

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 HOUSE BILL 2905

By: Brown

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6 AS INTRODUCED

7 An Act relating to the Consumer Credit Code; enacting
8 the Credit Card Protection Act; prohibiting raising a
9 cardholder's interest rate in certain cases;
10 proscribing the use of universal default clauses;
11 setting a maximum penalty for late payments;
12 disallowing contact of cardholders who are
13 represented by legal counsel; requiring written
14 notice when credit terms modified; providing for
15 codification; and providing an effective date.

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

17 SECTION 1. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 2-350 of Title 14A, unless there
19 is created a duplication in numbering, reads as follows:

20 This act shall be known and may be cited as the "Credit Card
21 Protection Act". This act applies to credit card accounts under a
22 revolving charge plan as defined in Section 2-108 of Title 14A.

23 SECTION 2. NEW LAW A new section of law to be codified
24 in the Oklahoma Statutes as Section 2-351 of Title 14A, unless there
is created a duplication in numbering, reads as follows:

1 A credit card company shall not increase the rate of interest
2 of an existing cardholder's account solely based on a decrease in
3 the cardholder's credit score.

4 SECTION 3. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 2-353 of Title 14A, unless there
6 is created a duplication in numbering, reads as follows:

7 A. A credit card company shall not increase the rate of
8 interest or impose a fee or penalty for a cardholder who has made
9 timely payments and in the minimum amounts required, based on the
10 cardholder's indebtedness or failure to make timely payments to
11 another creditor.

12 B. Credit card companies shall be prohibited from including
13 universal default clauses in a credit card agreement with a
14 cardholder. A "universal default clause" means a clause that allows
15 a credit card company to raise a cardholder's rate of interest when
16 the cardholder makes a late payment to another creditor or exceeds
17 the credit limit set by another creditor.

18 SECTION 4. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 2-354 of Title 14A, unless there
20 is created a duplication in numbering, reads as follows:

21 A. A credit card company shall assess a penalty of no more than
22 thirty dollars (\$30.00) per payment cycle when a cardholder makes a
23 late payment.

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1 B. If a cardholder makes a payment for less than the minimum
2 amount due, the credit card company shall asses a penalty which is
3 the lesser of thirty dollars (\$30.00) or the difference in the
4 minimum amount due and the amount the cardholder actually paid.

5 SECTION 5. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 2-355 of Title 14A, unless there
7 is created a duplication in numbering, reads as follows:

8 Credit card companies shall not contact a cardholder who is
9 disputing a debt or late fee and has retained legal counsel.

10 SECTION 6. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 2-356 of Title 14A, unless there
12 is created a duplication in numbering, reads as follows:

13 Credit card companies shall give cardholders written notice
14 within thirty (30) days of modifying any term in the cardholder's
15 credit agreement.

16 SECTION 7. This act shall become effective November 1, 2010.

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