

Amendment to SB 308

1 Amend the title of the bill by replacing it with the following:

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3 AN ACT relative to the definition of small loans and relative to certain fees on small  
4 loans.  
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6 Amend the bill by replacing all after the enacting clause with the following:

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8 1 New Paragraph; Small Loans Not Title or Payday Loans. Amend RSA 399-A:16 by inserting  
9 after paragraph VI the following new paragraph:

10 VII. Notwithstanding RSA 399-A:1, XXI(b) or any other provision of law, a loan with a  
11 contractual term of 6 months or longer with an annual percentage rate not exceeding 36 percent, as  
12 calculated under RSA 399-A:16, I, shall not be a title loan or a payday loan.

13 2 Small Loans Other Than Payday Loans or Title Loans; Annual Percentage Rate. Amend  
14 RSA 399-A:16, I to read as follows:

15 I. The annual percentage rate for small loans shall not exceed 36 percent. Notwithstanding  
16 the federal definition of annual percentage rate, for purposes of calculating annual percentage rate,  
17 the finance charge shall exclude one application fee ***not to exceed \$100*** per borrower per year and  
18 one participation or membership fee ***not to exceed \$100*** per borrower per year.

19 3 Effective Date. This act shall take effect 60 days after its passage.

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AMENDED ANALYSIS

This bill changes the definition of small loans.

This bill also limits the amount to be charged for application or member ship fees for small loans other than payday loans or title loans.