

107TH CONGRESS
1ST SESSION

H. R. 3126

To amend the Truth in Lending Act to impose a temporary cap on credit card interest rates, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 12, 2001

Mr. SANDLIN introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Truth in Lending Act to impose a temporary cap on credit card interest rates, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Credit Card Fairness
5 Act”.

6 **SEC. 2. TEMPORARY RATE CAP ON CREDIT CARD INTEREST**
7 **RATES.**

8 Section 107 of the Truth in Lending Act (15 U.S.C.
9 1606) is amended by adding at the end the following new
10 subsection:

1 “(f) TEMPORARY CREDIT CARD INTEREST RATE
2 CAP.—

3 “(1) IN GENERAL.—The annual percentage rate
4 applicable to an extension of credit outstanding on
5 a credit card account under an open end credit plan
6 in any calendar quarter may not exceed an amount
7 equal to the sum of 5.50 percent and the average
8 amount of the annual percentage rate on loans made
9 by banks to their best corporate customers, as pub-
10 lished in the Wall Street Journal on the last Friday
11 of the preceding calendar quarter, as determined by
12 the Board.

13 “(b) EFFECTIVE PERIOD.—Subsection (a) shall take
14 effect 60 days after the date of the enactment of the Cred-
15 it Card Fairness Act and shall cease to apply at the end
16 of the 2-year period beginning on such effective date.”.

○