



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

Fiscal Summary

The State Corporation Commission does not anticipate a fiscal impact.

Fiscal Analysis

Revenue

None.

Expenditures

None.

Change in FTE

None.

Other Comments

None.

Technical Note

None.