

SENATE COMMITTEE OF REFERENCE REPORT

Chair of Committee

April 25, 2023
Date

Committee on Business, Labor, & Technology.

After consideration on the merits, the Committee recommends the following:

HB23-1229 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend reengrossed bill, page 2, before line 3 insert:

2 "SECTION 1. In Colorado Revised Statutes, **repeal and reenact,**
3 **with amendments,** 5-2-213 as follows:

4 **5-2-213. General-purpose credit cards - definitions.** (1) AS
5 USED IN THIS SECTION:

6 (a) "GENERAL-PURPOSE CREDIT CARD" MEANS ANY CARD, PLATE,
7 OR OTHER SINGLE CREDIT DEVICE THAT MAY BE USED FROM TIME TO TIME
8 TO OBTAIN CONSUMER CREDIT UNDER AN OPEN-END CREDIT PLAN OFFERED
9 BY A SUPERVISED FINANCIAL ORGANIZATION, AS DEFINED IN SECTION
10 5-1-301 (45), THAT:

11 (I) IS ACCEPTED BY ANY MERCHANT THAT PARTICIPATES IN A
12 WIDELY ACCEPTED PAYMENT CARD NETWORK AND IS ACCEPTED UPON
13 PRESENTATION AT MULTIPLE, UNAFFILIATED MERCHANTS FOR GOODS OR
14 SERVICES;

15 (II) DOES NOT CHARGE FEES, INCLUDING PRE-ACCOUNT OPENING
16 FEES, WHICH EXCEED FIFTEEN PERCENT OF THE CREDIT LINE; AND

17 (III) DOES NOT INCLUDE AN OVERDRAFT LINE OF CREDIT THAT IS
18 ACCESSED BY A DEBIT OR PREPAID CARD OR AN ACCOUNT NUMBER.

19 (b) "OPEN-END CREDIT PLAN" MEANS CONSUMER CREDIT
20 EXTENDED BY A CREDITOR UNDER A PLAN IN WHICH:

21 (I) THE CREDITOR REASONABLY CONTEMPLATES REPEATED
22 TRANSACTIONS;

23 (II) THE CREDITOR MAY IMPOSE A FINANCE CHARGE FROM TIME TO
24 TIME ON AN OUTSTANDING UNPAID BALANCE; AND

25 (III) THE AMOUNT OF CREDIT THAT MAY BE EXTENDED TO THE
26 CONSUMER DURING THE TERM OF THE PLAN, UP TO ANY LIMIT SET BY THE
27 CREDITOR, IS GENERALLY MADE AVAILABLE TO THE EXTENT THAT ANY

1 OUTSTANDING BALANCE IS REPAID.
2 (2) LIMITATIONS IN STATE LAW ON FINANCE CHARGES AND FEES
3 APPLICABLE TO CONSUMER CREDIT TRANSACTIONS IN SECTIONS 5-2-201,
4 5-2-202, AND 5-2-203 SHALL NOT APPLY TO GENERAL-PURPOSE CREDIT
5 CARDS."

6 Renumber succeeding sections accordingly.

7 Page 6, after line 1 insert:

8 "SECTION 4. In Colorado Revised Statutes, 5-1-107, **amend** (1)
9 as follows:

10 **5-1-107. Effect of code on powers of organizations.** (1) This
11 code prescribes maximum charges for all creditors extending consumer
12 credit except lessors and those excluded in sections 5-1-202 and 5-2-213
13 ~~(2)(b)~~ and displaces existing limitations on the powers of those creditors
14 based on maximum charges.

15 **SECTION 5.** In Colorado Revised Statutes, 5-1-303, "Index of
16 definitions in code", **repeal** the line "Credit card bank or financial
17 institution" section 5-2-213 (1)."

18 Renumber succeeding sections accordingly.

19 Page 6, line 4, strike "1" and substitute "2".

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