

HOUSE BILL 908

By Garrett

AN ACT to amend Tennessee Code Annotated, Title 45
and Title 47, relative to interest on home loans.

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

SECTION 1. Tennessee Code Annotated, Section 47-15-102, is amended by deleting the section and substituting:

(a) Except as provided in subsection (b), the maximum effective rate of interest per annum for home loans shall be set at an amount equal to four (4) percentage points above the average prime offer rate, as defined in 12 CFR 1026.35, that applies to a thirty-year fixed loan, as published by the federal financial institutions examination council, or its successor federal entity.

(b) The maximum effective rate of interest per annum for home loans shall not exceed eighteen percent (18%) per annum.

SECTION 2. This act takes effect July 1, 2025, the public welfare requiring it.