

SENATE BILL 155

Introduced by Jacobson, et al.

1/14	Introduced
1/14	Referred to Business & Industry
1/14	First Reading
1/21	Hearing
1/21	Tabled in Committee

Senate BILL NO. 155  
INTRODUCED BY Frank J. Brown 2nd  
A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING CREDIT  
CARD SOLICITATION DISCLOSURE REQUIREMENTS."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1.** Disclosure requirements for credit cards -- compliance with federal law -- penalty. (1) This section applies to any application, solicitation of an application, offer of credit, or communication extending credit that is:

(a) for an open-end credit plan accessed through a credit card or a revolving credit loan accessed through a credit card;

(b) printed; and

(c) mailed or otherwise delivered to a person at any address within this state or advertised on any college or university campus in this state.

(2) This section does not apply to any application, solicitation of an application, offer of credit, or communication extending credit that:

(a) is delivered pursuant to an existing credit agreement; or

(b) is printed in a newspaper, magazine, or periodical

generally circulated outside as well as inside this state.

(3) The following disclosures must be clearly and conspicuously made in boldface type of a minimum size of 10 points and must be prominently set apart from the remaining portions of the credit card application or other written material by the use of margins, enclosures, underlining, contrasting colors, or similar methods on all documents described in subsection (1):

(a) the annual percentage rate or, if the rate may vary, a statement that it may vary, the circumstances under which the rate may increase, any limitations on the increase, and the effect of an increase on the other terms of the agreement;

(b) the date or occasion upon which the finance charge begins to accrue on a transaction and the duration of any grace period;

(c) whether an annual fee is charged and the amount of the fee; and

(d) any delinquency charge, late charge, or collection charge that may be assessed for the late payment of any installment, including the terms and conditions for the imposition of the charge.

(4) If a creditor, subsequent to the enactment of this section, is or becomes subject to federal law that requires disclosure of the terms required in subsection (3),

1 compliance by the creditor with the federal law is  
2 considered compliance with the requirements of subsection  
3 (3).

4 (5) A person who violates the provisions of this  
5 section is subject to a civil fine of not more than \$100 for  
6 the first violation and not more than \$250 for all  
7 subsequent violations.

8 NEW SECTION. **Section 2.** Codification instruction.  
9 [Section 1] is intended to be codified as an integral part  
10 of Title 31, chapter 1, and the provisions of Title 31,  
11 chapter 1, apply to [section 1].

-End-