

## CHAPTER 2018-17

### Committee Substitute for Senate Bill No. 386

An act relating to consumer finance; amending s. 516.031, F.S.; revising a provision relating to the maximum delinquency charge that may be charged for consumer finance loans; amending s. 516.36, F.S.; revising a requirement relating to installment repayments for consumer finance loans; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (a) of subsection (3) of section 516.031, Florida Statutes, is amended to read:

516.031 Finance charge; maximum rates.—

(3) OTHER CHARGES.—

(a) In addition to the interest, delinquency, and insurance charges provided in this section, further or other charges or amount for any examination, service, commission, or other thing or otherwise may not be directly or indirectly charged, contracted for, or received as a condition to the grant of a loan, except:

1. An amount of up to \$25 to reimburse a portion of the costs for investigating the character and credit of the person applying for the loan;
2. An annual fee of \$25 on the anniversary date of each line-of-credit account;
3. Charges paid for the brokerage fee on a loan or line of credit of more than \$10,000, title insurance, and the appraisal of real property offered as security if paid to a third party and supported by an actual expenditure;
4. Intangible personal property tax on the loan note or obligation if secured by a lien on real property;
5. The documentary excise tax and lawful fees, if any, actually and necessarily paid out by the licensee to any public officer for filing, recording, or releasing in any public office any instrument securing the loan, which may be collected when the loan is made or at any time thereafter;
6. The premium payable for any insurance in lieu of perfecting any security interest otherwise required by the licensee in connection with the loan if the premium does not exceed the fees which would otherwise be payable, which may be collected when the loan is made or at any time thereafter;

7. Actual and reasonable attorney fees and court costs as determined by the court in which suit is filed;

8. Actual and commercially reasonable expenses for repossession, storing, repairing and placing in condition for sale, and selling of any property pledged as security; or

9. A delinquency charge of up to \$15 for each payment in default for at least 10 days if the charge is agreed upon, in writing, between the parties before imposing the charge. Delinquency charges may be imposed as follows:

a. For payments due monthly, the delinquency charge for a payment in default may not exceed \$15.

b. For payments due semimonthly, the delinquency charge for a payment in default may not exceed \$7.50.

c. For payments due every 2 weeks, the delinquency charge for a payment in default may not exceed \$7.50 if two payments are due within the same calendar month, and may not exceed \$5 if three payments are due within the same calendar month.

Any charges, including interest, in excess of the combined total of all charges authorized and permitted by this chapter constitute a violation of chapter 687 governing interest and usury, and the penalties of that chapter apply. In the event of a bona fide error, the licensee shall refund or credit the borrower with the amount of the overcharge immediately but within 20 days after the discovery of such error.

Section 2. Section 516.36, Florida Statutes, is amended to read:

516.36 ~~Monthly~~ Installment requirement.—Every loan made pursuant to this chapter ~~must~~ shall be repaid in ~~periodic monthly~~ installments as nearly equal as mathematically practicable, except that the final payment may be less than the amount of the prior installments. Installments may be due every 2 weeks, semimonthly, or monthly. This section ~~does~~ shall not apply to lines of credit.

Section 3. This act shall take effect July 1, 2018.

Approved by the Governor March 19, 2018.

Filed in Office Secretary of State March 19, 2018.