3rd revision
#30

AMENDMENT TO H.R. 627, AS REPORTED

OFFERED BY MR. GUTIERREZ OF ILLINOIS

At the end of section 3, insert the following new subsection:

1 (i) AVAILABILITY OF LEGITIMATE AND ACCREDITED
2 CREDIT COUNSELING.—The Board of Governors of the
3 Federal Reserve System shall suggest appropriate guide-
4 lines for creditors to follow with respect to credit card ac-
5 counts under open end consumer credit plans to supply
6 consumer cardholders with information regarding the
7 availability of legitimate and accredited credit counseling
8 services.

Strike section 8 of the bill and insert the following new sections (and redesignate succeeding sections accordingly):

9 **SEC. 8. PROHIBIT FEES FOR PAYMENT ON CREDIT CARD**
10 **ACCOUNTS BY TELEPHONE OR ELECTRONIC**
11 **FUND TRANSFERS.**

12 Section 164 of the Truth in Lending Act (15 U.S.C.
13 1666c) is amended—
14 (1) by striking "Payments received" and insert-
15 ing "(a) IN GENERAL.—Payments received"; and

1 (2) by adding at the end the following new sub-
2 section:
3 "(b) PAYMENT FEES.—
4 "(1) PROHIBITION ON FEE BASED ON MODE OF
5 PAYMENT.—Except as provided in paragraph (2), in
6 the case of a credit card account under an open end
7 consumer credit plan, a creditor may not impose a
8 fee on the obligor based on the particular manner in
9 which the obligor makes a payment on such account.
10 "(2) EXCEPTION.—If the obligor requests to
11 make an expedited payment on a credit card account
12 under an open end consumer credit plan by tele-
13 phone on the date that a payment is due, or the day
14 immediately preceding such date, the creditor may
15 assess a fee for crediting the payment to the obli-
16 gor's account on or by such date.".

17 **SEC. 9. SOLICITATIONS REQUIRED TO INCLUDE WARNING**
18 **ON ADVERSE EFFECTS OF EXCESSIVE CRED-**
19 **IT INQUIRIES.**

20 Section 127(c)(1)(B) of the Truth in Lending Act
21 (15 U.S.C. 1637(c)(1)(B)) is amended by adding at the
22 end the following new clause:
23 "(iv) EXCESSIVE CREDIT INQUIR-
24 IES.—A warning that excessive credit in-
25 quiries, which occur in connection with

1 credit applications and solicitations and
2 under other circumstances, can have an
3 adverse effect on a consumer credit
4 score.".

5 **SEC. 10. READABILITY REQUIREMENT.**

6 Section 122 of the Truth in Lending Act (U.S.C.
7 1632) is amended by adding at the end the following new
8 subsection:

9 "(d) MINIMUM TYPE-SIZE AND FONT REQUIREMENT
10 FOR CREDIT CARD APPLICATIONS AND DISCLOSURES.—
11 All written information, provisions, and terms in or on any
12 application, solicitation, contract, or agreement for any
13 credit card account under an open end consumer credit
14 plan, and all written information included in or on any
15 disclosure required under this chapter with respect to any
16 such account, shall appear—

17 "(1) in not less than 12-point type; and

18 "(2) in any font other than a font which the
19 Board has designated, in regulations under this sec-
20 tion, as a font that inhibits readability.".

Insert at the end the following new section:

1 **SEC. 13. DISCLOSURE REQUIREMENT FOR STORES ACCEPT-**
2 **ING CREDIT CARD ACCOUNT APPLICATIONS.**
3 (a) IN GENERAL.—Section 122 of the Truth in Lend-
4 ing Act (15 U.S.C. 1632) is amended by adding at the
5 end the following:
6 "(d) SIGNS REQUIRED ON CERTAIN PREMISES
7 WHERE CREDIT CARD ACCOUNT APPLICATIONS ACCEPT-
8 ED.—
9 "(1) IN GENERAL.—A person who sells personal
10 property to consumers on a business premises and
11 makes available to consumers on such premises any
12 application to open a credit card account under an
13 open end consumer credit plan, and where such per-
14 son is the issuer of such account, shall display in the
15 premises on a sign any information that is subject
16 to subsection (c) and that is required to be disclosed
17 by the person on that application.
18 "(2) FORMAT.—Such information shall be dis-
19 played on the sign in the form and manner which
20 the Board shall prescribe by regulations and which,
21 to the extent practicable and appropriate, shall be
22 consistent with the form and manner required for
23 the disclosure of such information on the credit card
24 application.
25 "(3) SIGN PLACEMENT.—Such signs shall be
26 conspicuously placed at each location on the prem-

1 ises where the credit card application may be sub-
2 mitted by the consumer.".
3 (b) CONFORMING AMENDMENT.—Section 111(e) of
4 the Truth in Lending Act (15 U.S.C. 1610(e)) is amended
5 by adding at the end the following:
6 "Section 122(d) shall supersede State laws relating
7 to store display of the information that is subject to the
8 requirements of such section, except that any State may
9 employ or establish State laws for the purpose of enforcing
10 the requirements of such section.".