

AN ACT

ENTITLED, An Act to clarify that a credit card is not required to establish a revolving credit account.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 51A-12-12 be amended to read as follows:

51A-12-12. A bank may extend credit and collect a credit service charge through a revolving loan account arrangement with a debtor which permits the debtor to obtain loans from time to time by cash advances, by the purchase or satisfaction by the bank of obligations of the debtor incurred pursuant to a credit transaction, or otherwise under a credit card, check-credit, overdraft checking or other similar credit plan. A revolving loan account arrangement between a bank located in the state of South Dakota and a debtor shall be governed by the laws of the state of South Dakota.

Section 2. That § 54-11-1 be amended to read as follows:

54-11-1. The term, credit card, or, accepted credit card, as used in this chapter, means any credit card, identification card, or device which the cardholder has requested and received from any issuer or business, or has signed or has used, or has authorized another to use, for the purpose of obtaining money, property, checks, travelers checks, money orders, labor or services on credit. For purposes of this chapter, a credit card need not be issued to establish a revolving loan account arrangement made by a bank pursuant to § 51A-12-12.

An Act to clarify that a credit card is not required to establish a revolving credit account.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1131

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1131

File No. _____

Chapter No. _____

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Received at this Executive Office this ____ day of _____ ,

20__ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20__

Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____ , 20__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State