

MAR 14 1995

COMMERCE - REGULATION

HOUSE FILE 411
BY MURPHY

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the minimum age of an individual to whom a
2 credit card or access device may be issued and making
3 penalties applicable.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 411

1 Section 1. NEW SECTION. 527.3A PROHIBITION ON ISSUING OR
2 PROVIDING AN ACCESS DEVICE TO AN INDIVIDUAL UNDER THE AGE OF
3 EIGHTEEN.

4 A person shall not provide or issue an access device to an
5 individual knowing or having reasonable cause to believe that
6 the individual is under the age of eighteen. A person who
7 provides or issues access devices in this state shall request
8 proof of the individual's age on any application form used, or
9 in some other appropriate manner as approved by the
10 administrator if an application form is not used. However,
11 the prohibition of this section does not apply if the person
12 obtains prior to providing or issuing the access device, the
13 written consent of the parent, guardian, or custodian of such
14 individual.

15 Sec. 2. NEW SECTION. 536C.8A PROHIBITION ON ISSUING A
16 CREDIT CARD TO AN INDIVIDUAL UNDER THE AGE OF EIGHTEEN.

17 A person shall not issue a credit card to an individual
18 knowing or having reasonable cause to believe that the
19 individual is under the age of eighteen. A person who issues
20 credit cards in this state shall request proof of the
21 individual's age on any application form used, or in some
22 other appropriate manner as approved by the administrator if
23 an application form is not used. However, the prohibition of
24 this section does not apply if the person obtains prior to
25 issuing the credit card, the written consent of the parent,
26 guardian, or custodian of such individual.

27 Sec. 3. NEW SECTION. 537.9101 PROHIBITION ON ISSUING A
28 CREDIT CARD TO AN INDIVIDUAL UNDER THE AGE OF EIGHTEEN.

29 A person shall not issue a credit card to an individual
30 knowing or having reasonable cause to believe that the
31 individual is under the age of eighteen. A person who issues
32 credit cards in this state shall request proof of the
33 individual's age on any application form used, or in some
34 other appropriate manner as approved by the administrator if
35 an application form is not used. However, the prohibition of

1 this section does not apply if the person obtains prior to
2 issuing the credit card, the written consent of the parent,
3 guardian, or custodian of such individual.

4 EXPLANATION

5 This bill amends chapter 527 to provide that a person shall
6 not provide or issue an access device to an individual knowing
7 or having reasonable cause to believe that the individual is
8 under the age of 18. A person who provides or issues access
9 devices in this state shall request proof of the individual's
10 age on any application form used, or in some other appropriate
11 manner as approved by the administrator if an application form
12 is not used. However, the prohibition of this section does
13 not apply if the person obtains prior to providing or issuing
14 the access device, the written consent of the parent,
15 guardian, or custodian of such individual. For purposes of
16 chapter 527 the administrator is the superintendent of
17 banking, the superintendent of savings and loan associations,
18 the superintendent of credit unions, or the supervisor of
19 industrial loan companies, as applicable.

20 The bill amends chapters 536C and 537 by adding a new
21 section to each which provides that a person shall not issue a
22 credit card to an individual knowing or having reasonable
23 cause to believe that the individual is under the age of 18.
24 A person who issues credit cards in this state must request
25 proof of the individual's age on any application form used, or
26 in some other appropriate manner as approved by the
27 administrator if an application form is not used. The
28 prohibition contained in these sections does not apply if the
29 person obtains prior to issuing the credit card, the written
30 consent of the parent, guardian, or custodian of such
31 individual. For purposes of chapter 536C the administrator is
32 the superintendent of banking, the superintendent of savings
33 and loans, or the superintendent of credit unions, as
34 applicable. For purposes of chapter 537 the administrator is
35 the attorney general.