

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2908 Session of  
1998

INTRODUCED BY THOMAS, HERSHEY, M. COHEN, BELARDI, BARRAR,  
DeLUCA, HARHAI, EVANS, HORSEY, ITKIN, LaGROTTA, LEDERER,  
READSHAW, ROBINSON, SHANER, TIGUE AND TRUE, OCTOBER 27, 1998

REFERRED TO COMMITTEE ON EDUCATION, OCTOBER 27, 1998

AN ACT

1 Requiring credit card companies to register with institutions of  
2 higher education prior to solicitation of credit card  
3 applications from certain students; providing for parental  
4 consent for certain students who complete credit card  
5 applications; and prohibiting debt collection practices  
6 against certain parents.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the College  
11 Campus Credit Card Solicitation Act.

12 Section 2. Definition.

13 The following words and phrases when used in this act shall  
14 have the meanings given to them in this section unless the  
15 context clearly indicates otherwise:

16 "College campus." The premises and grounds of an institution  
17 of higher education.

18 "Credit card." A writing, number or other evidence of an  
19 undertaking to pay for property or services delivered or

1 rendered to or upon the order of a designated person or bearer.

2 "Credit card issuer." A person, corporation, financial  
3 institution or business entity that offers and issues credit  
4 cards.

5 "Institution of higher education." Any of the following:

6 (1) A community college operating under Article XIX-A of  
7 the act of March 10, 1949 (P.L.30, No.14), known as the  
8 Public School Code of 1949.

9 (2) A university within the State System of Higher  
10 Education.

11 (3) The Pennsylvania State University.

12 (4) The University of Pittsburgh.

13 (5) Temple University.

14 (6) Lincoln University.

15 (7) Any institution that is designated as "State-  
16 related" by the Commonwealth.

17 "Solicitation." An act of asking, enticing or requesting a  
18 student to read, review or consider materials relating to an  
19 application for a credit card or to complete an application for  
20 a credit card.

21 "Student." A person who is under 21 years of age and who  
22 attends an institution of higher education, whether enrolled on  
23 a full-time or part-time basis.

24 Section 3. Registration prior to solicitation.

25 Prior to engaging in the solicitation of a student on a  
26 college campus, a credit card issuer shall register its intent  
27 to solicit the student for that purpose with an appropriate  
28 official of the institution of higher education. The  
29 registration shall include the principal place of business of  
30 the credit card issuer and shall be in such form as required by

1 regulation of the Department of Education.

2 Section 4. Parental consent required.

3 An application for a credit card executed by a student who  
4 was solicited for the credit card on a college campus shall be  
5 void and unenforceable unless the parent or legal guardian of  
6 the student consents in writing to the student's submission of  
7 the application to the credit card issuer. Parental consent  
8 under this section shall not be construed as an agreement by the  
9 parent or legal guardian to be liable under the credit card  
10 agreement, unless the parent or legal guardian specifically  
11 agrees in writing to do so.

12 Section 5. Debt collection against parent or guardian  
13 prohibited.

14 It shall be unlawful for a credit card issuer to take any  
15 debt collection action against the parent or legal guardian of a  
16 student for whom a credit card has been issued, unless the  
17 parent or legal guardian has agreed in writing to be liable for  
18 the debts of the student under the credit card agreement. A  
19 violation of this section shall be construed as an unlawful  
20 trade practice under the act of December 17, 1968 (P.L.1224,  
21 No.387), known as the Unfair Trade Practices and Consumer  
22 Protection Law.

23 Section 6. Repeal.

24 The provisions of 23 Pa.C.S. § 5101 are repealed insofar as  
25 they are inconsistent with this act.

26 Section 7. Effective date.

27 This act shall take effect in 60 days.