

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 84th General Assembly  
3 Regular Session, 2003  
4

As Engrossed: H3/28/03

# A Bill

HOUSE BILL 2603

5 By: Representatives Creekmore, Cleveland  
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## For An Act To Be Entitled

9 AN ACT CONCERNING CREDIT CARD DEBT INCURRED ON A  
10 JOINT CREDIT CARD ACCOUNT BEFORE THE DIVORCE OF  
11 THE PARTIES; AND FOR OTHER PURPOSES.  
12

### Subtitle

14 AN ACT CONCERNING CREDIT CARD DEBT  
15 INCURRED ON A JOINT CREDIT CARD ACCOUNT  
16 BEFORE THE DIVORCE OF THE PARTIES.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. (a)(1) In a divorce action maintained or being maintained  
22 in the courts of this state, after a court determination or court approval of  
23 a property settlement agreement establishing the party responsible for any  
24 joint credit card account debt, the non-responsible party may notify the  
25 issuer of the credit card of the court order by sending a written notice  
26 containing the account name and account number of the joint credit card  
27 accompanied by a certified copy of the court order and property settlement  
28 agreement, if any, by certified mail, return receipt requested to:

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

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

32 (2) On the date the notice is processed by the issuer of the  
33 credit card, not later than the fourth business day after receipt of the  
34 notice by the issuer, the non-responsible party shall not be liable for any  
35 new charges on the credit card, other than charges made by the non-  
36 responsible party, but shall remain liable for the balance due prior to the



1 date the issuer processes the notice, and all interest and late fees accrued  
2 or thereafter accruing on the balance.

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

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

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

9 (C) Either:

10 (i) Cancel the credit card; or

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

15 (D) Apply all payment, made after date of processing the  
16 notice, first to any fees assessed against the account, next to the accrued  
17 interest, next to the principal of the debt existing on the date of  
18 processing the notice, and finally to the principal of any debt incurred  
19 after the date of the processing of the notice.

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

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

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

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

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

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*/s/ Creekmore, et al*

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