

8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE  
Maloney OF New York, OR Her  
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 627, AS REPORTED**

**OFFERED BY Mrs. Maloney of New York and  
Ms. Watson of California**

Strike out subsection (m) of section 127B of the

Truth in Lending Act (as added by section 4 of the bill)

and insert the following new subsection:

1       “(m) OPT-IN REQUIRED FOR OVER-THE-LIMIT  
2 TRANSACTIONS IF FEES ARE IMPOSED.—

3               “(1) IN GENERAL.—In the case of any credit  
4 card account under an open end consumer credit  
5 plan under which an over-the-limit-fee may be im-  
6 posed by the creditor for any extension of credit in  
7 excess of the amount of credit authorized to be ex-  
8 tended under such account, no such fee shall be  
9 charged unless the consumer has elected to permit  
10 the creditor, with respect to such account, to com-  
11 plete transactions involving the extension of credit,  
12 with respect to such account, in excess of the  
13 amount of credit authorized.

14               “(2) DISCLOSURE BY CREDITOR.—No election  
15 by a consumer under paragraph (1) shall take effect  
16 unless the consumer, before making such election,  
17 received a notice from the creditor of any over-the-

1 limit fee in the form and manner, and at the time,  
2 determined by the Board.'

3 "(3) FORM OF ELECTION.—A consumer may  
4 make the election referred to in paragraph (1) orally  
5 or in writing.

6 "(4) TIME OF ELECTION.—A consumer may  
7 make the election referred to in paragraph (1) at  
8 any time and it shall be effective until the election  
9 is revoked by the consumer orally or in writing.

10 "(5) REGULATIONS.—

11 "(A) IN GENERAL.—The Board shall issue  
12 regulations allowing for the completion of over-  
13 the-limit transactions that for operational rea-  
14 sons exceed the credit limit by a de minimis  
15 amount, even where the cardholder has not  
16 made an election under paragraph (1).

17 "(B) SUBJECT TO NO FEE LIMITATION.—  
18 The regulations prescribed under subparagraph  
19 (A) shall not allow for the imposition of any fee  
20 or any rate increase based on the permitted  
21 over-the-limit transactions with respect to the  
22 account of any cardholder who has not made  
23 the election in paragraph (1).

1                   “(C) DISCLOSURES.—The Board shall pre-  
2                   scribe regulations governing any disclosure  
3                   under this subsection.”.

