



**ASSEMBLY AMENDMENT 1,
TO ASSEMBLY AMENDMENT 1,
TO 1995 ASSEMBLY BILL 830**

March 12, 1996 – Offered by Representative R. POTTER.

1 At the locations indicated, amend the amendment as follows:

2 **1.** Page 1, line 3: after that line insert:

3 “1m. Page 2, line 4: delete the material beginning with that line and ending
4 with page 3, line 2.”

5 **2.** Page 2, line 9: delete the material beginning with that line and ending with
6 page 3, line 24, and substitute:

7 “3m. Page 3, line 10: delete the material beginning with that line and ending
8 with page 4, line 9, and substitute:

9 “**SECTION 7d.** 422.202 (2m) (intro.) of the statutes is amended to read:

10 422.202 (**2m**) (intro.) Except as provided in pars. (a) (b) to (cm), with respect
11 to consumer credit transactions entered into under an open-end credit plan on or
12 after November 1, 1981, the parties may agree to the payment by the customer of the
13 following charges in addition to the finance charge:

14 **SECTION 7h.** 422.202 (2m) (a) of the statutes is repealed.

15 **SECTION 7p.** 422.202 (2m) (b) of the statutes is amended to read:

1 422.202 **(2m)** (b) A charge not to exceed 50 cents in any billing cycle in which
2 there are at least 28 calendar days and where the balance as calculated in s. 422.201
3 (10m) is less than \$33.34. If the charge permitted in this paragraph is imposed, no
4 finance charge may be imposed under s. 422.201 (10m) nor may ~~the a~~ charge
5 ~~permitted in par. (a)~~ under sub. (2n) (b) be imposed or collected.

6 **SECTION 7t.** 422.202 (2n) of the statutes is created to read:

7 422.202 **(2n)** (a) If the attorney general determines that the charge for late or
8 insufficient payments under an open-end credit plan is not interest within the
9 meaning of 12 USC 85, as interpreted by the U.S. supreme court through December
10 31, 1996, the attorney general shall issue an opinion which so states and shall
11 publish the opinion in the Wisconsin administrative register no later than February
12 1, 1997.

13 (b) This paragraph does not apply after January 31, 1997, unless the attorney
14 general publishes the opinion under par. (a) no later than that date. With respect to
15 consumer credit transactions entered into under an open-end credit plan on or after
16 November 1, 1981, the parties may agree to the payment by the customer of a charge
17 not to exceed \$10 in any billing cycle in which the creditor does not receive at least
18 the minimum payment due on or before the 5th day after the payment's due date, as
19 agreed by the parties. Any charge imposed under this paragraph may not be
20 included in any outstanding balance for purposes of calculating any finance charge
21 or minimum payment.

22 (c) This paragraph applies beginning on February 1, 1997, unless the attorney
23 general has published the opinion under par. (a) by that date. With respect to an
24 open-end credit plan, regardless of when the plan was entered into, the creditor may
25 charge, collect and receive any charge for late or insufficient payments required to

1 be made under the terms of the open-end credit plan. For purposes of 12 USC 85,
2 12 USC 1463 (g), 12 USC 1785 and 12 USC 1831d, both the finance charge under s.
3 422.201 and a charge permitted under this paragraph are interest and may be
4 charged, collected and received as interest by a creditor.”.

5 4m. Page 4, line 14: after “(e)” insert “or (2n)”.

6 5m. Page 4, line 23: after “(e)” insert “or (2n)”.

7 (END)