

HB 3021 -- SMALL LOANS

SPONSOR: Fogle

This bill prohibits lenders of consumer credit loans, title loans, consumer installment loans, and unsecured loans of \$500 or less, commonly called payday loans, from charging interest, fees, and finance charges in excess of 36% of the unpaid balance of the loan.

Lenders are prohibited from intentionally evading statutory requirements through offering a loan at a prohibited percentage rate; disguising a loan as a personal property sale; disguising loan proceeds as cash rebates; making an offer in whole or part from a third party; or charging an application fee for participating in a credit plan without including the fee in the annual percentage rate calculation.

The bill defines "consumer installment lender" as a person licensed to make consumer installment loans. Further, the interest and fees are subject to the provisions of the sections set forth in the bill.

The bill contains a referendum clause and will not become effective unless approved by a majority of the qualified voters.

This bill is similar to HB 1325 (2025).