

1 S.216

2 Introduced by Senator McCormack

3 Referred to Committee on

4 Date:

5 Subject: Banking and insurance; powers of financial institutions; credit cards

6 Statement of purpose: This bill proposes to require credit card companies to

7 disclose information regarding credit card interest rates, fees, and payments.

8 An act relating to credit card disclosures

9 It is hereby enacted by the General Assembly of the State of Vermont:

10 Sec. 1. 8 V.S.A. § 14303 is amended to read:

11 § 14303. BANK CREDIT CARDS

12 * * *

13 (c) Statements of account. Issuers of bank credit cards shall promptly
14 furnish a statement of each cardholder's account as of the end of each monthly
15 period (which need not be a calendar month) in which there is any unpaid
16 balance thereunder, which statement shall include the following information,
17 not necessarily in the order stated:

18 (1) The unpaid balance of the account at the beginning of the period;

19 (2) The amount of cash advances, if any, during the period;

1 Sec. 2. 8 V.S.A. § 14305 is added to read:

2 § 14305. CREDIT CARD SOLICITATION; DISCLOSURE

3 REQUIREMENTS

4 Every solicitation for the issuance of a credit card shall disclose clearly and
5 conspicuously the following information concerning the credit card account:

6 (1) The annual percentage rate or rates applicable to the credit card
7 account. If the rate or rates are variable, the solicitation shall disclose that fact
8 and shall further disclose either the rate or rates on a specified date or the index
9 from which the rate or rates are determined.

10 (2) Any minimum, fixed, transaction, activity, or similar charge that
11 could be imposed in connection with any use of the credit card.

12 (3) Any annual or periodic membership or participation fee that may be
13 imposed for the availability, issuance, or renewal of the credit card.

14 (4) Whether any time period is provided within which any credit
15 extended through the use of the credit card may be repaid without incurring a
16 finance charge, and a description of any such time period.