



STATE OF LOUISIANA
OFFICE OF FINANCIAL INSTITUTIONS
BATON ROUGE, LOUISIANA



IMPORTANT

TO: All Licensed Lenders
FROM: Michelle Jeansonne, Chief Examiner
DATE: July 24, 2025
RE: 2025 Legislation Summary

The following Legislative Summary details the key provisions of Act 510 (HB 582) of the 2025 Fiscal Legislative Session, which pertains to deferred presentment transactions and small loans subject to the Louisiana Deferred Presentment and Small Loan Act. Please review this information very carefully to determine how this legislation may impact your business operations in the future. To view Act 510 in its entirety, please visit the Louisiana Legislature's website at www.legis.la.gov

2025 LEGISLATION SUMMARY

Act 510 (HB 582) increases the amount paid to borrowers from \$350 to \$700 for deferred presentment transactions only, removes the maximum cap on both deferred presentment transactions and small loans, requires OFI to publish a new maximum outstanding principal balance based upon the Consumer Price Index on an annual basis, and prohibits lenders from reporting any negative information about its customers to any credit bureau.

The Act amends the “deferred presentment transaction” definition and increases the monetary amount paid to borrowers from \$350 to \$700. However, the Act does not amend the “small loan” definition and **the monetary amount paid to borrowers, which remains in the amount of \$350.**

The Act also removes the provision that prohibits the fee or interest from exceeding \$45 for deferred presentment and small loan transactions.

The Act requires the Office of Financial Institutions (OFI), beginning on or before September 1st of each year, to publish a new maximum outstanding principal balance permitted on its website. The new maximum outstanding principal balance calculation is based upon the July issue of the

United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers from the previous calendar year.

The Act prohibits a licensee from reporting negative information about its customers to any credit bureau or credit reporting service.

The Act will become effective on August 1, 2025.

For more information regarding this legislation and how it may affect your business operations, please contact Chief Examiner Michelle Jeansonne at (225) 922-2596 or Deputy Chief Examiner Donald Fontenot at (225) 925-7762. These highlights of Act 510 are intended for informational purposes only and should not be considered an official interpretation and/or opinion of the OFI.