

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 196\*

Short Title: Int. Rates Revol. Credit.

(Public)

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Sponsors: Senators Staton; Royall and Carpenter.

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Referred to: Banks and Thrift Institutions.

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February 27, 1991

A BILL TO BE ENTITLED

AN ACT TO MODIFY FINANCE CHARGE RATES FOR REVOLVING CHARGE ACCOUNT CONTRACTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 25A-14 reads as rewritten:

**"§ 25A-14. Finance charge rates for revolving charge account contracts.**

(a) ~~The finance charge rate for a consumer credit sale made pursuant to a revolving charge account contract may not exceed the rates provided for revolving credit by G.S. 24-11(a). The annual fee provided in G.S. 24-11(a) may not be imposed.~~

(a) Notwithstanding any other provision of law, on the extension of consumer credit made pursuant to a revolving charge account contract under which no finance charge shall be imposed upon the consumer or debtor if the account is paid in full within 25 days from the billing date, there may be charged a finance charge at a rate not to exceed one and three-quarters percent (1 3/4%) per month computed on the unpaid portion of the balance of the previous month less payments or credit within the billing cycle or the average daily balance outstanding during the current billing period; provided, however, that a minimum charge not in excess of fifty cents (50¢) may be charged and collected upon the unpaid balance of such contract, and provided, further, that an annual fee may not be imposed upon such contract.

(b) In the event the revolving charge account contract is secured in whole or in part by a security interest in real property, then the finance-charge rate shall not exceed the rate set out in G.S. 25A-15(d).

(c) No default or deferral charge shall be imposed by the seller in connection with a revolving charge-account contract, ~~except as specifically provided for in G.S. 24-11(a)-contract.~~

1           Sec. 2. This act is effective October 1, 1991, and applicable to purchases  
2 made on revolving charge accounts made on or after the effective date.