

## HR 3639

Expedited CARD Reform for Consumers Act of 2009

**Congress:** 111 (2009–2011, Ended)

**Chamber:** House

**Policy Area:** Finance and Financial Sector

**Introduced:** Sep 24, 2009

**Current Status:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

**Latest Action:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Dec 23, 2009)

**Official Text:** <https://www.congress.gov/bill/111th-congress/house-bill/3639>

### Sponsor

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**Name:** Rep. Maloney, Carolyn B. [D-NY-14]

**Party:** Democratic • **State:** NY • **Chamber:** House

**Cosponsors** (38 total)

| Cosponsor                           | Party / State | Role | Date Joined  |
|-------------------------------------|---------------|------|--------------|
| Rep. Capuano, Michael E. [D-MA-8]   | D · MA        |      | Sep 24, 2009 |
| Rep. Frank, Barney [D-MA-4]         | D · MA        |      | Sep 24, 2009 |
| Rep. Hirono, Mazie K. [D-HI-2]      | D · HI        |      | Sep 24, 2009 |
| Rep. Levin, Sander M. [D-MI-12]     | D · MI        |      | Sep 24, 2009 |
| Rep. Schakowsky, Janice D. [D-IL-9] | D · IL        |      | Sep 24, 2009 |
| Rep. Sutton, Betty [D-OH-13]        | D · OH        |      | Sep 24, 2009 |
| Rep. Tierney, John F. [D-MA-6]      | D · MA        |      | Sep 24, 2009 |
| Rep. Kanjorski, Paul E. [D-PA-11]   | D · PA        |      | Sep 25, 2009 |
| Rep. Lowey, Nita M. [D-NY-18]       | D · NY        |      | Sep 25, 2009 |
| Rep. Miller, George [D-CA-7]        | D · CA        |      | Sep 25, 2009 |
| Rep. Ackerman, Gary L. [D-NY-5]     | D · NY        |      | Oct 7, 2009  |
| Rep. Cummings, Elijah E. [D-MD-7]   | D · MD        |      | Oct 7, 2009  |
| Rep. Ellison, Keith [D-MN-5]        | D · MN        |      | Oct 7, 2009  |
| Rep. Lee, Barbara [D-CA-9]          | D · CA        |      | Oct 7, 2009  |
| Rep. Maffei, Daniel B. [D-NY-25]    | D · NY        |      | Oct 7, 2009  |
| Rep. Markey, Betsy [D-CO-4]         | D · CO        |      | Oct 7, 2009  |
| Rep. Pingree, Chellie [D-ME-1]      | D · ME        |      | Oct 7, 2009  |
| Rep. Fudge, Marcia L. [D-OH-11]     | D · OH        |      | Oct 8, 2009  |
| Rep. Titus, Dina [D-NV-3]           | D · NV        |      | Oct 8, 2009  |
| Rep. Baca, Joe [D-CA-43]            | D · CA        |      | Oct 15, 2009 |
| Rep. Hall, John J. [D-NY-19]        | D · NY        |      | Oct 15, 2009 |
| Rep. Hodes, Paul W. [D-NH-2]        | D · NH        |      | Oct 15, 2009 |
| Rep. Kissell, Larry [D-NC-8]        | D · NC        |      | Oct 15, 2009 |
| Rep. Lofgren, Zoe [D-CA-16]         | D · CA        |      | Oct 15, 2009 |
| Rep. Sherman, Brad [D-CA-27]        | D · CA        |      | Oct 15, 2009 |
| Rep. Chu, Judy [D-CA-32]            | D · CA        |      | Oct 21, 2009 |
| Rep. Grijalva, Raúl M. [D-AZ-7]     | D · AZ        |      | Oct 21, 2009 |
| Rep. Langevin, James R. [D-RI-2]    | D · RI        |      | Oct 21, 2009 |
| Rep. Matsui, Doris O. [D-CA-5]      | D · CA        |      | Oct 21, 2009 |
| Rep. McGovern, James P. [D-MA-3]    | D · MA        |      | Oct 21, 2009 |
| Rep. Olver, John W. [D-MA-1]        | D · MA        |      | Oct 21, 2009 |
| Rep. Waxman, Henry A. [D-CA-30]     | D · CA        |      | Oct 21, 2009 |
| Rep. Kilroy, Mary Jo [D-OH-15]      | D · OH        |      | Oct 22, 2009 |
| Rep. Markey, Edward J. [D-MA-7]     | D · MA        |      | Oct 26, 2009 |
| Rep. Meek, Kendrick B. [D-FL-17]    | D · FL        |      | Oct 26, 2009 |
| Rep. Murphy, Patrick J. [D-PA-8]    | D · PA        |      | Oct 26, 2009 |
| Rep. Nadler, Jerrold [D-NY-8]       | D · NY        |      | Oct 26, 2009 |
| Rep. Rothman, Steven R. [D-NJ-9]    | D · NJ        |      | Oct 26, 2009 |

## Committee Activity

| Committee                                     | Chamber | Activity    | Date         |
|---|---------|-------------|--------------|
| Banking, Housing, and Urban Affairs Committee | Senate  | Referred To | Dec 24, 2009 |
| Financial Services Committee                  | House   | Reported By | Oct 26, 2009 |

## Subjects & Policy Tags

### Policy Area:

Finance and Financial Sector

## Related Bills

| Bill         | Relationship         | Last Action  |
|--------------|----------------------|--|
| 111 HRES 884 | Procedurally related | Nov 4, 2009: Motion to reconsider laid on the table Agreed to without objection. |
| 111 S 1833   | Identical bill       | Oct 26, 2009: Sponsor introductory remarks on measure. (CR S10730-10731)         |

Expedited CARD Reform for Consumers Act of 2009 - (Sec. 2) Amends the Credit Card Accountability Responsibility and Disclosure Act of 2009 (Credit CARD Act of 2009) to: (1) make Title I: Consumer Protection, Title II: Enhanced Consumer Disclosures, and Title III: Protection of Young Consumers effective as of the date of enactment of this Act; and (2) make February 22, 2010, the effective date of such titles for a depository institution with fewer than two million credit cards in circulation on the date of the enactment of the Credit CARD Act of 2009.

(Sec. 3) Amends the Truth in Lending Act (TILA) to make conforming amendments with respect to review of past consumer interest rate increases.

Amends TILA to move to the date of enactment of this Act: (1) the deadline by which the Board of Governors of the Federal Reserve System (Board) must issue final implementing rules for required creditor reviews of changes in factors considered in past consumer annual percentage interest rate (APR) increases when determining whether to reduce the APR; and (2) the effective date of the creditor review requirement. But makes February 22, 2010, the rules deadline, and August 22, 2010, the effective date of the creditor review requirement governing a depository institution that has fewer than two million credit cards in circulation on the date of the enactment of this Act.

Declares the date of enactment of this Act: (1) the effective date of the requirement that any penalty fee or charge that a credit card issuer may impose, including a late payment fee, over-the-limit fee, or any other penalty fee or charge, be reasonable and proportional to the omission or violation to which it relates; and (2) the deadline for the Board to issue final implementing rules establishing standards for assessing whether any such penalty fee or charge is reasonable and proportional. But makes February 22, 2010, the rules deadline, and August 22, 2010, the effective date of the reasonable and proportional requirement itself, with respect to a depository institution with fewer than two million credit cards in circulation on the date of the enactment of this Act.

(Sec. 4) States that TILA does not prevent a creditor from putting into effect immediately: (1) any reduction in APR; (2) elimination or reduction of any fee imposed on a consumer; or (3) any significant change in terms for the benefit of the consumer.

(Sec. 5) Defers until February 22, 2010, the effective date of the new requirement under the Act that a credit card issuer must apply amounts in excess of the minimum payment amount first to the card balance bearing the highest rate of interest. Conditions this moratorium, however, on the creditor's refraining from: (1) increasing any APR, or fees or finance charges applicable to any existing or future balance (other than as provided in TILA); or (2) changing the account terms to the detriment of a consumer, including repayment of any outstanding balance (other than as provided in TILA).

(Sec. 6) Amends TILA to prohibit either a creditor or a consumer reporting agency from using the pay off or closure of a consumer credit card account under an open end consumer credit plan to negatively impact the consumer's credit score or consumer report when the consumer pays off an outstanding account balance within 45 days after receiving notice of the imposition of a new fee.

(Sec. 7) Imposes a limited moratorium on APR, fee, and finance charge increases, beginning on the date of enactment of this Act. Prohibits a creditor, during the moratorium period, from: (1) increasing any APR, fee, or finance charge applicable to any outstanding balance of a credit card account under an open end consumer credit plan; or (2) changing the repayment terms of an outstanding balance (except as permitted under TILA). Ends such moratorium nine months (February 22, 2010) after the date of enactment of the Credit Card Accountability Responsibility and Disclosure Act of

2009 (May 22, 2009).

## Actions Timeline

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- **Dec 23, 2009:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
- **Nov 5, 2009:** Received in the Senate.
- **Nov 4, 2009:** Rule H. Res. 884 passed House.
- **Nov 4, 2009:** Considered under the provisions of rule H. Res. 884. (consideration: CR H12302-12323)
- **Nov 4, 2009:** Rule provides for consideration of H.R. 3639 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order. The rule waives all points of order against consideration of the bill except clauses 9 and 10 of rule XXI. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill, modified by the amendment printed in part A of the report of the Committee on Rules, shall be considered as adopted and provides that the bill, as amended shall be considered as the original bill for the purpose of further amendment under the five-minute rule.
- **Nov 4, 2009:** House resolved itself into the Committee of the Whole House on the state of the Union pursuant to H. Res. 884 and Rule XVIII.
- **Nov 4, 2009:** The Speaker designated the Honorable Ed Pastor to act as Chairman of the Committee.
- **Nov 4, 2009:** GENERAL DEBATE - The Committee of the Whole proceeded with one hour of general debate on H.R. 3639.
- **Nov 4, 2009:** DEBATE - Pursuant to the provisions of H.Res. 884, the Committee of the Whole proceeded with 10 minutes of debate on the Hensarling amendment.
- **Nov 4, 2009:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Hensarling amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Mr. Frank (MA) demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until later in the legislative day.
- **Nov 4, 2009:** DEBATE - Pursuant to the provisions of H.Res. 884, the Committee of the Whole proceeded with 10 minutes of debate on the McCarthy (NY) amendment.
- **Nov 4, 2009:** POSTPONED PROCEEDINGS - At the conclusion of debate on the McCarthy (NY) amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Mrs. McCarthy (NY) demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until later in the legislative day.
- **Nov 4, 2009:** DEBATE - Pursuant to the provisions of H.Res. 884, the Committee of the Whole proceeded with 10 minutes of debate on the Maffei amendment.
- **Nov 4, 2009:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Maffei amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Mr. Maffei demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until later in the legislative day.
- **Nov 4, 2009:** DEBATE - Pursuant to the provisions of H.Res. 884, the Committee of the Whole proceeded with 10 minutes of debate on the Sutton amendment number 4.
- **Nov 4, 2009:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Sutton amendment number 4, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Ms. Sutton demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until later in the legislative day.
- **Nov 4, 2009:** DEBATE - Pursuant to the provisions of H.Res. 884, the Committee of the Whole proceeded with 10 minutes of debate on the Sutton amendment number 5.
- **Nov 4, 2009:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Sutton amendment number 5, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Ms. Sutton demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until later in the legislative day.
- **Nov 4, 2009:** The House rose from the Committee of the Whole House on the state of the Union to report H.R. 3639.
- **Nov 4, 2009:** The House adopted the amendment as agreed to by the Committee of the Whole House on the state of the Union. (text: CR H12311)
- **Nov 4, 2009:** Mr. Castle moved to recommit with instructions to Financial Services. (consideration: CR H12320-12322; text: CR H12320-12321)
- **Nov 4, 2009:** DEBATE - The House proceeded with 10 minutes of debate on the Castle motion to recommit with instructions. The instructions contained in the motion seek to require that the bill be reported back to the House with an

amendment to require the Federal Reserve System to submit a report to Congress certifying whether or not the implementation of necessary regulations under those provisions affected by the amendments made by section 2 and section 3 of H.R. 3639 is feasible by December 1, 2009. The amendment also states that unless such certification reports that such implementation is feasible by December 1, 2009, section 2 and section 3 of H.R. 3639 shall have no force or effect.

- **Nov 4, 2009:** The previous question on the motion to recommit with instructions was ordered without objection. (consideration: CR H12320, H12322)
- **Nov 4, 2009:** On motion to recommit with instructions Failed by recorded vote: 171 - 253 (Roll no. 850). (consideration: CR H12322)
- **Nov 4, 2009:** Passed/agreed to in House: On passage Passed by recorded vote: 331 - 92 (Roll no. 851).
- **Nov 4, 2009:** On passage Passed by recorded vote: 331 - 92 (Roll no. 851).
- **Nov 4, 2009:** Motion to reconsider laid on the table Agreed to without objection.
- **Nov 3, 2009:** Rules Committee Resolution H. Res. 884 Reported to House. Rule provides for consideration of H.R. 3639 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order. The rule waives all points of order against consideration of the bill except clauses 9 and 10 of rule XXI. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill, modified by the amendment printed in part A of the report of the Committee on Rules, shall be considered as adopted and provides that the bill, as amended shall be considered as the original bill for the purpose of further amendment under the five-minute rule.
- **Oct 26, 2009:** Reported (Amended) by the Committee on Financial Services. H. Rept. 111-314.
- **Oct 26, 2009:** Placed on the Union Calendar, Calendar No. 180.
- **Oct 22, 2009:** Committee Consideration and Mark-up Session Held.
- **Oct 22, 2009:** Ordered to be Reported by Voice Vote.
- **Oct 8, 2009:** Committee Hearings Held.
- **Sep 24, 2009:** Introduced in House
- **Sep 24, 2009:** Referred to the House Committee on Financial Services.