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SENATE BILL 5476

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State of Washington

57th Legislature

2001 Regular Session

By Senators Patterson and Prentice

Read first time 01/24/2001. Referred to Committee on Labor, Commerce & Financial Institutions.

1 AN ACT Relating to issuing credit cards to persons under the age of  
2 twenty-one; adding a new section to chapter 28B.10 RCW; and adding a  
3 new chapter to Title 19 RCW.

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

5 NEW SECTION. **Sec. 1.** For the purposes of this chapter:

6 (1) "Credit card" means a card or device issued under an agreement  
7 by which the issuer gives to a cardholder residing in this state the  
8 privilege of obtaining credit from the issuer or other persons in  
9 purchasing or leasing property or services, obtaining loans, or  
10 otherwise.

11 (2) "Credit card issuer" means a financial institution, a lender  
12 other than a financial institution, or a merchant that receives  
13 applications and issues credit cards to individuals.

14 NEW SECTION. **Sec. 2.** A credit card issuer may not issue a credit  
15 card to a person who is a resident of this state and who is under  
16 twenty-one years of age at the time of application unless:

17 (1) A written application is obtained that includes a list of all  
18 approved but unused credit available to the applicant, by amount and

1 source, and a statement by the applicant indicating the applicant's  
2 age; and

3 (2) The applicant qualifies for credit under reasonable and prudent  
4 standards used in the industry for extensions of similar credit.

5 NEW SECTION. **Sec. 3.** Except where the applicant has  
6 misrepresented his or her age on the application, failure of the credit  
7 card issuer to comply with section 2 of this act constitutes an  
8 affirmative defense to the collection of debt incurred by using the  
9 card or credit issued.

10 NEW SECTION. **Sec. 4.** Credit card issuers may not offer gifts in  
11 exchange for the completion of a credit card application as part of a  
12 marketing program conducted on any campus of a college or university  
13 located in this state.

14 NEW SECTION. **Sec. 5.** A new section is added to chapter 28B.10 RCW  
15 to read as follows:

16 The sale or other transfer of lists of student names and addresses  
17 or other identifiers by any college or university in this state to  
18 credit card issuers or affiliates of credit card issuers is prohibited.

19 NEW SECTION. **Sec. 6.** Sections 1 through 4 of this act constitute  
20 a new chapter in Title 19 RCW.

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