

1 State of Arkansas *As Engrossed: S2/25/13 S3/5/13*

2 89th General Assembly

A Bill

3 Regular Session, 2013

SENATE BILL 177

4

5 By: Senator D. Johnson

6 By: Representatives Williams, Vines

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For An Act To Be Entitled

9 AN ACT TO MAKE TECHNICAL CORRECTIONS TO TITLE 4,
10 CONCERNING BUSINESS AND COMMERCIAL LAW, OF THE
11 ARKANSAS CODE; AND FOR OTHER PURPOSES.

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13

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Subtitle

15 TO MAKE TECHNICAL CORRECTIONS TO TITLE 4,
16 CONCERNING BUSINESS AND COMMERCIAL LAW,
17 OF THE ARKANSAS CODE.

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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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22 *SECTION 1. Arkansas Code § 4-47-107 is amended to read as follows:*

23 *4-47-107. Supplemental principles of law – Rate of interest.*

24 *~~(a) Unless displaced by particular provisions of this chapter, the~~*
25 *principles of law and equity supplement this chapter.*

26 *~~(b) If an obligation to pay interest arises under this chapter and the~~*
27 *~~rate is not specified, the rate is that specified in Arkansas Constitution~~*
28 *~~Article 19, § 13, as amended by Amendment 60.~~*

29

30 *SECTION 2. Arkansas Code § 4-57-102 is amended to incorporate*
31 *technical corrections into the usury law to reflect the current usury law to*
32 *read as follows:*

33 *4-57-102. Reservation or discounting of interest permitted.*

34 *It shall be is lawful for all parties loaning a party to loan money in*
35 *this state ~~to reserve or discount~~ by reserving or discounting interest upon*
36 *~~any~~ commercial paper, mortgages, or other securities for any period*



1 authorized by ~~any~~ a rule or regulation of the Federal Housing Administration
2 or its successor or for a period of at least thirty-six (36) months,
3 whichever is greater, at any rate of interest agreed upon by the parties, ~~the~~
4 ~~rate of interest~~ not to exceed the applicable rate of interest, if any,
5 prescribed by Arkansas Constitution, ~~Article 19, § 13~~ Amendment 89, whether
6 the papers or securities for principal or interest are payable in this state,
7 or in any other state, territory, kingdom, or country.

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9 SECTION 3. Arkansas Code § 4-57-104 is amended to incorporate
10 technical corrections into the usury law to reflect the current usury law to
11 read as follows:

12 4-57-104. Maximum rate of interest permitted.

13 The parties to ~~any~~ a contract, ~~whether the contract is under seal or~~
14 ~~not,~~ may agree in writing ~~for~~ to the payment of interest not exceeding the
15 applicable rate of interest, if any, set forth in the Arkansas Constitution,
16 ~~Article 19, § 13~~ by Amendment 89, on money due or to become *due*.

17
18 SECTION 4. Arkansas Code § 4-57-108 is repealed.

19 ~~4-57-108. Usurious consumer loans or credit sales—Award of~~
20 ~~attorney's fees.~~

21 ~~(a) Any person who prevails in circuit court in litigation alleging a~~
22 ~~consumer loan or credit sale to be willfully usurious under Arkansas~~
23 ~~Constitution, Amendment 60, shall be awarded reasonable attorney's fees.~~

24 ~~(b) This section shall be applicable to all actions pending on June~~
25 ~~28, 1985, or instituted thereafter.~~

26 ~~(c) For purposes of this section, the term "person" means any~~
27 ~~individual, partnership, corporation, financial institution, or other legal~~
28 ~~entity.~~

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30 SECTION 5. DO NOT CODIFY. The enactment and adoption of this act
31 shall not repeal, expressly or impliedly, the acts passed at the regular
32 session of the Eighty-Ninth General Assembly. All such acts shall have the
33 full force and effect and, so far as those acts intentionally vary from or
34 conflict with any provision contained in this act, those acts shall have the
35 effect of subsequent acts and as amending or repealing the appropriate parts
36 of the Arkansas Code of 1987.

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/s/D. Johnson

APPROVED: 04/11/2013