

HB 150 -- Payday Loans

Sponsor: Still

This bill changes the laws regarding unsecured loans of \$500 or less, commonly known as payday loans. In its main provisions, the bill:

(1) Limits the interest and other fees that may be charged on the loans to \$15 per \$100 of principal for the first 30 days of the loan and not more than 3% per month thereafter, which is an annual percentage rate of approximately 36%;

(2) Prohibits repeated renewals of loans to circumvent interest rate restrictions;

(3) Grants jurisdiction to the Attorney General to issue cease and desist orders against violators;

(4) Allows the Attorney General to sue requesting a circuit court to issue an injunction, restraining order, or declaratory judgment; to impose a civil penalty; or to impose an order of rescission, restitution, or disgorgement against a person or entity who has violated any laws relating to consumer loans;

(5) Specifies that the limitations apply to all lenders, whether or not they are properly licensed pursuant to Chapter 408, RSMo; and

(6) Requires the Division of Finance in the Department of Insurance, Financial Institutions and Professional Registration to report annually to the General Assembly various information relating to loans issued by lenders.