

108TH CONGRESS  
1ST SESSION

# H. R. 2724

To amend the Fair Credit Reporting Act to prohibit the use of any information in any consumer report by any credit card issuer that is unrelated to the transactions and experience of the card issuer with the consumer to increase the annual percentage rate applicable to credit extended to the consumer, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2003

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

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## A BILL

To amend the Fair Credit Reporting Act to prohibit the use of any information in any consumer report by any credit card issuer that is unrelated to the transactions and experience of the card issuer with the consumer to increase the annual percentage rate applicable to credit extended to the consumer, 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 Bait and Switch  
5       Prevention Act”.

1 **SEC. 2. LIMITATION ON USE OF CONSUMER REPORTS.**

2 (a) IN GENERAL.—Section 604(d) of the Fair Credit  
3 Reporting Act (15 U.S.C. 1681b(d)) is amended to read  
4 as follows:

5 “(d) LIMITATION ON USE OF CONSUMER REPORT.—

6 “(1) IN GENERAL.—No credit card issuer may  
7 use any negative information contained in a con-  
8 sumer report to increase any annual percentage rate  
9 applicable to a credit card account, or to remove or  
10 increase any introductory annual percentage rate of  
11 interest applicable to such account, for reasons other  
12 than actions or omissions of the card holder that are  
13 directly related to such account.

14 “(2) NOTICE TO CONSUMER.—The limitation  
15 under paragraph (1) on the use by a credit card  
16 issuer of information in a consumer report shall be  
17 clearly and conspicuously described to the consumer  
18 by the credit card issuer in any disclosure or state-  
19 ment required to be made to the consumer under  
20 this Act.”.

21 (b) TECHNICAL AND CONFORMING AMENDMENT.—  
22 Section 604(a)(3)(F)(ii) of the Fair Credit Reporting Act  
23 (15 U.S.C. 1681b(a)(3)(F)(ii)) is amended by inserting  
24 “subject to subsection (d),” before “to review”.

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