

SENATE BILL REPORT

SB 6246

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, FEBRUARY 2, 1994

Brief Description: Concerning premium finance agreements.

SPONSORS: Senators Fraser and Amondson

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Amondson, Deccio, Fraser, McAuliffe, Newhouse, Pelz, Prince, Sellar, Sutherland, Vognild and Wojahn.

Staff: Blaine Gibson (786-7375)

Hearing Dates: February 1, 1994

BACKGROUND:

Premium finance agreements allow for a delinquency charge of \$1 to 5 percent of a delinquent installment.

SUMMARY:

The delinquency charge is limited to \$5 only if the loan in default is for personal, family or household purposes.

Appropriation: none

Revenue: none

Fiscal Note: requested

TESTIMONY FOR:

The \$5 limit on delinquency charges on premium finance agreements should only apply to personal, family, and household purposes.

TESTIMONY AGAINST: None

TESTIFIED: Mal Murphy, Lane, Powell (pro); Richard Larkin, Berjac of Portland (pro)