

No: 40

RECEIVED

1987 FEB 17 AM 9 55

DETROIT, MICHIGAN
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1987



ENROLLED

SENATE BILL NO. 40

(By Senator Tankovich, W. President, et al)



PASSED February 6, 1987

In Effect ninety days from Passage



ENROLLED
Senate Bill No. 40

(BY SENATORS TONKOVICH, MR. PRESIDENT AND TUCKER)

[Passed February 6, 1987; in effect ninety days from passage.]

AN ACT to amend and reenact section one hundred sixteen, article three, chapter forty-six-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to change in terms of revolving charge accounts or revolving loan accounts; and when higher charges are permitted.

Be it enacted by the Legislature of West Virginia:

That section one hundred sixteen, article three, chapter forty-six-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 3. FINANCE CHARGES AND RELATED PROVISIONS.

§46A-3-116. Change in terms of revolving charge accounts or revolving loan accounts.

- 1 (1) If a creditor makes a change in the terms of a
2 revolving charge account or revolving loan account without
3 complying with this section, any additional cost or charge
4 to the consumer resulting from the change is an excess
5 charge and subject to the remedies provided in this chapter.
- 6 (2) A creditor may change the terms of a revolving
7 charge account or revolving loan account whether or not the

8 change is authorized by prior agreement. Except as
9 provided in subsection (3), the creditor shall give to the
10 consumer written notice of such change not less than fifteen
11 days prior to the effective date of such change.

12 (3) The notice specified in subsection (2) is not required
13 if:

14 (a) The consumer after otherwise receiving notice of the
15 change agrees in writing to the change;

16 (b) The consumer elects to pay an amount designated on
17 a billing statement as including a new charge for a benefit
18 offered to the debtor when the benefit and charge constitute
19 the change in terms and when the billing statement also
20 states the amount payable if the new charge is excluded;.

21 (c) The change involves no significant cost to the
22 consumer;

23 (d) The consumer has previously consented in writing to
24 the kind of change made and notice of the change is given to
25 the consumer in two billing cycles prior to the effective date
26 of the change; or

27 (e) The change applies only to purchases made or
28 obligations incurred after a date specified in a notice of the
29 change given in two billing cycles prior to the effective date
30 of the change.

31 (4) The notice provided for in this section is given to the
32 debtor when mailed to him at the address used by the
33 creditor for mailing periodic billing statements.

34 (5) Under no circumstances may a change under the
35 provisions of this section be made so as to increase a sales
36 finance charge or loan finance charge above that permitted
37 by the appropriate provisions on sales finance charges or
38 loan finance charges: *Provided*, That a creditor may apply a
39 higher permitted sales finance charge or loan finance
40 charge to the account balance or debt balance unpaid as of
41 the date the change becomes effective.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

James O. Wiggins
.....
Chairman Senate Committee

Bernard V. Kelly
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Jedd C. Nulb
.....
Clerk of the Senate

Donald L. Kopp
.....
Clerk of the House of Delegates

David Tombari
.....
President of the Senate

John C. ...
.....
Speaker House of Delegates

The within *approved* this the *16th*
day of *February* 1987.

Anna ...
.....
Governor



PRESENTED TO THE
GOVERNOR
Date 2/10/87
Time 3:16 p.m.