

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

HOUSE BILL 378

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Thomas A. Anderson

AN ACT

RELATING TO TRADE PRACTICES; ENACTING A SECTION OF THE UNFAIR PRACTICES ACT TO CLARIFY MISLEADING EXTENSION OF CREDIT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Unfair Practices Act is enacted to read:

"~~[NEW MATERIAL]~~ PRE-APPROVED LOAN CHECKS-- MISLEADING EXTENSION OF CREDIT. --

A. Extending pre-approved credit with a blank check without adequate notification that it is a loan constitutes a misleading extension of credit and is an unfair and deceptive trade practice. A clear and prominent notice, including an explanation of interest due and the other terms of the credit, accompanying an extension of pre-approved credit is not a misleading extension of credit.

underscored material = new  
[bracketed material] = del ete

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

B. As used in this section, "adequate notification" means the printing of the word "loan" in large, contrasting color letters on the front of the blank check instrument. "

underscored material = new  
[~~bracketed material~~] = delete