

APPENDIX B

Changes in State Lending Laws: 2017 to Mid-2022

Major changes in the states from 2017 to mid-2022 are summarized in the table below.

Table: Significant State Changes from 2017 to Mid-2022

STATE	CHANGES
California	Capped APRs for loans between \$2,500 and \$10,000 (previously there was no cap); APR for loan of \$2,600 is capped at 41%. (2019 A.B. 539)
Colorado	Capped APR for payday installment loans at 36%. (2019 Prop. 111)
Hawaii	Replaced payday loan law with law allowing larger and longer high-rate loans, e.g. 146% on six-month \$500 loan (2021 H.B. 1192)
Illinois	Capped APR for all non-bank loans at 36%, calculated using the Military Lending Act methodology. (2020 S.B. 1792)
Indiana	Increased a \$50 junk fee to \$75-\$200, depending on the size of the loan. (2020 S.B. 395)
Iowa	Increased allowable APR for \$2,000 two-year loan from 31% to 36% in 2017 by revising a state regulation. (Iowa Admin. Code r. 187-15.13)
Maine	Added strong anti-evasion provision, targeted at rent-a-bank lending. (2021 L.D. 522 (S.P. 205))
Mississippi	Extended sunset date of its "Credit Availability Act," which allows highly abusive installment lending, with interest rates of 300% on four- to 12-month loans of up to \$2,500. (2021 H.B. 1075)
New Mexico	Capped interest on installment loans at 36%, plus, for loans of \$500 or less, a fee of 5% of the loan amount. (2022 H.B. 132) In 2017 it had capped APRs for consumer loans of \$5,000 or less at 175%. (2017 H.B. 347) Formerly there was no cap.
North Dakota	Imposed a 36% APR cap on all non-bank loans in the state. (2021 S.B. 2013)
Ohio	Closed loopholes for fees that made rate caps ineffective; now caps the rate on a \$2,000, two-year loan at 37% APR, although the law still allows very high rates for loans of \$1,000 or less. (2017 Sub. H.B. 199)
Oklahoma	2021: Raised allowable interest rate from 27% to 32% on the installment loans that this report covers, and allowed non-bank lenders to add a junk fee of \$28.85 (increased to \$167.33 in 2022 under provision requiring an inflation adjustment with 1973 as the base year). (S.B. 796) 2019: Increased allowable APR for \$500 six-month loan from 108% to 204%. (S.B. 720)

STATE	CHANGES
Tennessee	Increased junk fees that non-bank lenders can charge. (2021 S.B. 344)
Virginia	Closed a loophole that payday lenders were using to evade the state's rate caps, but greatly increased the caps for non-bank installment loans. (2020 H.B. 789)
Wyoming	Repealed the distinction between "supervised loans" and other loans, thereby allowing higher interest rates to be charged on more loans, without special protections. (2021 H.B. 8)