April 5, 2011

ENGROSSED
SENATE BILL No. 59

DIGEST OF SB 59 (Updated March 31, 2011 4:55 pm - DI 101)

Citations Affected: IC 26-2.

Synopsis: Credit agreements. Specifies that for purposes of the law governing credit agreements, a credit agreement includes an agreement to: (1) amend or modify a credit agreement; (2) enter into a new credit agreement; (3) forbear from exercising rights under a credit agreement; or (4) grant an extension under a credit agreement. Makes a technical correction. Repeals a provision made unnecessary by expanding the definition of "credit agreement".

Effective: July 1, 2011.

Holdman, Paul, Grooms, Taylor
(HOUSE SPONSORS — SPEEDY, PRYOR)

January 5, 2011, read first time and referred to Committee on Insurance and Financial Institutions.
January 31, 2011, reported favorably — Do Pass.
February 7, 2011, read second time, ordered engrossed.
February 8, 2011, engrossed. Read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

March 28, 2011, read first time and referred to Committee on Financial Institutions.
April 4, 2011, reported — Do Pass.

C o p y

April 5, 2011

First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

C o p y

ENGROSSED
SENATE BILL No. 59

A BILL FOR AN ACT to amend the Indiana Code concerning commercial law.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 26-2-9-1, AS AMENDED BY P.L.57-2006, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) As used in this chapter, "credit agreement" means an agreement to:

(1) lend or forbear repayment of money, goods, or things in action;

(2) otherwise extend credit; or

(3) make any other financial accommodation.

(b) The term includes an agreement to:

(1) amend or modify an agreement;

(2) enter into a new agreement;

(3) forbear from exercising rights under an agreement; or

(4) grant an extension under an agreement;

described in subsection (a).

SECTION 2. IC 26-2-9-4, AS AMENDED BY P.L.57-2006, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) A debtor may assert:

(1) a claim for legal or equitable relief; or

(2) a defense ~~in~~ **to** a claim;

arising from a credit agreement only if the credit agreement at issue satisfies the requirements set forth in subsection (b).

(b) A debtor may assert a claim or defense under subsection (a) only if the credit agreement at issue:

(1) is in writing;

(2) sets forth all material terms and conditions of the credit agreement, including the loan amount, rate of interest, duration, and security; and

(3) is signed by the creditor and the debtor.

SECTION 3. IC 26-2-9-5 IS REPEALED [EFFECTIVE JULY 1, 2011].

C o p y

COMMITTEE REPORT

Madam President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 59, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 59 as introduced.)

PAUL, Chairperson

Committee Vote: Yeas 7, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred Senate Bill 59, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BURTON, Chair

Committee Vote: yeas 6, nays 2.

C o p y