

SENATE BILL 694

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 45,  
Chapter 5, relative to industrial loan and thrift  
companies.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-5-301(2)(A)(ii), is amended by deleting the subdivision and substituting:

(ii) On loans where the amount financed is one hundred dollars (\$100) or more, on the principal at any rate not in excess of a maximum effective rate of thirty-six percent (36%) per annum;

SECTION 2. Tennessee Code Annotated, Section 45-5-301(2)(A), is amended by deleting subdivision (iii).

SECTION 3. Tennessee Code Annotated, Section 45-5-401(c)(2), is amended by deleting the subdivision and substituting:

(2) Where the amount financed is one hundred dollars (\$100) or more, at an effective rate not to exceed thirty-six percent (36%) per annum; and

SECTION 4. Tennessee Code Annotated, Section 45-5-401(c), is amended by deleting subdivision (3).

SECTION 5. Tennessee Code Annotated, Section 45-5-403(b)(1), is amended by deleting "ten percent (10%)" wherever it appears and substituting "twelve and one half percent (12.5%)".

SECTION 6. This act takes effect July 1, 2025, the public welfare requiring it, and applies to contracts or agreements entered into, amended, or renewed on or after that date.