## HOUSE 日TLL NO. 63

## INTRODUCED BY FABREGA

IN THE ROUSE

| January 3, 1983 | Introduced and referred to Committee on Business and Industry. |
| :---: | :---: |
| January 13, 1983 | Compittee recommend bill do pass. Report adopted. |
|  | Bill printed nan placed on members' desks. |
| January 14, 1983 | Second reading, do pass. |
| January 15, 1983 | Considered correctly engrossed. |
| January 17, 1983 | Thira reading, passed. Transmitted to Benate. |
|  | IN THE SRNATE |
| January 18, 1983 | Introduced and referred to Comittee on Business and Industry. |
| January 29, 1983 | Comittee recommend bill be concurred in. Report adoptad. |
| Pabruary 1. 1983 | second reading, concurred in as amended. |
| February 3. 1983 | Third raading, concurrad in. Ayes, 47; Noes, 3. |

## IN THE HOUSS

Pebruary 3. 1983

February 7. 1983

Pebruary 8, 1983

Returned to House with amendments.

Second reading, amendments concurred in.

Third reading, ammaments concurred in. sent to enrolling.

Reported correctiy enrolled.

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            HOUSE BILL NO. -63
INTRODUCED BY FABREGA
A bILL FOR AN ACT ENTITLED: maN ACT REMOVING THE PROYISION
MAKING THE ELIMINATION DF USURY LIMITS UNDER THE MONTANA
RETAIL INSTALLMENT SALES ACT TEMPORARY; PROVIDING
ALTERNATIVE METHODS FOR COMPUTING THE FINANCE CHARGE;
providing for a minImum finance Charge; amending section 5.
CHAPTER 276, LAWS OF 1981, ANO SECTION 31-1-241, MCA;
REPEALING SECTION 2, CHAPTER 276* LAWS OF 1981; AND
PROVIDING AN IMMEDIATE EFFECTIVE DATE.*
be It enacted by the legislature of the state of momtana=
    Section 1. Section 5, Chapter 276, Laws of 1981. is
amended to read:
    msection 5. Effective date ---terminetton. tt) This
acty-exeept--as-provided--in-subsectfon-zy is effective on
passage and approval and-term+netes-on-futy-tv-:983.
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    NEH SECIIOMe Section 2. Repealer. Section 2. Chapter
276, Laws of 1981, is repealed.
    Section 3. Section 31-1-241, MCA% is amended to read:
    -31-1-241. Finance charge limitatione (1)
    Notwithstanding the provisions of any other law, the finance
charge included in a retail installment contract shall be at
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a rate agreed upon by the retail seller and the buyer.
(2) Notwithstanding the provisions of any other law. the finance charge included in a retail charge account agreement shall be at a rate agreed upon by the retail seller and the buyer. The finance charge shall be computed from month to month (which need not be a calendar month) or other regular dilling cycle period by usinge
(a) the ending balance of the account as of the last day of the billing cycle less the amount of purchases charged to the account during that bllling cyclemi
(b) the ayerage daily balance In the account in the billing cycle periodi or
(f) the median amounte within a s 50 raggen within which the average daily malance or hegimning halance fallse proyided the seller apolies the same rate of finance charge to all balances, within the range.
tat(3) A seller may change the terms of a revolving charge account whether or not the change is authorized by prior agreement. The seller shall give the buyer written notice of any change in the two billing cycles prior to the effective date of the change.
totl4l If the retail seller increases his finance charge on a retail charge account agreement, then such increased rate may only be applied to the balance consisting of purchases on other charges incurred on or after the INTRODUCED BILL

1 effective date of the increase.
(et (5) For purposes of determining the balance to which the increased rate appliesp all payments may be considered to be applied to the balance existing prior to the change in rate until that balance is paid in full. 16) If the finance charge determined pursuant to subsection (2) for a monthly period is less than 50 centse a
naximu finance_charge not in excess of 50 cents may be
charoed and collected for such perioda"
NEL SEFTIRA, Section 4. Effective date. This act is
effective on passage and approval.


## a rate agreed upon by the retail sellec and the buyer.

(2) Notwithstanding the provisions of any other law. the flnance charge included in a retail charge account agreement shall be at a rate agreed upon by the retail seller. and the buyer. The finance charge shall be computed from wonth to month (which need not be a calendar month) or other regular billing cycle period by usinge

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(b) the ayerage dally balance Io the arcount in: the billing cyclataciodt ox
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tati3) A seller may change the terms of a revolving charge account whether or not the change is authorized by prior agreement. The seller shall give the buyer written notice of any change in the two billing cycles prior to the effective date of the change.
fbl(4) If the retail seller increases his finance charge on a retall charge account agreement, then such increased rate may only be applied to the balance consisting of purchases on other charges incurred on or after the

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            sILL NO. . 63
    INFROOUCED BY FABREGA
A BILL FOR AN ACT ENTITLED: maN ACT REMOVING THE PROVISION
MAKING THE ELIMIMATION DF USURY LIMITS UNDER THE MONTANA
RETAIL $\therefore$ INSTALEAEMT SALES ACT TEMPORAKY: PROVIDINE
ALTERNATIVE METHOOS FOR COMPUTING THE FINANCE CHARGE;
PROYIOING FDR A MINIMAM FINANCE CHARGE: AMEMOING SECTION 5.
CHAPTER 276, LAWS OF 1981, AND SECTION 31-1-241\% MCA:
REPEALIMG SECTION 2* CHAPTER 276, LAWS OF 1981: AND
PROVIDING AN IMAEDIATE EFFECTIYE DATE**
be it enacteo by the legislature of the state of momtaha:
Section 1. Section 5, Chapter 276, Laws of 1981y is
amended to read:
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passage and approval and-terminates-on-duly-t- $\mathbf{v}^{2} 93$.

NEM SECTIDA, Section 2. Repealer. Section 2, Chapter
276, Laws of 1981, is repealed.
Section 3. Section 31-1-24i, MCA, is amended to read:
-31-1-241. Finance charge limitation.
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tetili A seljer may change the terms of a revolving charge account whether or not the change is authorized by prior agreement. The seller shall give the buyer written notice of any change in the tiwo billing cycles prior to the effective date of the change.
tot 41 If the retall seller increases his finance charge on a retail charge account agreementy then such increased rate may only be applied to the balance consisting of purchases on other charges. incurred on or after the THIRD READI!G

effective date of the increase.

    tet15 For purposes of determining the balance to
    which the increased rate applies, all payments may be
considered to be applied to the balance existing prior to
the change in rate until that balance is paid in full.
I6) If the fintocel charge deterninad purruant to
subecticn 121 for a monthly paried is less than 50 centsea

chargad_and_collected_lac_such pariodi="
MEM SECITO*R Section 4. Effective date. This act is
effective on paskage and approval.
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Senate Amendments to House Bill No. 63, second reading copy, as follows:

1. Page 2, line 7. Following: "using" Strike: ": "
2. Page 2, line 8. Strike: "(a)"
3. Page 2, line 10. Following: "cycle" Strike: ":"
4. Page 2, line 11.

Strike: subsections (b) and (c) in their entirety.

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HOUSE BILL NO. }6
INTRODUCED BY FABREGA
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maKING THE ELIMImATION DF USURY LIMITS UNDER THE MONTANA
RETAIL INSTALLMENT SALES ACT TEMPORARY; PROVIDING
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PROVIDING FOR A MINIMUM FIMANCE CHARGE; AMENOING SECTION 5*
CHAPTER 2T6, LAHS OF 1981, ANO SECTION 31-1-241, HCA;
REPEALING SECTIOM 2, CMAPTER 276, LAWS OF 1981; AND
PROVIDIMG AN IMMEDIATE EFFECTIVE OATE."
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF mONTANA:
    Section 1. Section 5, Chapter 276, Laws of 1981. Is
amended to read:
    -Section 5. Effective date m--terminatione ttt This
acty-ereept-as--provided--in-subsect+on-zy is effective on
passage and approval end-terminetes-on-duzy-tv-$903.
    \Zt--Sect+on-{-is-Effect+ve-duky-\%-$903**
    MEH_SECIION& Section 2. Repealer. Section 2, Chapter
276. Laws of 1981, is repealed.
    Section 3. Section 31-1-241. mCA, is amended to read:
    m31-1-241. Finance charge limitation. (1)
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[^0]-End-


[^0]:    effective date of the increase.
    tet454 For purposes of determining the balance to which the increased rate appliesp all payments may be considered to be applied to the balance existing prior to the change in rate until that balance is paid in full.

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    MEM SECTHOAE Section te Effective date. This act is effective on passage and approval.

