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AUG 10 2015

S.D. SEC. OF STATE

MARTY J. JACKLEY
ATTORNEY GENERAL

CHARLES D. McGUIGAN
CHIEF DEPUTY ATTORNEY GENERAL

HAND DELIVERED

August 10, 2015

Hon. Shantel Krebs
Secretary of State
500 E. Capitol
Pierre, SD 57501

Re: **Attorney General's Statement—Amendment limiting the ability to set statutory interest rates for loans**

Dear Secretary Krebs,

This Office received an initiated constitutional amendment limiting the ability to set statutory interest rates for loans. The sponsor is Lisa Furlong. Enclosed is a copy of the constitutional amendment, in final form, that was submitted to this Office. In accordance with SDCL 12-13-25.1, I hereby submit the Attorney General's Statement with respect to this amendment.

By copy of this letter, I am providing a copy of the Attorney General's Statement to the sponsor pursuant to SDCL 12-13-25.1.

Very truly yours,

Marty J. Jackley
ATTORNEY GENERAL

MJJ/PA/lde
Enc.

Filed this 10th day of
August 2015

SECRETARY OF STATE

cc w/enc.: Lisa Furlong
Jason Hancock, Director of LRC

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CONSTITUTIONAL AMENDMENT
ATTORNEY GENERAL'S STATEMENT

Title: An initiated amendment to the South Dakota Constitution limiting the ability to set statutory interest rates for loans

Explanation:

Under this constitutional amendment, there is no limit on the amount of interest a lender may charge for a loan of money if the interest rate is agreed to in writing by the borrower. If there is no written agreement, however, a lender may not charge more than 18% interest per year. A law setting an interest rate for loans is not valid unless the law gives the lender and borrower the ability to agree to a different rate. If an interest rate for loans is established by law, it must apply to every type of lender.

The amendment eliminates the ability to set statutory interest rates that are inconsistent with this amendment.

Filed this 10th day of
August 2015
Shantel Krebs
SECRETARY OF STATE