

UNFAIR PRACTICES ACT AMENDMENTS

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen D. Clark

Senate Sponsor: _____

LONG TITLE**General Description:**

This bill imposes requirements on a retailer or wholesaler offering a no-interest credit plan for purchases of a minimum amount.

Highlighted Provisions:

This bill:

- requires disclosure of a minimum purchase price requirement before a retailer sells merchandise under a no-interest credit plan; and

- requires disclosure of any minimum purchase price requirement in any advertisement of a no-interest credit plan with a minimum purchase price requirement.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**ENACTS:****13-5-7.5**, Utah Code Annotated 1953

*Be it enacted by the Legislature of the state of Utah:*Section 1. Section **13-5-7.5** is enacted to read:

28 **13-5-7.5. Restriction on no-interest credit plans.**

29 (1) A retailer or wholesaler may not advertise, offer to sell, or sell any merchandise
30 under a credit plan that does not provide for the payment of interest if a minimum purchase
31 price is required to qualify for the plan, unless the retailer or wholesaler discloses:

32 (a) the minimum purchase price requirement before the sale of the merchandise; and

33 (b) any interest rate to apply at the conclusion of a period where no interest is required
34 to be paid.

35 (2) A retailer or wholesaler who advertises the sale of merchandise under a credit plan
36 described in Subsection (1) shall disclose in the advertisement:

37 (a) any minimum purchase price requirement in the advertisement; and

38 (b) any interest rate to apply at the conclusion of a period where no interest is required
39 to be paid.

40 (3) (a) If an advertisement under Subsection (2) is in printed form, the disclosure shall
41 be:

42 (i) in plain language;

43 (ii) in large type of at least 14 font; and

44 (iii) located adjacent to any statement indicating the availability of a credit plan that
45 does not provide for the payment of interest.

46 (b) If an advertisement under Subsection (2) is in any electronic format, the disclosure
47 shall be:

48 (i) in plain language; and

49 (ii) included as part of the advertising copy.

Legislative Review Note
as of 2-2-07 11:27 AM

Office of Legislative Research and General Counsel

H.B. 459 - Unfair Practices Act Amendments

Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
