

108TH CONGRESS
1ST SESSION

H. R. 1747

To amend the Truth in Lending Act to provide for enhanced information regarding credit card balance payment terms and conditions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 2003

Mr. MCGOVERN (for himself, Mr. LANTOS, Ms. BORDALLO, Ms. NORTON, Mr. BALLANCE, Ms. LEE, Mr. WAXMAN, Mr. OLVER, and Ms. SCHAKOWSKY) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Truth in Lending Act to provide for enhanced information regarding credit card balance payment terms and conditions, 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 “Consumer Credit Dis-
5 closure Act of 2003”.

1 **SEC. 2. ENHANCED DISCLOSURES UNDER AN OPEN END**
2 **CONSUMER CREDIT PLAN.**

3 (a) **REPAYMENT TERMS.**—Section 127(b) of the
4 Truth in Lending Act (15 U.S.C. 1637(b)) is amended
5 by adding at the end the following new paragraph:

6 “(11)(A) Repayment information that would
7 apply to the outstanding balance of the consumer
8 under the credit plan, including—

9 “(i) the required minimum monthly pay-
10 ment on that balance, represented as both a
11 dollar figure and as a percentage of that bal-
12 ance;

13 “(ii) the number of months (rounded to
14 the nearest month) that it would take to pay
15 the entire amount of that balance, if the con-
16 sumer pays only the required minimum monthly
17 payments and if no further advances are made;

18 “(iii) the total cost to the consumer, in-
19 cluding interest and principal payments, of pay-
20 ing that balance in full, if the consumer pays
21 only the required minimum monthly payments
22 and if no further advances are made; and

23 “(iv) the monthly payment amount that
24 would be required for the consumer to eliminate
25 the outstanding balance in 36 months if no fur-
26 ther advances are made.

1 “(B)(i) Subject to clause (ii), in making the dis-
2 losures under subparagraph (A) the creditor shall
3 apply the interest rate in effect on the date on which
4 the disclosure is made until the date on which the
5 balance would be paid in full.

6 “(ii) If the interest rate in effect on the date on
7 which the disclosure is made is a temporary rate
8 that will change under a contractual provision apply-
9 ing an index or formula for subsequent interest rate
10 adjustment, the creditor shall apply the interest rate
11 in effect on the date on which the disclosure is made
12 for as long as that interest rate will apply under
13 that contractual provision, and then apply an inter-
14 est rate based on the index or formula in effect on
15 the applicable billing date.”.

16 (b) PUBLICATION OF MODEL FORMS.—Not later
17 than 180 days after the date of enactment of this Act,
18 the Board of Governors of the Federal Reserve System
19 shall publish model disclosure forms in accordance with
20 section 105 of the Truth in Lending Act for the purpose
21 of compliance with section 127(b)(11) of the Truth in
22 Lending Act, as added by this section.

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