
HOUSE BILL 1430

State of Washington 56th Legislature 1999 Regular Session

By Representatives Sullivan, Lantz, Dunshee and Pennington

Read first time . Referred to Committee on .

1 AN ACT Relating to credit card late fees; and creating a new
2 section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** (1) The legislature finds that the use of
5 credit cards is an important tool for consumers in today's economy.
6 The legislature also finds that credit card companies are in a superior
7 bargaining position when marketing credit cards to Washington
8 consumers. The imposition of monthly late fees, in addition to
9 collecting interest, concerns the legislature as possibly excessive
10 profits at the expense of Washington consumers, particularly when there
11 is little or no grace period before the late fee is assessed.

12 (2) A credit card company may not impose a late fee on the credit
13 card of a Washington consumer when the monthly payment is mailed on or
14 before the payment due date as shown by the post office cancellation
15 mark stamped on the envelope.

16 (3) As used in this section:

17 (a) "Credit card company" means a state or federally chartered
18 bank, trust company, savings bank, or credit union, or other entity,

1 located in or outside Washington state, that issues credit cards to
2 Washington residents or services these credit cards.

3 (b) "Credit card" means a card or device existing for the purpose
4 of obtaining money, property, labor, or services on credit.

5 (4) Credit card companies shall disclose to Washington consumers
6 subsection (2) of this section consistent with federal law.

7 NEW SECTION. **Sec. 2.** If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected.

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