



1997 ASSEMBLY BILL 389

May 27, 1997 - Introduced by Representatives CULLEN, RYBA, SCHNEIDER, HOVEN, MUSSER, BOCK, R. YOUNG, SYKORA, KREUSER, ALBERS, J. LEHMAN, BAUMGART, CARPENTER, POWERS, WILLIAMS, NOTESTEIN, HAHN, HARSDORF, L. YOUNG and GRONEMUS, cosponsored by Senators RISSER and CLAUSING. Referred to Committee on Consumer Affairs.

1 **AN ACT to repeal and recreate** 422.202 (2m) of the statutes; **relating to:**
2 permissible fees on open-end consumer credit plans.

Analysis by the Legislative Reference Bureau

Under current law, a creditor may charge, collect and receive other fees and charges, in addition to finance charges, if agreed upon by the creditor and the customer. These other fees and charges may include periodic membership fees, cash advance fees, charges for exceeding a designated credit limit, charges for late payments, charges for providing copies of documents and charges for the return of a dishonored check or other payment instrument. This bill creates an exception to this provision to prohibit so-called "convenience user fees", or fees that are charged only if the customer does not incur a finance charge under the open-end consumer credit plan in a payment period.

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

3 **SECTION 1.** 422.202 (2m) of the statutes is repealed and recreated to read:
4 422.202 (**2m**) With respect to an open-end credit plan, regardless of when the
5 plan was entered into:

