

PREDATORY INSTALLMENT LENDING IN 2017

STATES BATTLE TO RESTRAIN HIGH-COST LOANS

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APPENDIX A

FULL APR TABLES FOR SIX-MONTH \$500 LOAN

TABLE A-1

**States that Do Not Cap Interest Rates
 for Six-Month \$500 Installment Loan: 2017**

STATE	LOANS FOR WHICH THERE IS NO CAP	DOES STATUTE PROHIBIT UNCONSCIONABILITY?
Delaware	All loans	No
Idaho	All loans	Yes
Missouri	All loans	No
New Mexico ¹	All loans	Yes (state deceptive practices statute)
Ohio ²	All loans	No ³
Utah	All loans	Yes
Wisconsin	All loans	Yes

¹ New Mexico has imposed a 175% cap, calculated pursuant to the federal Truth in Lending Act, as of Jan. 1, 2018. N.M. Stat. Ann. §§ 58-7-7(D), 58-15-17(J).

² For a six-month \$500 loan, Ohio's Small Loan Act would limit the full APR to 39%, and its Second Mortgage Loan Act and Consumer Installment Loan Act would limit it to 43%. However, these caps are ineffective in Ohio because the state allows credit services organizations to charge an additional—uncapped—fee for arranging a loan.

³ Ohio's Consumer Sales Practices Act Ohio Rev. Code § 1345.03 (West), includes a prohibition of unconscionability and applies to lenders making loans under the state's payday loan act, but most other non-mortgage lenders are exempt. Ohio Rev. Code Ann. § 1345.01(A) (West) (exempting financial institutions and dealers in intangibles as defined by Ohio Rev. Code § 5725.01).

TABLE A-2

**States that Allow Full APRs of More Than 36%
on Six-Month \$500 Installment Loan: 2017**

STATE	FULL APR ALLOWED	STATE	FULL APR ALLOWED
Alabama	94%	Michigan	43%
Arizona	54%	Minnesota ³	51%
California	45%	Mississippi	305%
Colorado ¹	90% (Consumer Credit Code)	Nebraska	48%
Florida	48%	Nevada	40%
Georgia	61%	Oklahoma	108%
Illinois ²	99% (Consumer Installment Loan Law) ³	South Carolina	72%
Indiana	71%	Tennessee	94%
Kansas	43%	Texas ⁴	93%
Kentucky	47%	Washington	39%
Louisiana	85%	West Virginia	38%
Massachusetts	37%		

¹ In addition, Colorado's payday installment loan statute, Colo. Rev. Stat. §§ 5-3.1-101 to 5-3.1-123, allows APRs up to 180% for payday loans up to \$500, as discussed in Section I(K)(1) of our 2015 report.

² In addition, the Illinois payday installment loan statute, 815 Ill. Comp. Stat. § 122/2-5, allows APRs up to 435% for payday loans with terms up to 180 days, as discussed in Section I(K)(1) of our 2015 report.

³ Minnesota's short-term loan law, Minn. Stat. § 47.601, may allow APRs as high as 89% on a six-month loan, but the loan would require a contorted payment schedule.

⁴ Texas also allows a credit services organization to arrange a loan with a term of up to 180 days, and to charge an additional fee that adds considerably to the APR.

TABLE A-3
**States that Cap Full APR for Six-Month \$500 Loan
at 36% or Less: 2017**

STATE	FULL APR ALLOWED	STATE	FULL APR ALLOWED
Alaska	36%	New York	25%
Arkansas	17%	North Carolina	16%
Connecticut	36%	North Dakota	28%
District of Columbia	27%	Oregon ²	36%
Hawaii	25%	Pennsylvania	27%
Iowa	36%	Rhode Island ³	35%
Maine	30%	South Dakota	36%
Maryland	33%	Vermont	24%
Montana	36%	Virginia	36%
New Hampshire ¹	36%	Wyoming	36%
New Jersey	30%		

¹ Under N.H. Rev. Stat. Ann § 399-A:16(I), for purposes of calculating the statutory 36% APR cap, one application fee up to \$100 per year and one annual participation fee of up to \$100 are to be excluded. However, § 399-A:15(XI) bars these fees for closed-end credit, so it appears that this provision is relevant only for purposes of calculating the statutory 36% APR cap for open-end credit.

² Oregon also allows lenders to charge “other reasonable and bona fide fees, expenses or damages, subject to oversight and regulation by the Department of Consumer and Business Services.” Or. Rev. Stat. § 725.340(1)(b).

³ Rhode Island also allows “other customary and reasonable costs incident to the closing, supervision, and collection of loans in this state.” R.I. Gen. Laws § 6-26-2.