

CHAPTER 217

CONSUMER AND COMMERCIAL TRANSACTIONS

HOUSE BILL 07-1327

BY REPRESENTATIVE(S) Stephens, Jahn, Kerr J., Lambert, Liston, Looper, Lundberg, Rose, Summers, and White;
also SENATOR(S) Morse.

AN ACT

CONCERNING THE METHOD BY WHICH A CREDITOR THAT PROVIDES PERIODIC STATEMENTS TO ITS CONSUMERS IS TO NOTIFY A CONSUMER THAT A DELINQUENCY CHARGE HAS BEEN ASSESSED.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 5-2-203 (4), Colorado Revised Statutes, is amended to read:

5-2-203. Delinquency charges. (4) (a) A creditor who has imposed a delinquency charge shall notify the consumer in writing of the amount of the delinquency charge assessed AS FOLLOWS:

(I) Before the due date of the next scheduled payment;

(II) IF THE CREDITOR PROVIDES THE CONSUMER WITH PERIODIC STATEMENTS FOR EACH INSTALLMENT, ON OR WITH THE NEXT PERIODIC STATEMENT PROVIDED TO THE CONSUMER AFTER THE DELINQUENCY CHARGE HAS BEEN ASSESSED; or

(III) For a revolving credit account for which a credit card is issued and that is not secured by an interest in land, before, on, or with the next periodic statement after the delinquency charge has been assessed.

(b) A creditor shall not assess a delinquency charge unless the delinquency charge is assessed within thirty days after the scheduled due date of any installment not paid in full or, for a revolving credit account for which a credit card is issued and that is not secured by an interest in land, within ninety days after the scheduled due date of the delinquent minimum payment.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 14, 2007