



## Fiscal Impact Statement for Proposed Legislation

*Virginia State Corporation Commission*

**Published:** January 25, 2026

### Senate Bill 478

**Version:** Introduced

**Patron:** Marsden

**Title:** Financial institutions; loans and legal rate of interest.

**Summary:** Provides that for the purposes of provisions governing usury and the legal rate of interest, "making," when used in reference to a loan, means advancing, offering to advance, or making a commitment to advance funds to a borrower for a loan. The bill provides that the prohibition against a contract for the payment of interest on a loan at a rate that exceeds 12 percent per year applies to any person who seeks to evade its application by any device, subterfuge, or pretense whatsoever, including (i) making loans disguised as personal property sale and leaseback transactions; (ii) disguising loan proceeds as a cash rebate for the pretextual installment sale of goods or services; and (iii) making, offering, assisting, or arranging a debtor to obtain a loan with a greater rate of interest, consideration, or charge than permitted through any method, including mail, telephone, internet, or any electronic means, regardless of whether the person has a physical location in the Commonwealth.

**Effective Date(s):** July 1, 2026

**Amendment Necessary:** ☐ Budget, Item ###  
☐ Technical, see *Technical Note* below  
☒ None

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#### *Fiscal Summary*

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The State Corporation Commission does not anticipate a fiscal impact.

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#### *Fiscal Analysis*

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#### **Revenue**

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None.

#### **Expenditures**

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None.

#### **Change in FTE**

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None.

**Other Comments**

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None.

**Technical Note**

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None.