

Public Law 104-12  
104th Congress

An Act

To provide a moratorium on certain class action lawsuits relating to the Truth in Lending Act.

May 18, 1995  
[H.R. 1380]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Truth in Lending Class Action Relief Act of 1995”.

**SEC. 2. MORATORIUM.**

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end the following new subsection:

“(i) CLASS ACTION MORATORIUM.—

“(1) IN GENERAL.—During the period beginning on the date of the enactment of the Truth in Lending Class Action Relief Act of 1995 and ending on October 1, 1995, no court may enter any order certifying any class in any action under this title—

“(A) which is brought in connection with any credit transaction not under an open end credit plan which is secured by a first lien on real property or a dwelling and constitutes a refinancing or consolidation of an existing extension of credit; and

“(B) which is based on the alleged failure of a creditor—

“(i) to include a charge actually incurred (in connection with the transaction) in the finance charge disclosed pursuant to section 128;

“(ii) to properly make any other disclosure required under section 128 as a result of the failure described in clause (i); or

“(iii) to provide proper notice of rescission rights under section 125(a) due to the selection by the creditor of the incorrect form from among the model forms prescribed by the Board or from among forms based on such model forms.

“(2) EXCEPTIONS FOR CERTAIN ALLEGED VIOLATIONS.—Paragraph (1) shall not apply with respect to any action—

“(A) described in clause (i) or (ii) of paragraph (1)(B), if the amount disclosed as the finance charge results in an annual percentage rate that exceeds the tolerance provided in section 107(c); or

Truth in Lending  
Class Action  
Relief Act of  
1995.  
Courts.  
15 USC 1601  
note.

Effective date.

“(B) described in paragraph (1)(B)(iii), if—  
“(i) no notice relating to rescission rights under section 125(a) was provided in any form; or  
“(ii) proper notice was not provided for any reason other than the reason described in such paragraph.

Approved May 18, 1995.

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LEGISLATIVE HISTORY—H.R. 1380:

CONGRESSIONAL RECORD, Vol. 141 (1995):  
Apr. 4, considered and passed House.  
Apr. 24, considered and passed Senate.

