

1985 Senate Bill 409

Date of enactment: April 15, 1986
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1985 Wisconsin Act 244

AN ACT to create 422.308 of the statutes, relating to required disclosures regarding open-end credit plans and providing a penalty.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 422.308 of the statutes is created to read:

422.308 Open-end credit disclosures. (1) With regard to every open-end credit plan between a creditor, wherever located, and a customer who is a resident of this state and who is applying for the open-end credit plan from this state, every application for the open-end credit plan, including every application contained in an advertisement, shall be appropriately divided and captioned by its various sections and shall set forth all of the following:

(a) The annual percentage rate or, if the rate may vary, a statement that it may do so and of the circumstances under which the rates may increase, any limitations on the increase and the effects of the increase.

(b) The date or occasion upon which the finance charge begins to accrue on a transaction.

(c) Whether any annual fee is charged and the amount of the fee.

(d) Whether any other charges or fees may be charged, what they may be charged for and the amounts of the charges or fees.

(2) With regard to every open-end credit plan between a creditor, wherever located, and a customer who is a resident of this state and who is given the opportunity to enter into an open-end credit plan while present in any establishment located in this state but who is not required to complete an application under sub. (1), the customer shall be given a notice prior to entering into the open-end credit plan. The notice shall be appropriately divided and captioned by its various sections and shall set forth all of the information in sub. (1) (a) to (d).

(3) The administrator shall publish an annual creditors' noncompliance report on November 1. The report shall set forth the names of creditors that the

administrator knows, or reasonably believes, to have violated this section during the preceding 12 months, unless the administrator knows or reasonably believes that the violation or violations were the result of unintentional good faith error.

(4) A violation of this section is subject to s. 425.304 unless the violation was the result of an unintentional good faith error.

(5) If any part of this section is found unconstitutional with regard to a creditor solely or in any part because the creditor is located outside of this state, that part of this section shall not apply to any creditor located within this state.

SECTION 2. Effective date. This act takes effect on January 1, 1987.
