

**INTERPRETIVE LETTER 94-014 (AUGUST 24, 1994)**

**State bank that complies with the requirements of the Federal Equal Credit Opportunity Act when issuing credit cards does not have to make the additional disclosures set forth in Section 1b of the Credit Card Issuance Act.**

This is in reply to your letter dated \*, and addressed to \* of this Agency. In your letter, you asked whether \* ("Bank") a state bank member of the Federal Reserve System, must comply with Section 1b of the Credit Card Issuance Act ("Act"), 815 ILCS 140/1b (1992). For the reasons set forth in this letter, we conclude that if the Bank complies with the Federal Equal Credit Opportunity Act ("ECOA") and applicable regulations, it does not have additional disclosure obligations pursuant to Section 1b.

Section 1b requires that all credit card applications include the verbatim disclosure statement:

- a. No applicant may be denied a credit card on account of race, color, religion, national origin, ancestry, age (between 40 and 70), sex, marital status, physical or mental handicap unrelated to the ability to pay or unfavorable discharge from military service.
- b. The applicant may request the reason for rejection of his or her application for a credit card.
- c. No person need reapply for a credit card solely because of a change in marital status unless the change in marital status has caused a deterioration in the person's financial position.
- d. A person may hold a credit card in any name permitted by law that he or she regularly uses and is generally known by, so long as no fraud is intended thereby.

Section 1b of the Act applies to all state banks that issue credit cards whether members of the Federal Reserve or not. However, Section 1c of the Act states that:

Notwithstanding the provisions of Sections 1a and 1b, credit card applications which conform to the requirements of the Federal Equal Credit Opportunity Act, amendments thereto, and any regulations issued or which may be issued thereunder shall be deemed to be in compliance with this Act.

Therefore, if a state bank that issues credit cards already complies with the applicable federal laws and regulations, it is not required to provide the verbatim disclosure statement contained in Section 1b of the Act. For your information, ECOA is found at 15 U.S.C. 1691, and Regulation B that implements the requirements of ECOA is found at 12 C.F.R. 202.