

HB 1270 - S AMD
By Senator Berkey

OUT OF ORDER 04/12/2007

1 On page 2, after line 29, insert the following:

2 NEW SECTION. **Sec. 2.** A new section is added to chapter 30.04 RCW
3 to read as follows:

4 (1) A creditor, as defined in 10 U.S.C. Sec. 987(i)(5) as it exists
5 on April 1, 2007 may consider whether any person is a covered member or
6 dependent, as defined in 10 U.S.C. Sec. 987(i)(1) and (2) as each
7 exists on April 1, 2007, in connection with an application for or an
8 extension of consumer credit, as defined in 10 U.S.C. Sec. 987(i)(6) as
9 it exists on April 1, 2007.

10 (2) Notwithstanding any other provision of law, it shall not be an
11 unfair practice or a denial of civil rights for a creditor, as defined
12 in 10 U.S.C. Sec. 987(i)(5) as it exists on April 1, 2007, to refuse to
13 offer, to deny, to offer different terms and conditions, or to
14 otherwise place restrictions upon an extension of consumer credit, as
15 defined in 10 U.S.C. Sec. 987(i)(6) as it exists on April 1, 2007,
16 offered to or entered into with a covered member or dependent because
17 such person is a covered member or dependent, as defined in 10 U.S.C.
18 Sec. 987(i)(1) and (2) as each exists on April 1, 2007. Nothing in
19 this subsection permits any such creditor to refuse to offer, to deny,
20 to offer different terms and conditions, or to otherwise place
21 restrictions upon an extension of consumer credit, to a covered member
22 or dependent, based upon status protected by chapter 49.60 RCW other
23 than the honorably discharged veteran or military status of the covered
24 member or dependent.

25 NEW SECTION. **Sec. 3.** A new section is added to chapter 31.04 RCW
26 to read as follows:

27 (1) A creditor, as defined in 10 U.S.C. Sec. 987(i)(5) as it exists
28 on April 1, 2007 may consider whether any person is a covered member or
29 dependent, as defined in 10 U.S.C. Sec. 987(i)(1) and (2) as each

1 exists on April 1, 2007, in connection with an application for or an
2 extension of consumer credit, as defined in 10 U.S.C. Sec. 987(i)(6) as
3 it exists on April 1, 2007.

4 (2) Notwithstanding any other provision of law, it shall not be an
5 unfair practice or a denial of civil rights for a creditor, as defined
6 in 10 U.S.C. Sec. 987(i)(5) as it exists on April 1, 2007, to refuse to
7 offer, to deny, to offer different terms and conditions, or to
8 otherwise place restrictions upon an extension of consumer credit, as
9 defined in 10 U.S.C. Sec. 987(i)(6) as it exists on April 1, 2007,
10 offered to or entered into with a covered member or dependent because
11 such person is a covered member or dependent, as defined in 10 U.S.C.
12 Sec. 987(i)(1) and (2) as each exists on April 1, 2007. Nothing in
13 this subsection permits any such creditor to refuse to offer, to deny,
14 to offer different terms and conditions, or to otherwise place
15 restrictions upon an extension of consumer credit, to a covered member
16 or dependent, based upon status protected by chapter 49.60 RCW other
17 than the honorably discharged veteran or military status of the covered
18 member or dependent.

19 NEW SECTION. **Sec. 4.** A new section is added to chapter 31.12 RCW
20 to read as follows:

21 (1) A creditor, as defined in 10 U.S.C. Sec. 987(i)(5) as it exists
22 on April 1, 2007 may consider whether any person is a covered member or
23 dependent, as defined in 10 U.S.C. Sec. 987(i)(1) and (2) as each
24 exists on April 1, 2007, in connection with an application for or an
25 extension of consumer credit, as defined in 10 U.S.C. Sec. 987(i)(6) as
26 it exists on April 1, 2007.

27 (2) Notwithstanding any other provision of law, it shall not be an
28 unfair practice or a denial of civil rights for a creditor, as defined
29 in 10 U.S.C. Sec. 987(i)(5) as it exists on April 1, 2007, to refuse to
30 offer, to deny, to offer different terms and conditions, or to
31 otherwise place restrictions upon an extension of consumer credit, as
32 defined in 10 U.S.C. Sec. 987(i)(6) as it exists on April 1, 2007,
33 offered to or entered into with a covered member or dependent because
34 such person is a covered member or dependent, as defined in 10 U.S.C.
35 Sec. 987(i)(1) and (2) as each exists on April 1, 2007. Nothing in
36 this subsection permits any such creditor to refuse to offer, to deny,
37 to offer different terms and conditions, or to otherwise place

1 restrictions upon an extension of consumer credit, to a covered member
2 or dependent, based upon status protected by chapter 49.60 RCW other
3 than the honorably discharged veteran or military status of the covered
4 member or dependent.

5 NEW SECTION. **Sec. 5.** A new section is added to chapter 31.45 RCW
6 to read as follows:

7 (1) A creditor, as defined in 10 U.S.C. Sec. 987(i)(5) as it exists
8 on April 1, 2007 may consider whether any person is a covered member or
9 dependent, as defined in 10 U.S.C. Sec. 987(i)(1) and (2) as each
10 exists on April 1, 2007, in connection with an application for or an
11 extension of consumer credit, as defined in 10 U.S.C. Sec. 987(i)(6) as
12 it exists on April 1, 2007.

13 (2) Notwithstanding any other provision of law, it shall not be an
14 unfair practice or a denial of civil rights for a creditor, as defined
15 in 10 U.S.C. Sec. 987(i)(5) as it exists on April 1, 2007, to refuse to
16 offer, to deny, to offer different terms and conditions, or to
17 otherwise place restrictions upon an extension of consumer credit, as
18 defined in 10 U.S.C. Sec. 987(i)(6) as it exists on April 1, 2007,
19 offered to or entered into with a covered member or dependent because
20 such person is a covered member or dependent, as defined in 10 U.S.C.
21 Sec. 987(i)(1) and (2) as each exists on April 1, 2007. Nothing in
22 this subsection permits any such creditor to refuse to offer, to deny,
23 to offer different terms and conditions, or to otherwise place
24 restrictions upon an extension of consumer credit, to a covered member
25 or dependent, based upon status protected by chapter 49.60 RCW other
26 than the honorably discharged veteran or military status of the covered
27 member or dependent.

28 NEW SECTION. **Sec. 6.** A new section is added to chapter 32.08 RCW
29 to read as follows:

30 (1) A creditor, as defined in 10 U.S.C. Sec. 987(i)(5) as it exists
31 on April 1, 2007 may consider whether any person is a covered member or
32 dependent, as defined in 10 U.S.C. Sec. 987(i)(1) and (2) as each
33 exists on April 1, 2007, in connection with an application for or an
34 extension of consumer credit, as defined in 10 U.S.C. Sec. 987(i)(6) as
35 it exists on April 1, 2007.

1 (2) Notwithstanding any other provision of law, it shall not be an
2 unfair practice or a denial of civil rights for a creditor, as defined
3 in 10 U.S.C. Sec. 987(i)(5) as it exists on April 1, 2007, to refuse to
4 offer, to deny, to offer different terms and conditions, or to
5 otherwise place restrictions upon an extension of consumer credit, as
6 defined in 10 U.S.C. Sec. 987(i)(6) as it exists on April 1, 2007,
7 offered to or entered into with a covered member or dependent because
8 such person is a covered member or dependent, as defined in 10 U.S.C.
9 Sec. 987(i)(1) and (2) as each exists on April 1, 2007. Nothing in
10 this subsection permits any such creditor to refuse to offer, to deny,
11 to offer different terms and conditions, or to otherwise place
12 restrictions upon an extension of consumer credit, to a covered member
13 or dependent, based upon status protected by chapter 49.60 RCW other
14 than the honorably discharged veteran or military status of the covered
15 member or dependent.

16 NEW SECTION. **Sec. 7.** A new section is added to chapter 33.12 RCW
17 to read as follows:

18 (1) A creditor, as defined in 10 U.S.C. Sec. 987(i)(5) as it exists
19 on April 1, 2007 may consider whether any person is a covered member or
20 dependent, as defined in 10 U.S.C. Sec. 987(i)(1) and (2) as each
21 exists on April 1, 2007, in connection with an application for or an
22 extension of consumer credit, as defined in 10 U.S.C. Sec. 987(i)(6) as
23 it exists on April 1, 2007.

24 (2) Notwithstanding any other provision of law, it shall not be an
25 unfair practice or a denial of civil rights for a creditor, as defined
26 in 10 U.S.C. Sec. 987(i)(5) as it exists on April 1, 2007, to refuse to
27 offer, to deny, to offer different terms and conditions, or to
28 otherwise place restrictions upon an extension of consumer credit, as
29 defined in 10 U.S.C. Sec. 987(i)(6) as it exists on April 1, 2007,
30 offered to or entered into with a covered member or dependent because
31 such person is a covered member or dependent, as defined in 10 U.S.C.
32 Sec. 987(i)(1) and (2) as each exists on April 1, 2007. Nothing in
33 this subsection permits any such creditor to refuse to offer, to deny,
34 to offer different terms and conditions, or to otherwise place
35 restrictions upon an extension of consumer credit, to a covered member
36 or dependent, based upon status protected by chapter 49.60 RCW other

1 than the honorably discharged veteran or military status of the covered
2 member or dependent."

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OUT OF ORDER 04/12/2007

3 On page 1, line 1 of the title, after "Relating to the" strike the
4 remainder of the title and insert "extension of credit; amending RCW
5 31.04.125; adding a new section to chapter 30.04 RCW; adding a new
6 section to chapter 31.04 RCW; adding a new section to chapter 31.12
7 RCW; adding a new section to chapter 31.45 RCW; adding a new section to
8 chapter 32.08 RCW; and adding a new section to chapter 33.12 RCW."

EFFECT: The John Warner National Defense Authorization Act for Fiscal Year 2007 and the Talent Amendment thereto (10 U.S.C. Sec. 987) prohibit creditors from imposing an annual percentage rate of interest greater than 36% with respect to consumer credit extended to active duty service members and their dependents.

Using the definitions from this federal act, this amendment:

(1) Allows creditors to consider an applicant's military status in connection with an application for consumer credit; and

(2) Allows creditors to refuse, deny, or restrict consumer credit to active duty service members and their dependents without violating laws concerning unfair practices or civil rights.

The creditors covered by this amendment are those licensed as banks, trust companies, credit unions, check cashers and sellers, mutual savings banks, savings and loan associations, and those doing business under the Consumer Loan Act.

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