AMENDMENT TO H.R. 627, AS REPORTED

OFFERED BY MR. Price of NC. (et. al.)

After section 8, insert the following new section (and redesignate subsequent sections accordingly):

SEC. 9. ENHANCED MINIMUM PAYMENT DISCLOSURES.

Paragraph (11) of section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)(11)) is amended to read as follows:

"(11) MINIMUM PAYMENT DISCLOSURES.—

"(A) MINIMUM PAYMENT WARNING.—A written statement in the following form: 'Minimum Payment Warning: Making only the minimum payment will increase the interest you pay and the time it takes to repay your balance.'.

"(B) INFORMATION ON OUTSTANDING BALANCE.—Not less than once per calendar quarter, such billing statement shall also include repayment information that would apply to the outstanding balance of the consumer under the credit plan, including—

"(i) the number of months (rounded to the nearest month) that it would take to

1 pay the entire amount of that balance, if
2 the consumer pays only the required min-
3 imum monthly payments and if no further
4 advances are made;
5 "(ii) the total cost to the consumer,
6 including interest payments, of paying that
7 balance in full, if the consumer pays only
8 the required minimum monthly payments
9 and if no further advances are made;
10 "(iii) the monthly payment amount
11 that would be required for the consumer to
12 eliminate the outstanding balance in 12
13 months, 24 months, and 36 months, if no
14 further advances are made, and the total
15 cost to the consumer, including interest
16 and principal payments, of paying that bal-
17 ance in full if the consumer pays the bal-
18 ance over 12, 24, or 36 months, respec-
19 tively; and
20 "(iv) a toll-free telephone number at
21 which the consumer may receive informa-
22 tion about accessing credit counseling and
23 debt management services.
24 "(C) EXCEPTION TO REQUIREMENTS OF
25 SUBSECTION (B).—The quarterly disclosure re-

1 quirements in subsection (B) shall not apply
2 with respect to—
3 "(i) a calendar quarter if, in the 2
4 consecutive billing cycles preceding the end
5 of such quarter, a consumer has paid the
6 entire balance of the bill in full;
7 "(ii) a calendar quarter if, at the end
8 of the calendar quarter, a consumer has an
9 outstanding credit balance of zero or has a
10 positive credit; or
11 "(iii) any class of consumers for which
12 the Board has determined will not benefit
13 substantially from additional disclosures.
14 "(D) APPLICABLE RATES TO BE USED IN
15 DISCLOSURES.—
16 "(i) IN GENERAL.—Subject to clause
17 (ii), in making the disclosures under sub-
18 paragraph (B), the creditor shall apply the
19 interest rate or rates in effect on the date
20 on which the disclosure is made until the
21 date on which the balance would be paid in
22 full.
23 "(ii) SPECIAL RULE IN CASE OF TEM-
24 PORARY RATE.—If the interest rate in ef-
25 fect on the date on which the disclosure is

1 made is a temporary rate that will change
2 under a contractual provision applying an
3 index or formula for subsequent interest
4 rate adjustment, the creditor shall apply
5 the interest rate in effect on the date on
6 which the disclosure is made for as long as
7 that interest rate will apply under that
8 contractual provision, and then apply an
9 interest rate based on the index or formula
10 in effect on the applicable billing date.
11 "(E) FORM AND PROMINENCE OF DISCLO-
12 SURE.—All of the information described in sub-
13 paragraph (B) shall—
14 "(i) be disclosed in the form and man-
15 ner which the Board shall prescribe, by
16 regulation, and in a manner that avoids
17 duplication; and
18 "(ii) be placed in a conspicuous and
19 prominent location on the billing statement
20 in conspicuous typeface.
21 "(F) TABULAR FORMAT.—In the regula-
22 tions prescribed under subparagraph (D), the
23 Board shall require that the disclosure of such
24 information shall be in the form of a table
25 that—

1 "(i) contains clear and concise head-
2 ings for each item of such information; and
3 "(ii) provides a clear and concise form
4 stating each item of information required
5 to be disclosed under each such heading.
6 "(G) LOCATION AND ORDER OF TABLE.—
7 In prescribing the form of the table under sub-
8 paragraph (E), the Board shall require that—
9 "(i) all of the information in the table,
10 and not just a reference to the table, be
11 placed on the billing statement, as required
12 by this paragraph; and
13 "(ii) the items required to be included
14 in the table shall be listed in the order in
15 which such items are described in subpara-
16 graph (B).
17 "(H) SUBSTITUTION OF TERMINOLOGY.—
18 In prescribing the form of the table under sub-
19 paragraph (D), the Board may employ termi-
20 nology which is different than the terminology
21 used in subparagraph (B), if such terminology
22 is more easily understood and conveys substan-
23 tially the same meaning.
24 "(I) 'ROUNDING' REGULATIONS.—For pur-
25 poses of determining whether an error in the

1 disclosures required by subparagraph (B) con-
2 stitutes a legal cause of action against a cred-
3 itor or any other party, the standard referred to
4 under the heading 'Rounding assumed pay-
5 ments, current balance and interest charges to
6 the nearest cent' in the publication by the
7 Board in the *Federal Register* (74 F.R. 5385)
8 on January 29, 2009, of the final regulation re-
9 vising part 226 of title 12 of the Code of Fed-
10 eral Regulations (Regulation Z), or a standard
11 that affords substantially similar protections as
12 determined by the Board, shall apply for pur-
13 poses of the determination with regard to such
14 disclosures.''.