



Legislation Text

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Res. No. 1875

Resolution calling on the United States Senate to pass and the President to sign the Credit Cardholders' Bill of Rights.

By Council Members Yassky, Brewer, Comrie, Foster, Gennaro, Gentile, Jackson, James, Koppell, Palma, Sanders Jr., Weprin, White Jr., Gerson, Nelson and Lappin

Whereas, Consumers in the current, fragile economy need more protection from predatory lenders than ever before; and

Whereas, Americans are more in need of responsible lending and a safe, secure line of credit today than any time in the last 50 years due to massive layoffs and huge corporate cut-backs; and

Whereas, Too many hard-working Americans enter into contracts with credit card companies trusting that nothing in the fine print will hurt them; and

Whereas, Many people are suffering due to deceptive credit card company practices such as raising interest rates on future debt without 45 days' notice and changing contract agreements before cards are due for renewal; and

Whereas, Additional consumer protections are absolutely necessary and therefore the Credit Cardholders' Bill of Rights, also known as H.R. 5244, should be passed by the members of the United States Senate; and

Whereas, The Credit Card Bill of Rights was passed by the United States House of Representatives in September of 2008; and

Whereas, H.R. 5244 would end unfair, arbitrary interest rate increases and allow consumers to set their own fixed credit limit; and

Whereas, H.R. 5244 would limit the number of over-the-limit fees companies can charge for the same transaction and would require credit card companies to mail billing statements 25 calendar days before the due date, which would be an increase from the current 14 day requirement; and

Whereas, H.R. 5244 would prevent companies from using misleading terms and damaging consumers' credit rating, would protect vulnerable consumers from high-fee subprime credit cards, and would bar the issuance of credit cards to individuals under the age of 18 who are not emancipated minors; and

Whereas, H.R. 5244 has received support from multiple publications, politicians, small business organizations and consumer organizations such as the Consumer Federation of America and the Center for Responsible Lending; and

Whereas, Helping to provide a useful means of credit for New Yorkers is one way to ease the burden of the current economic crisis the City is in; now, therefore, be it

Resolved, That the Council of the City of New York calls on the United States Senate to pass and the President to sign the Credit Cardholders' Bill of Rights.

RMP
LS #6138
11/17/08