

Hall of the House of Representatives
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of House Bill No. 2603

"AN ACT CONCERNING CREDIT CARD DEBT INCURRED ON A JOINT CREDIT CARD
ACCOUNT BEFORE THE DIVORCE OF THE PARTIES."

Amendment No. 1 to House Bill No. 2603.

Amend House Bill No. 2603 as originally introduced:

Delete everything after the enacting clause and substitute the following:

"SECTION 1. (a)(1) In a divorce action maintained or being maintained in the courts of this state, after a court determination or court approval of a property settlement agreement establishing the party responsible for any joint credit card account debt, the non-responsible party may notify the issuer of the credit card of the court order by sending a written notice containing the account name and account number of the joint credit card accompanied by a certified copy of the court order and property settlement agreement, if any, by certified mail, return receipt requested to:

(A) The address which the issuer has designated for making payments on the credit card account; or

(B) The customer service address provided by the issuer.

(2) On the date the notice is processed by the issuer of the credit card, not later than the fourth business day after receipt of the notice by the issuer, the non-responsible party shall not be liable for any new charges on the credit card, other than charges made by the non-responsible party, but shall remain liable for the balance due prior to the date the issuer processes the notice, and all interest and late fees accrued or thereafter accruing on the balance.

(b)(1) The issuer of the credit card shall:

(A) Provide the non-responsible party with written notification of the credit card account balance as of the date of processing the notice;

(B) Remove the non-responsible party as an authorized user of the credit card account;

(C) Either:

(i) Cancel the credit card; or

(ii) Suspend the effectiveness of the credit card for a period not exceeding thirty (30) days to allow the issuer to evaluate any request by the responsible party to continue the account as a separate credit card account of the responsible party; and

(D) Apply all payment, made after date of processing the



notice, first to any fees assessed against the account, next to the accrued interest, next to the principal of the debt existing on the date of processing the notice, and finally to the principal of any debt incurred after the date of the processing of the notice.

(c)(1) Nothing in this section prohibits the issuer of the credit card from issuing a new credit card to the responsible party.

(2) If as a result of receiving the notice under this section, a new credit card is issued in the name of the responsible party the issuer may:

(A) Transfer the outstanding debt to the new credit card account for which the responsible party is solely responsible; or

(B) Issue the new credit card with a zero balance and allow no new charges on the original credit card account, and both parties who are the obligors on the original credit card account will remain responsible for paying the debt from the original account in accordance with the terms and conditions of the original credit card account until the balance is paid in full.

(d) Proof that the non-responsible party notified the issuer of the credit card in compliance with this section shall be an affirmative defense to any action to recover card debt resulting from any charge on the account after the date of processing of the notice.”

The Amendment was read _____
By: Representative Creekmore
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Chief Clerk