

1.1 moves to amend H.F. No. 648 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[47.602] MOTOR VEHICLE TITLE LOANS.**

1.4 Subdivision 1. **Definitions.** (a) The terms defined in this section have the meanings
1.5 given them.

1.6 (b) "Automobile dealer" means a dealer, as that term is defined in section 168.002,
1.7 subdivision 6, and a used motor vehicle dealer.

1.8 (c) "Banking institution" means a banking institution, as that term is defined in section
1.9 48.01, subdivision 2, and includes any bank, savings bank, savings association, or to any
1.10 subsidiary of any of them, that is subject to supervision by a federal regulatory agency.

1.11 (d) "Consumer loan" means a loan to a borrower which has a principal amount, or an
1.12 advance on a credit limit, of \$1,000 or less and requires a minimum payment within 60
1.13 days of loan origination or credit advance of more than 25 percent of the principal balance
1.14 or credit advance. For the purposes of this section, each new advance of money to a
1.15 borrower under a consumer loan agreement constitutes a new consumer loan.

1.16 (d) "Credit union" includes a credit union, as that term is defined under section
1.17 52.001, subdivision 4, and a federal credit union, as that term is defined under section
1.18 52.001, subdivision 7.

1.19 Subd. 2. **Requirements.** A lender who is not a pawnbroker, as that term is defined
1.20 in section 325J.01, subdivision 4, and uses a title to a motor vehicle as collateral for
1.21 making a consumer loan:

1.22 (1) must possess a valid license from the Department of Commerce as either an
1.23 industrial loan and thrift company under chapter 53 or a regulated lender under chapter 56;

1.24 (2) must comply with all provisions of section 325J.095; and

1.25 (3) may not demand or collect interest, fees, or any other charges that in the aggregate
1.26 exceed the amounts allowed to be demanded and collected under section 325J.07.

2.1 Subd. 3. **Exemptions.** This section does not apply to a banking institution, a credit
2.2 union, an automobile dealer, or any transaction conducted under chapter 53C.

2.3 **EFFECTIVE DATE.** This section is effective August 1, 2013, and applies to credit
2.4 extended on or after that date."

2.5 Amend the title accordingly