

REFERENCE TITLE: auto title loans; title; interest

State of Arizona
House of Representatives
Fifty-fifth Legislature
First Regular Session
2021

HB 2511

Introduced by
Representatives Butler: Rodriguez

AN ACT

AMENDING TITLE 44, CHAPTER 2.1, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTION 44-284; RELATING TO MOTOR VEHICLE TIME SALES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 44, chapter 2.1, article 1, Arizona Revised
3 Statutes, is amended by adding section 44-284, to read:

4 44-284. Secondary motor vehicle finance transaction; clear
5 title required; maximum finance charge

6 A. A SELLER, BAILOR, LENDER OR LESSOR MAY NOT ENTER INTO A
7 SECONDARY MOTOR VEHICLE FINANCE TRANSACTION UNLESS THE BORROWER HOLDS A
8 CLEAR TITLE TO THE MOTOR VEHICLE THAT THE BORROWER USES TO SECURE THE
9 LOAN.

10 B. THE FINANCE CHARGE ON A SECONDARY MOTOR VEHICLE FINANCE
11 TRANSACTION MAY NOT EXCEED THIRTY-SIX PERCENT. FOR THE PURPOSES OF THIS
12 SUBSECTION, "FINANCE CHARGE" INCLUDES ALL INTEREST, CHARGES FOR ANCILLARY
13 PRODUCTS THAT ARE SOLD IN CONNECTION WITH THE SECONDARY MOTOR VEHICLE
14 FINANCE TRANSACTION AND ANY OTHER CHARGES THAT ARE INCIDENTAL TO THE
15 EXTENSION OF CREDIT.