

CHAPTER 259 — H.F.No. 188

An act relating to financial institutions; increasing the maximum lawful interest rate chargeable by banks and savings banks on certain transactions; requiring disclosure of the right to prepay overdraft checking loan balances; amending Minnesota Statutes 1980, Sections 48.185, by adding a subdivision; and 48.195.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1980, Section 48.195, is amended to read:

48.195 INTEREST RATES; USURY LIMIT FOR STATE BANKS.

Notwithstanding any law to the contrary, banks and savings banks organized under the laws of this state and any national bank doing business in this state may charge on any loan or discount made or upon any note, bill or other evidence of debt, interest at a rate of not more than ~~one~~ four and one-half percent in excess of the discount rate on 90 day commercial paper in effect at the federal reserve bank located in the Ninth Federal Reserve District.

Sec. 2. Minnesota Statutes 1980, Section 48.185, is amended by adding a subdivision to read:

Subd. 3a. OVERDRAFT NOTICES. Any periodic statement evidencing an overdraft checking plan loan balance shall clearly state that all or any part of said balance may be prepaid at any time.

Sec. 3. EFFECTIVE DATE.

This act is effective the day following final enactment.

Approved May 27, 1981

CHAPTER 260 — H.F.No. 407

An act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; defining an insolvent insurer; amending Minnesota Statutes 1980, Sections 60C.03, by adding a subdivision; 60C.09, Subdivision 1; and 60C.10, Subdivision 3; repealing Minnesota Statutes 1980, Section 60C.10, Subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1980, Section 60C.03, is amended by adding a subdivision to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.