

Subject Non-Minnesota state chartered bank interest rates
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Summary

| Section | Description |
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| 1 | <p>Application.</p> <p>(b) Rejects certain amendments to federal housing, banking, credit union, and depository institution laws that set interest rates for state chartered banks that issue consumer loans in Minnesota. Requires consumer loans made in Minnesota to be subject to interest rates set by state laws.</p> <p>(c) Deems that a loan is made in Minnesota if the borrower is a Minnesota resident and the borrower completes the transaction, either personally or electronically, while located in Minnesota.</p> |
| 2 | <p>Finance charge for loans.</p> <p>Limits the interest an out-of-state financial institution can charge on open-end credit to 18 percent, or higher if that rate is allowed by the financial institution's home state.</p> |
| 3 | <p>Effective date.</p> <p>Sections 1 and 2 are effective August 1, 2024, and apply to loans executed on or after that date.</p> |