

House Judiciary March 2, 2017

HB2733

Respectfully submitted, Tim Cowan

General Comments:

(3) (a) Make a **business** or agricultural loan

(who originates the loan, such as bank, trade, share holder etc)

What type of loan?

How does the borrowers acceptance of terms. Apply?

Does this take into account how much the borrower will make?

Such as taking trade discounts. Example: lumber broker

Collateral, terms, future obligations to provide funding , credit risk.

Is the borrower vulnerable to 3rd parties

If non performing, can there be adjustments. Such as, maturity, additional

borrowings, reduced

value of collateral.

If the trade modifies terms is the impact included as interest.

Business Credit Cards. Capital One is over 20%. You may want to address Federal Law

of \$50,000 or less at an annual rate of interest exceeding the greater of 12 percent, or five percent in excess of the discount rate, including any surcharge on the discount rate, on 90-day commercial paper in effect at the Federal Reserve Bank in the Federal Reserve district where the person making the loan is located, on the date the loan or the initial advance of funds under the loan is made; or Make a loan of \$50,000 or less, except a loan made under paragraph of this subsection, at an annual rate of interest exceeding the greater of 12 percent, or five percent in excess of the discount rate on 90-day commercial paper in effect at the Federal Reserve Bank in the Federal Reserve district where the person making the loan is located, on the date the loan or the initial advance of funds under the loan is made. Any person who violates subsection (3) of this section shall forfeit the right to collect or receive any interest upon any loan for which a greater rate of interest or consideration than is permitted by subsection of this section has been charged, contracted for or received. The borrower upon such loan shall be required to repay only the principal amount borrowed. SECTION 2. The amendments to ORS 82.010 by section 1 of this 2017 Act apply