

106TH CONGRESS
2D SESSION

S. 2117

To amend title 9, United States Code, with respect to consumer credit transactions.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 29, 2000

Mr. FEINGOLD (for himself and Mr. LEAHY) introduced the following bill;
which was read twice and referred to the Committee on the Judiciary

A BILL

To amend title 9, United States Code, with respect to
consumer credit transactions.

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 “Consumer Credit Fair
5 Dispute Resolution Act of 2000”.

6 **SEC. 2. CONSUMER CREDIT TRANSACTIONS.**

7 (a) DEFINITION.—Section 1 of title 9, United States
8 Code, is amended—

9 (1) in the section heading, by striking “**and**
10 **‘commerce’ defined**” and inserting “, **‘com-**

1 **merce’, ‘consumer credit transaction’, and**
 2 **‘consumer credit contract’ defined**”; and

3 (2) by inserting before the period at the end the
 4 following: “; ‘consumer credit transaction’, as herein
 5 defined, means the right granted to a natural person
 6 to incur debt and defer its payment, where the credit
 7 is intended primarily for personal, family, or house-
 8 hold purposes; and ‘consumer credit contract’, as
 9 herein defined, means any contract between the par-
 10 ties to a consumer credit transaction.”.

11 (b) AGREEMENTS TO ARBITRATE.—Section 2 of title
 12 9, United States Code, is amended by adding at the end
 13 the following: “Notwithstanding the preceding sentence, a
 14 written provision in any consumer credit contract evidenc-
 15 ing a transaction involving commerce to settle by arbitra-
 16 tion a controversy thereafter arising out of the contract,
 17 or the refusal to perform the whole or any part thereof,
 18 shall not be valid or enforceable. Nothing in this section
 19 shall prohibit the enforcement of any written agreement
 20 to settle by arbitration a controversy arising out of a con-
 21 sumer credit contract, if such written agreement has been
 22 entered into by the parties to the consumer credit contract
 23 after the controversy has arisen.”.

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