

LEGISLATIVE BILL 339

Approved by the Governor April 24, 1995

Introduced by Landis, 46

AN ACT relating to interest rates and loans; to amend section 45-341, Reissue Revised Statutes of Nebraska; to provide for commercial and business delinquency charges; and to repeal the original section.
Be it enacted by the people of the State of Nebraska,

Section 1. Section 45-341, Reissue Revised Statutes of Nebraska, is amended to read:

45-341. An installment contract may provide and the holder thereof may collect, in addition to any time-price differential, a delinquency charge on each installment in default for a period of not less than fifteen days, if provided for in the contract, not in excess of five percent of each installment or twenty-five dollars, whichever is less, or, in lieu thereof, interest after maturity on each such installment not exceeding the highest permissible contract rate. If the time-price differential is computed by application of the rate charged to the unpaid principal balance for the number of days actually elapsed, such delinquency charge may not exceed five percent of each installment or twenty-five dollars, whichever is less. If any installment payment is made by a check, draft, or similar signed order which is not honored because of insufficient funds, no account, or any other reason except an error of a third party to the contract, the holder may charge and collect a fee of not more than fifteen dollars. The delinquency charge and such fee may be collected when due or at any time thereafter.

When an installment contract is for a commercial or business purpose (1) a delinquency charge not to exceed five percent of each unpaid installment may be contracted for and received and (2) the holder of any check or draft or similar order which is not honored for any reason, except for error of a third party, may charge and collect a fee as stated in the contract. As used in this section, commercial or business purpose means primarily for a purpose other than a personal, family, or household purpose.

Sec. 2. Original section 45-341, Reissue Revised Statutes of Nebraska, is repealed.