

Offered: 2/12/87
Referred: Rules

5-0421B

Original sponsor: Labor & Commerce
Committee

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE SENATE

2

CS FOR SENATE BILL NO. 87 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the credit card interest rate
7 that may be charged by certain financial institu-
8 tions."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 06.05.209(b) is amended to read:

11 (b) A bank may issue a credit card or other similar credit-
12 granting device to a customer for obtaining money, goods, services or
13 anything else of value and the bank, when credit is extended under
14 this section, may impose a service charge at a monthly rate that
15 results in an annual rate not in excess of 17 percent on the out-
16 standing balance [THE LIMITS FOR SERVICE CHARGES PROVIDED IN AS 45.-
17 10.120(c)]. However, in addition, when cash is advanced under this
18 section, the bank may impose a setup charge that [WHICH] does not
19 exceed three percent of the funds advanced, or \$12, whichever is less,
20 except that on loans of under \$100 a minimum not exceeding \$3 may be
21 charged.