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115TH CONGRESS
1ST SESSION

H. R. 2697

To amend title 10, United States Code, to require additional disclosures by creditors when lending to members of the Armed Forces and their dependents, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2017

Mr. KILDEE introduced the following bill; which was referred to the Committee on Armed Services

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A BILL

To amend title 10, United States Code, to require additional disclosures by creditors when lending to members of the Armed Forces and their dependents, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘‘Transparency in Military Lending Act of 2017’’.

SEC. 2. TRANSPARENCY IN LENDING TO MEMBERS OF THE ARMED FORCES AND THEIR DEPENDENTS.

(a) TRANSPARENCY AND DISCLOSURES.—Section 987(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) ADDITIONAL DISCLOSURES.—

"(A) IN GENERAL.—With respect to any extension of consumer credit described in paragraph (1), a creditor shall provide to the member or dependent each of the following pieces of information, orally and in writing:

"(i) A statement that the Department of Defense and each service branch offers a variety of financial counseling services.

"(ii) A statement that other, lower interest rate loans, including potentially 0 percent interest loans, may be available through other financial institutions and military relief societies.

"(iii) Contact information for the nearest Department of Defense financial counseling office.

"(iv) A statement of the actual cost of the extension of credit, prepared as an amortization table showing what the cost to the member or dependent will be if the extension of credit is paid off at different points over time.

"(B) FORMAT OF DISCLOSURES.—The written disclosures required under clauses (i), (ii), and (iii) of subparagraph (A) shall be provided on single sheet of paper and be in a bold, 14-point font.

"(C) SIGNED ACKNOWLEDGMENT.—With respect to any extension of consumer credit described under paragraph (1), a creditor may not issue the credit unless the member or dependent signs a separate acknowledgment next to each piece of information described in paragraph (3)(A) acknowledging that the member or dependent has read each piece of information.

"(D) LIST OF FINANCIAL COUNSELING OFFICES.—The Secretary of Defense shall prepare a list of Department of Defense financial counseling offices and make the list available to creditors and the public.

"(E) TRANSPARENCY FOR PAYDAY LOANS AND VEHICLE LOANS.—In this paragraph, the term 'consumer credit' shall include 'payday loans' and 'vehicle title loans' as those terms were defined in section 232.3 of title 32, Code of Federal Regulations, as in effect on July 1, 2015.''.

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