

111<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2217

To amend the Truth in Lending Act to require creditors to report the terms and conditions of all business, marketing, promotional agreements and college affinity card agreements with institutions of higher education and alumni organizations, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2009

Mr. PATRICK J. MURPHY of Pennsylvania (for himself and Mr. PETRI) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Truth in Lending Act to require creditors to report the terms and conditions of all business, marketing, promotional agreements and college affinity card agreements with institutions of higher education and alumni organizations, 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 “Student Credit Card  
5 Transparency Act of 2009”.

1 **SEC. 2. COLLEGE CREDIT CARD AGREEMENTS.**

2 (a) IN GENERAL.—Section 127 of the Truth in Lend-  
3 ing Act is amended by adding at the end the following  
4 new subsection:

5 “(i) COLLEGE CARD AGREEMENTS.—

6 “(1) DEFINITIONS.—For purposes of this sub-  
7 section, the following definitions shall apply:

8 “(A) COLLEGE AFFINITY CARD.—The term  
9 ‘college affinity card’ means a credit card issued  
10 by a credit card issuer under an open end con-  
11 sumer credit plan in conjunction with an agree-  
12 ment between the issuer and an institution of  
13 higher education, or an alumni organization or  
14 foundation affiliated with or related to such in-  
15 stitution, under which such cards are issued to  
16 college students who have an affinity with such  
17 institution, organization and—

18 “(i) the creditor has agreed to donate  
19 a portion of the proceeds of the credit card  
20 to the institution, organization, or founda-  
21 tion (including a lump sum or 1-time pay-  
22 ment of money for access);

23 “(ii) the creditor has agreed to offer  
24 discounted terms to the consumer; or

25 “(iii) the credit card bears the name,  
26 emblem, mascot, or logo of such institu-

1           tion, organization, or foundation, or other  
2           words, pictures, or symbols readily identi-  
3           fied with such institution, organization, or  
4           foundation.

5           “(B) COLLEGE STUDENT CREDIT CARD AC-  
6           COUNT.—The term ‘college student credit card  
7           account’ means a credit card account under an  
8           open end consumer credit plan established or  
9           maintained for or on behalf of any college stu-  
10          dent.

11          “(C) COLLEGE STUDENT.—The term ‘col-  
12          lege student’ means an individual who is a full-  
13          time or a part-time student attending an insti-  
14          tution of higher education.

15          “(D) INSTITUTION OF HIGHER EDU-  
16          CATION.—The term ‘institution of higher edu-  
17          cation’ has the same meaning as in section 101  
18          and 102 of the Higher Education Act of 1965  
19          (20 U.S.C. 1002).

20          “(2) REPORTS BY CREDITORS.—

21          “(A) IN GENERAL.—Each creditor shall  
22          submit an annual report to the Board con-  
23          taining the terms and conditions of all business,  
24          marketing, and promotional agreements and  
25          college affinity card agreements with an institu-

1           tion of higher education, or an alumni organiza-  
2           tion or foundation affiliated with or related to  
3           such institution, with respect to any college stu-  
4           dent credit card issued to a college student at  
5           such institution.

6           “(B) DETAILS OF REPORT.—The informa-  
7           tion required to be reported under subpara-  
8           graph (A) includes—

9                   “(i) any memorandum of under-  
10                   standing between or among a creditor, an  
11                   institution of higher education, an alumni  
12                   association, or foundation that directly or  
13                   indirectly relates to any aspect of any  
14                   agreement referred to in such subpara-  
15                   graph or controls or directs any obligations  
16                   or distribution of benefits between or  
17                   among any such entities;

18                   “(ii) the amount of payments from  
19                   the creditor to the institution, organiza-  
20                   tion, or foundation during the period cov-  
21                   ered by the report, and the precise terms  
22                   of any agreement under which such  
23                   amounts are determined; and

24                   “(iii) the number of credit card ac-  
25                   counts covered by any such agreement that

1           were opened during the period covered by  
2           the report and the total number of credit  
3           card accounts covered by the agreement  
4           that were outstanding at the end of such  
5           period.

6           “(C) AGGREGATION BY INSTITUTION.—  
7           The information reported under subparagraph  
8           (A) shall be aggregated with respect to each in-  
9           stitution of higher education or alumni organi-  
10          zation or foundation affiliated with or related to  
11          such institution.

12          “(3) REPORTS BY BOARD.—The Board shall  
13          submit to the Congress, and make available to the  
14          public, an annual report that lists the information  
15          concerning credit card agreements submitted to the  
16          Board under paragraph (2) by each institution of  
17          higher education, alumni organization, or founda-  
18          tion.”.

19          (b) STUDY AND REPORT BY THE COMPTROLLER  
20          GENERAL.—

21                 (1) STUDY.—The Comptroller General of the  
22          United States shall from time to time review the re-  
23          ports submitted by creditors and the marketing  
24          practices of creditors to determine the impact that

1 college affinity card agreements and college student  
2 card agreements have on credit card debt.

3 (2) REPORT.—Upon completion of any study  
4 under paragraph (1), the Comptroller General shall  
5 periodically submit a report to the Congress on the  
6 findings and conclusions of the study, together with  
7 such recommendations for administrative or legisla-  
8 tive action as the Comptroller General determines to  
9 be appropriate.

10 (c) EFFECTIVE DATE FOR INITIAL CREDITOR RE-  
11 PORTS.—The initial reports required under paragraph  
12 (2)(A) of the amendment made by subsection (a) shall be  
13 submitted to the Board of Governors of the Federal Re-  
14 serve System before the end of the 90-day period begin-  
15 ning on the date of the enactment of this Act.

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