



Senate

General Assembly

File No. 165

January Session, 2007

Senate Bill No. 1230

Senate, March 28, 2007

The Committee on General Law reported through SEN. COLAPIETRO of the 31st Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT REQUIRING NOTICE TO CREDIT CARD HOLDERS PRIOR TO A CREDIT LINE REDUCTION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2007*) A credit card company
2 shall not reduce a credit card holder's line of credit prior to receipt by
3 such holder of written notice of such credit line reduction or prior to
4 seventy-two hours after such notice was mailed via first class or
5 certified mail or sent electronically to such holder, whichever is earlier.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2007</i>	New section
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GL *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

This bill requires private credit card companies to send out notices, and there is no fiscal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis

SB 1230

AN ACT REQUIRING NOTICE TO CREDIT CARD HOLDERS PRIOR TO A CREDIT LINE REDUCTION.

SUMMARY:

This bill prohibits a credit card company from reducing a credit card holder's line of credit before the earlier of when (1) the card holder receives a written notice of the credit line reduction or (2) 72 hours has elapsed since the company mailed the notice by first class or certified mail, or sent it by e-mail.

EFFECTIVE DATE: October 1, 2007

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 19 Nay 0 (03/14/2007)