

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 157 Session of
2003

INTRODUCED BY EARLL, KUKOVICH, RHOADES, ROBBINS, KITCHEN,
M. WHITE, MOWERY, LEMMOND, COSTA, O'PAKE, WENGER, WOZNIAK,
SCHWARTZ, ORIE, GREENLEAF, LAVALLE, THOMPSON AND RAFFERTY,
FEBRUARY 4, 2003

AS AMENDED ON THIRD CONSIDERATION, MAY 6, 2003

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," providing for regulation of credit
6 card marketing on a college or university campus.

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

9 Section 1. The act of March 10, 1949 (P.L.30, No.14), known
10 as the Public School Code of 1949, is amended by adding an
11 article to read:

12 ARTICLE XXIII-A.

13 ~~COLLEGE CAMPUS CREDIT CARD MARKETER ACT.~~ <—

14 CREDIT CARD MARKETING. <—

15 Section 2301-A. Definitions.--For the purposes of this
16 article the following terms shall have the following meanings:

17 (1) "Board" shall mean the State Board of Education.

18 (2) ~~"College campus"~~ "CAMPUS" shall include the premises and <—
19 grounds of an institution of higher education.

1 (3) "Credit card debt education brochure" shall mean the
2 information developed by a college or university, by a
3 registered non-profit, or by other sources as identified and
4 approved by the institution of higher education that details the
5 appropriate use, benefit and risk of incurring debt through the
6 use of credit cards.

7 (4) "Credit card marketer" shall include a person,
8 corporation, financial institution or business entity that
9 promotes, offers or accepts applications for a credit card.

10 (5) "Institution of higher education" means any of the
11 following:

12 (i) A community college operating under Article XIX-A.

13 (ii) A university within the State System of Higher
14 Education.

15 (iii) The Pennsylvania State University.

16 (iv) The University of Pittsburgh.

17 (v) Temple University.

18 (vi) Lincoln University.

19 (vii) Any other institution that is designated as "State-
20 related" by the Commonwealth.

21 (viii) Any accredited private or independent college.

22 (6) "State Board of Education" shall mean the entity known
23 as the State Board of Education and placed within, and made a
24 departmental administrative board of, the Department of
25 Education under section 202 of the act of April 9, 1929
26 (P.L.177, No.175), known as "The Administrative Code of 1929."

27 (7) "Student" shall mean a person who is at least eighteen
28 years of age and who attends an institution of higher education,
29 whether enrolled on a full-time or part-time basis.

30 Section 2302-A. Regulation of On-Campus Credit Card

1 ~~Marketing.--The board shall require an institution of higher~~
2 ~~education to adopt a policy to regulate the marketing practices~~ <—
3 ~~used on campuses by credit card companies. However, nothing in~~
4 ~~this section shall preclude any institution from expressly~~
5 ~~prohibiting credit card companies from conducting any marketing~~
6 ~~practices on its campus. In adopting a policy, the institutions~~
7 ~~of higher education shall consider the following requirements:~~

8 ~~(1) registering on campus credit card marketers;~~

9 ~~(2) limiting credit card marketers to specific institutional~~
10 ~~campus sites designated by the administration of the~~
11 ~~institution;~~

12 ~~(3) prohibiting credit card marketers from offering gifts to~~
13 ~~students in exchange for completing a credit card application~~
14 ~~unless the student has been provided a credit card debt~~
15 ~~education brochure;~~

16 ~~(4) at least quarterly providing a credit card debt~~
17 ~~education brochure with campus bookstore purchases; and~~

18 ~~(5) developing a credit card debt education presentation to~~
19 ~~be incorporated into orientation programs offered to new~~
20 ~~students.~~

21 ~~Section 2303 A. Application of Liability. None of the~~
22 ~~provisions of this article shall establish a foundation or~~
23 ~~increase the standard for new claims of liability against a~~
24 ~~college or university. EDUCATION TO ESTABLISH A POLICY THAT~~ <—
25 ~~REGULATES THE MARKETING OF CREDIT CARDS ON CAMPUS. THE POLICY~~
26 ~~MAY PROHIBIT ANY MARKETING OF CREDIT CARDS ON THE CAMPUS. IN~~
27 ~~ESTABLISHING THE POLICY, THE INSTITUTION OF HIGHER EDUCATION~~
28 ~~SHALL CONSIDER ALL OF THE FOLLOWING:~~

29 ~~(1) REQUIRING REGISTRATION OF ON-CAMPUS CREDIT CARD~~
30 ~~MARKETERS.~~

1 (2) LIMITING CREDIT CARD MARKETERS TO SPECIFIC AREAS OF
2 THE CAMPUS DESIGNATED BY THE INSTITUTION OF HIGHER EDUCATION.

3 (3) PROHIBITING CREDIT CARD MARKETERS FROM OFFERING
4 GIFTS TO A STUDENT IN EXCHANGE FOR COMPLETING A CREDIT CARD
5 APPLICATION UNLESS THE STUDENT HAS BEEN PROVIDED A CREDIT
6 CARD DEBT EDUCATION BROCHURE.

7 (4) PROVIDING, AT LEAST QUARTERLY, A CREDIT CARD DEBT
8 EDUCATION BROCHURE WITH CAMPUS BOOKSTORE PURCHASES.

9 (5) INCORPORATING INTO ORIENTATION PROGRAMMING A CREDIT
10 CARD DEBT EDUCATION PRESENTATION.

11 SECTION 2303-A. CONSTRUCTION.

12 NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO IMPOSE CIVIL OR
13 CRIMINAL LIABILITY ON AN INSTITUTION OF HIGHER EDUCATION FOR ANY
14 CLAIM INVOLVING STUDENT CREDIT CARD DEBT.

15 Section 2. This act shall take effect in 60 days.