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**THE STATE SENATE**  
**Tuesday, February 23, 1999**

**Senate Bill No. 23**  
**As Amended**

SENATE BILL NO. 23 - By: MILACEK, TAYLOR and JOHNSON of the Senate and REESE of the House.

An Act relating to consumer credit; prohibiting lender, seller or other credit issuer from issuing, providing, assigning or delivering credit card account to persons under twenty-one (21) years of age without certain approval; requiring provision of certain notice; providing for form thereof; specifying circumstances in which provisions not applicable; prohibiting collection of debt incurred in violation of law; prohibiting institutions within The Oklahoma State System of Higher Education from entering into agreement for merchandising of credit cards through institution to enrolled students thereof; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-111 of Title 14A, unless there is created a duplication in numbering, reads as follows:

A. No lender, seller or other credit issuer shall issue, provide, assign or deliver in any way a credit card account to and in the name of any person under twenty-one (21) years of age without the express written approval of such person's parent or legal guardian.

B. Upon delivery of a credit card or upon otherwise opening of an account to and in the name of any person under twenty-one (21)

1 years of age, the lender, seller or other credit issuer shall  
2 provide to such person a written notice, on a form approved by the  
3 Commission on Consumer Credit, which details the responsible use of  
4 a credit card, an explanation of applicable credit limits and fees,  
5 payment and interest requirements and the penalties for the misuse  
6 and fraudulent use of a credit card.

7 C. The provisions of this section shall not apply:

8 1. If a person over twenty-one (21) years of age agrees in  
9 writing to be a joint holder of a credit card account with a person  
10 under the age of twenty-one (21) years of age and accepts the  
11 responsibility for any debt or cost associated with the credit card;

12 2. To a supplementary card issued to a person under twenty-one  
13 (21) years of age that allows that person to access a credit card  
14 account in the name of a person over twenty-one (21) years of age if  
15 the person over twenty-one (21) years of age requested in writing  
16 that the supplementary card be issued to the person under the age of  
17 twenty-one (21) years; **or**

18 3. **To a person under twenty-one (21) years of age who is**  
19 **financially independent. A person shall be deemed to be financially**  
20 **independent for purposes of this section if the lender, seller or**  
21 **other credit issuer can demonstrate that the person is not shown as**  
22 **a dependent on another person's income tax return and that the**

1 **person has filed his or her own individual income tax return for the**  
2 **most recent tax year.**

3 D. A lender, seller or other credit issuer which issues,  
4 provides, assigns or delivers in any way a credit card account in  
5 violation of the provisions of this section may not collect any debt  
6 incurred by a person under twenty-one (21) years of age through the  
7 use of such credit card from such person or the parent or legal  
8 guardian of such person, unless such credit card was obtained  
9 fraudulently by the account holder.

10 SECTION 2. NEW LAW A new section of law to be codified  
11 in the Oklahoma Statutes as Section 1-112 of Title 14A, unless there  
12 is created a duplication in numbering, reads as follows:

13 No institution within The Oklahoma State System of Higher  
14 Education shall be authorized to enter into any agreement for the  
15 merchandising of credit cards through such institution to any  
16 enrolled student thereof who is under twenty-one (21) years of age.

17 SECTION 3. This act shall become effective November 1, 1999.

18 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-16-99 - DO PASS,  
19 As Amended and Coauthored.