

**ACT 206**

**H.B. NO. 1931**

**A Bill for an Act Relating to Credit Cards.**

*Be It Enacted by the Legislature of the State of Hawaii:*

**SECTION 1.** Section<sup>1</sup> 478, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**“§478- Credit cards.** With regard to every credit card issuer wherever located and a customer who is a resident of this State and who is given

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the opportunity to enter into a credit card plan, every solicitation and application for the credit card plan shall set forth all of the following:

- (1) Annual percentage rate, or if the rate may vary, a statement that it may do so and the circumstances under which it may increase and the effects of the increase;
- (2) The date or occasion upon which the finance charge begins to accrue;
- (3) Whether any annual fee is charged and the amount of the fee;
- (4) Any minimum, fixed, transaction, activity or similar charge that could be imposed; and
- (5) That charges incurred by the use of a charge card are due and payable upon receipt of a periodic statement of charges if applicable. For purposes of this paragraph, the term "charge card" means any card, plate or other device pursuant to which the charge card issuer extends credit which is not subject to a finance charge and where the charge cardholder cannot automatically access credit that is repayable in installments."

SECTION 2. New statutory material is underscored.<sup>2</sup>

SECTION 3. This Act shall take effect on January 1, 1988.

(Approved June 6, 1987.)

### Notes

1. So in original.
2. Edited pursuant to HRS §23G-16.5.