repossession of collateral pledged to loans made under present law.
- (3) The filing of new lawsuits for the collection of amounts owed for loans made under present law.

Proposed law provides that time delays created by suspensions of action provided for in this Section shall cease the running of prescription as provided for in present law until the lapse of the time frame stated in proposed law.

Proposed law provides that a licensed lenders shall offer borrowers a credit education program or seminar provided by the licensed lender or a third-party provider, either in writing or electronically. Proposed law provides for the topics included in the credit education program.

Proposed law provides that the credit education program or seminar shall be offered at no cost to the borrower.

Proposed law provides that a licensed lender shall not require a borrower to participate in a credit education program or seminar as a condition of a loan.

Proposed law provides that a licensed lender shall not make a consumer loan unless the lender reasonably determines that the borrower has the ability to repay the loan according to its terms.

Proposed law provides that a borrower may prepay a consumer loan in whole or in part at any time without penalty or additional charge.

Present law provides that the initial application, survey, and license fee for a license to make consumer loans shall be \$650, payable in a form acceptable to the commissioner when the application is filed. Such application, survey, and license fee shall be nonrefundable. If the license is not issued for any reason, upon written request of the applicant, the fee shall be applied to the submission of a new application.

Proposed law increases the fee to \$900.

Present law provides that the annual renewal fee, including examination, shall be \$500, payable on

or before Dec. 31st of each year.

Proposed law increases the fee to \$750.

(Amends R.S. 9:3519(A), 3530(A)(1), and 3561.1(A) and (B): Adds R.S. 9:3530.1-3530.5)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Make technical changes.
2. Amend present law to clarify that the maximum loan finance charge shall not exceed the rates listed in proposed law for the respective portions of the unpaid principal balance of the loan.
3. Amend what percentages can be charged per year based on the unpaid principal amount of the loan.
4. Add proposed law regarding the ability to repay a consumer loan.
5. Add proposed law relative to repayment.