

Calendar No. 189111TH CONGRESS
1ST SESSION**S. 1927**

To establish a moratorium on credit card interest rate increases, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 26, 2009

Mr. DODD (for himself, Mr. REED, Mr. SCHUMER, Mr. MENENDEZ, Mr. BROWN, Mr. TESTER, Mr. MERKLEY, and Mr. UDALL of Colorado) introduced the following bill; which was read the first time

OCTOBER 27, 2009

Read the second time and placed on the calendar

A BILL

To establish a moratorium on credit card interest rate increases, 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 Card Rate
5 Freeze Act of 2009”.

1 **SEC. 2. MORATORIUM ON RATE INCREASES.**

2 During the period beginning on the date of enactment
3 of this Act and ending 9 months after the date of enact-
4 ment of the Credit Card Accountability Responsibility and
5 Disclosure Act of 2009, in the case of any credit card ac-
6 count under an open end consumer credit plan—

7 (1) no creditor may increase any annual per-
8 centage rate, fee, or finance charge applicable to any
9 outstanding balance, except as permitted under sub-
10 section 171(b) of the Truth in Lending Act (as
11 added by Public Law 111-24); and

12 (2) no creditor may change the terms governing
13 the repayment of any outstanding balance, except as
14 set forth in section 171(c) of the Truth in Lending
15 Act (as added by Public Law 111-24).

16 **SEC. 3. DEFINED TERMS.**

17 For purposes of this Act—

18 (1) the term “annual percentage rate” means
19 an annual percentage rate, as determined under sec-
20 tion 107 of the Truth in Lending Act (15 U.S.C.
21 1606);

22 (2) the term “finance charge” means a finance
23 charge, as determined under section 106 of the
24 Truth in Lending Act (15 U.S.C. 1605);

1 (3) the term “outstanding balance” has the
2 same meaning as in section 171(d) of the Truth in
3 Lending Act (as added by Public Law 111-24); and

4 (4) the terms used in this Act that are defined
5 in section 103 of the Truth in Lending Act (15
6 U.S.C. 1602) and are not otherwise defined in this
7 Act shall have the same meanings as in section 103
8 of the Truth in Lending Act.

9 **SEC. 4. REGULATORY AUTHORITY.**

10 (a) IN GENERAL.—The Board of Governors of the
11 Federal Reserve System may issue such rules as may be
12 necessary to carry out this Act.

13 (b) DATE OF ENACTMENT.—The provisions of this
14 Act shall take effect upon the date of enactment of this
15 Act, regardless of whether rules are issued under sub-
16 section (a).

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