

In Congress Now

CREDIT CARDHOLDERS' BILL OF RIGHTS ACT (H.R. 5244)

- Introduced by Rep. Carolyn Maloney (D-N.Y.) on Feb. 7, 2008
- Eliminates universal default
- Prohibits “any time, any reason” pricing and double billing
- Allows cardholders to opt out of automatic authorization to exceed credit limits
- Requires statements to be mailed 25 days before the due date, instead of the 14 days required by current law
- Allows cardholders to cancel credit lines without incurring cancellation fees

CREDIT CARD FAIR FEE ACT (H.R. 5546)

- Introduced by Rep. John Conyers (D-Mich.) on March 6, 2008
- Seeks to address complaints by merchants about interchange fees imposed by credit card companies
- Provides antitrust immunity to allow negotiations between credit card companies and merchant groups over interchange fees
- Hearing on the bill held in the House Judiciary Committee on May 15, 2008
- Senate companion bill (S. 3086) introduced by Sen. Dick Durbin (D-Ill.) on June 5, 2008

STOP UNFAIR PRACTICES IN CREDIT CARDS ACT (S. 1395)

- Introduced by Sen. Carl Levin (D-Mich.) on May 15, 2007
- Prohibits interest charges for credit card debt that is paid on time
- Prohibits “trailing interest” charges for periods between when a bill is sent and the on-time payment is made
- Caps penalty interest rate increases to no more than 7 percent
- Restricts retroactive interest rate increases and several common fee practices
- House companion bill (H.R. 5280) introduced by Rep. Lincoln Davis (D-Tenn.) on Feb. 7, 2008

CREDIT CARD REFORM ACT (S. 2753)

- Introduced by Sen. Bob Menendez (D-N.J.) on March 12, 2008
- Eliminates universal default
- Prohibits penalty interest rate increases of more than 7 percent and bans retroactive rate increases
- Prohibits changing the terms of a credit card contract before the expiration of the contract
- Requires consumers under 21 years of age to opt-in to receiving credit card solicitations from issuers
- Requires credit card issuers to verify when opening an account that the account holder can make the scheduled payments

CREDIT CARD ACCOUNTABILITY RESPONSIBILITY AND DISCLOSURE (CARD) ACT

- Proposed by Sen. Chris Dodd (D-Conn.) on April 30, 2008, but not yet formally introduced
- Contains elements from both S. 1395 and S. 2753
- Eliminates universal default
- Restricts retroactive rate increases
- Prohibits changing the terms of a credit card contract before the expiration of the contract
- Requires consumers under 21 year of age to opt-in to receiving credit card solicitations from issuers