

State of South Dakota

EIGHTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2014

292V0537

HOUSE BILL NO. 1131

Introduced by: Representatives Erickson, Cammack, Conzet, Hajek, Langer, Peterson, and Werner and Senators Maher, Lederman, Sutton, Tieszen, Welke, and White

1 FOR AN ACT ENTITLED, An Act to clarify that a credit card is not required to establish a
2 revolving credit account.

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

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

5 51A-12-12. A bank may extend credit and collect a credit service charge through a revolving
6 loan account arrangement with a debtor which permits the debtor to obtain loans from time to
7 time by cash advances, by the purchase or satisfaction by the bank of obligations of the debtor
8 incurred pursuant to a credit ~~card~~ transaction, or otherwise under a credit card, check-credit,
9 overdraft checking or other similar credit plan. A revolving loan account arrangement between
10 a bank located in the state of South Dakota and a debtor shall be governed by the laws of the
11 state of South Dakota.

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

13 54-11-1. The term, "credit card", or, "accepted credit card", as used in this chapter, means
14 any credit card, identification card, or device which the cardholder has requested and received
15 from any issuer or business, or has signed or has used, or has authorized another to use, for the



1 purpose of obtaining money, property, checks, travelers checks, money orders, labor or services
2 on credit. For purposes of this chapter, a credit card need not be issued to establish a revolving
3 loan account arrangement made by a bank pursuant to § 51A-12-12.