

**AMENDMENT TO H.R. 4435, AS REPORTED
OFFERED BY MR. KILDEE OF MICHIGAN**

At the end of subtitle E of title V, add the following
new section:

1 **SEC. 548. TRANSPARENCY IN LENDING TO MEMBERS OF**
2 **THE ARMED FORCES AND THEIR DEPEND-**
3 **ENTS.**

4 (a) **TRANSPARENCY AND DISCLOSURES.**—Section
5 987(c) of title 10, United States Code, is amended by add-
6 ing at the end the following new section:

7 “(3) **ADDITIONAL DISCLOSURES.**—

8 “(A) **IN GENERAL.**—With respect to any
9 extension of consumer credit described under
10 paragraph (1), a creditor shall provide to the
11 member or dependent each of the following
12 pieces of information, orally and in writing, and
13 the creditor may not issue the credit unless the
14 member or dependent signs a separate acknowl-
15 edgment next to each piece of information ac-
16 knowledging that the member or dependent has
17 read each such piece:

1 “(i) A statement that the Department
2 of Defense and each service branch, offers
3 a variety of financial counseling services.

4 “(ii) A statement that other, lower in-
5 terest rate loans, including potentially 0
6 percent interest loans, may be available
7 through other financial institutions, and
8 military relief societies.

9 “(iii) Contact information for the
10 nearest Department of Defense financial
11 counseling office.

12 “(iv) The actual cost of the extension
13 of credit, prepared as an amortization
14 table showing what the cost to the member
15 or dependent will be if paid off at different
16 points over time.

17 “(B) FORMAT OF DISCLOSURES.—The dis-
18 closures required under this paragraph shall be
19 made on single sheet of paper and be in a bold,
20 14-point font.

21 “(C) LIST OF FINANCIAL COUNSELING OF-
22 FICES.—The Secretary of Defense shall prepare
23 a list of Department of Defense financial coun-
24 seling offices, and make sure list available to
25 creditors and the public.”.

1 (b) TRANSPARENCY FOR PAYDAY LOANS AND VEHI-
2 CLE LOANS.—Solely for purposes of the disclosures re-
3 quired under section 987(c)(3) of title 10, United States
4 Code, the Secretary of Defense shall apply the definitions
5 of “payday loans” and “vehicle title loans” under section
6 232.3 of title 32, Code of Federal Regulations, as pro-
7 viding that the terms of such loans are 10 years or less.

