

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

SENATE BILL 900

5 By: Senators J. Woods, L. Chesterfield, Burnett, J. English
6 By: Representative Neal
7

For An Act To Be Entitled

9 AN ACT TO AMEND AMENDMENT 89 OF THE ARKANSAS
10 CONSTITUTION CONCERNING THE INTEREST RATE LIMIT ON
11 LOAN CONTRACTS PURSUANT TO SECTION 11 OF AMENDMENT 89
12 TO THE ARKANSAS CONSTITUTION; TO DECLARE AN
13 EMERGENCY; AND FOR OTHER PURPOSES.
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Subtitle

16 TO AMEND AMENDMENT 89 OF THE ARKANSAS
17 CONSTITUTION CONCERNING THE INTEREST RATE
18 LIMIT ON LOAN CONTRACTS PURSUANT TO
19 SECTION 11 OF AMENDMENT 89 TO THE
20 ARKANSAS CONSTITUTION; AND TO DECLARE AN
21 EMERGENCY.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Amendment 89, § 3 of the Constitution of Arkansas is
28 amended to read as follows:

29 § 3. Other Loans.

30 The maximum lawful rate of interest, as defined by the General
31 Assembly, on loans or contracts not described in Sections 1 and 2 shall not
32 exceed seventeen percent (17%) per annum.
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34 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
35 General Assembly of the State of Arkansas that as a result of federal
36 preemption of state interest rate regulation, an inconsistency and



1 uncertainty exists as to interest rates allowed by federally chartered
2 lenders and nondepository private lenders; that as a result of this
3 inconsistency, a substantial population in the state is potentially
4 endangered by deceptive and misleading information regarding consumer credit
5 products; that without relief from the General Assembly, the citizens of this
6 state will suffer irreparable harm to their health and well-being; and that
7 this act is immediately necessary because it will provide the General
8 Assembly with the ability to establish appropriate regulations of credit
9 products necessary to ensure the public safety, health, and welfare of its
10 citizens. Therefore, an emergency is declared to exist, and this act being
11 immediately necessary for the preservation of the public peace, health, and
12 safety shall become effective on:

13 (1) The date of its approval by the Governor;
14 (2) If the bill is neither approved nor vetoed by the Governor,
15 the expiration of the period of time during which the Governor may veto the
16 bill; or

17 (3) If the bill is vetoed by the Governor and the veto is
18 overridden, the date the last house overrides the veto.

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