

SENATE FLOOR AMENDMENT

Second Reading

BY SENATOR Lundeen

1 Amend reengrossed bill, page 6, after line 1 insert:

2 "SECTION 3. In Colorado Revised Statutes, 5-2-201, **amend** (2)
3 as follows:

4 **5-2-201. Finance charge for consumer credit transactions -**
5 **definition.** (2) (a) With respect to a supervised loan or a consumer credit
6 sale, except for a loan or sale pursuant to a revolving account, a
7 supervised lender or seller may contract for and receive a finance charge,
8 calculated according to the actuarial method, not exceeding the equivalent
9 of the greater of either of the following:

10 ~~(a)~~ (I) The total of:

11 ~~(H)~~ (A) Thirty-six percent per year on that part of the unpaid
12 balances of the amount financed that is ~~one~~ THREE thousand dollars or
13 less;

14 ~~(H)~~ (B) Twenty-one percent per year PLUS A MARGIN EQUAL TO
15 THE FEDERAL FUNDS RATE on that part of the unpaid balances of the
16 amount financed that is more than ~~one~~ THREE thousand dollars but does
17 not exceed ~~three~~ FIVE thousand dollars; and

18 ~~(H)~~ (C) Fifteen percent per year PLUS A MARGIN EQUAL TO THE
19 FEDERAL FUNDS RATE on that part of the unpaid balances of the amount
20 financed that is more than ~~three~~ FIVE thousand dollars; or

21 ~~(b)~~ (II) Twenty-one percent per year on the unpaid balances of the
22 amount financed FOR LOANS THAT ARE MORE THAN THREE THOUSAND
23 DOLLARS.

24 (b) THIS SECTION DOES NOT APPLY TO SUPERVISED LENDERS AND
25 STATE CHARTERED BANK SUPERVISED FINANCIAL ORGANIZATIONS THAT
26 MEET THE REQUIREMENTS SET FORTH IN THE ASSURANCE OF
27 DISCONTINUANCE, DATED AUGUST 7, 2020, IN THE MATTERS OF AVANT OF
28 COLORADO, LLC, AND MARLETTE FUNDING, LLC.

29 (c) AS USED IN THIS SECTION, "FEDERAL FUNDS RATE" MEANS THE
30 RATE PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE
31 SYSTEM IN ITS STATISTICAL RELEASE "H.15 - SELECTED INTEREST RATES"
32 AND IN EFFECT AS OF THE FIRST DAY OF THE MONTH IMMEDIATELY
33 PRECEDING THE MONTH DURING WHICH THE LOAN IS CONSUMMATED."

34 Renumber succeeding sections accordingly.

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