
SUBSTITUTE SENATE BILL 5506

State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senators Kohl-Welles, Fairley, Regala and Thibaudeau)

READ FIRST TIME 02/03/05.

1 AN ACT Relating to the development of policies regarding the
2 marketing or merchandising of credit cards to students at the state's
3 institutions of higher education; and adding a new section to chapter
4 28B.10 RCW.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.10 RCW
7 to read as follows:

8 (1)(a) Subject to subsection (2) of this section, institutions of
9 higher education shall develop policies regarding the marketing or
10 merchandising of credit cards on institutional property to students,
11 except as provided in newspapers, magazines, or similar publications or
12 within any location of a financial services business regularly doing
13 business on the institution's property.

14 (b) "Merchandising" means the offering of free merchandise or
15 incentives to students as part of the credit card marketing effort.

16 (c) "Student" means any student enrolled for one or more credit
17 hours at an institution of higher education.

18 (2) Institutions of higher education shall each develop official
19 credit card marketing policies. The process of development of these

1 policies must include consideration of student comments. The official
2 credit card marketing policies must, at a minimum, include
3 consideration of and decisions regarding:

- 4 (a) The registration of credit card marketers;
- 5 (b) Limitations on the times and locations of credit card
6 marketing; and
- 7 (c) Prohibitions on material inducements to complete a credit card
8 application, unless the student has been provided credit card debt
9 education literature, which includes, but is not limited to, brochures
10 or written or electronic information, but not including introductory
11 rate offers.

12 (3)(a) The policies shall include the following elements: A
13 requirement for credit card marketers to inform students about good
14 credit management practices through programs developed in concert with
15 the institution of higher education including, but not limited to,
16 workshops, seminars, discussion groups, and film presentation; and

17 (b) A requirement to make the official credit card marketing policy
18 available to all students upon their request.

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