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EDITORIAL

A Gift to Credit Card Companies

Congress left consumers extremely vulnerable when it gave the credit card industry as long as 15 months to end the deceptive predatory practices outlawed in the spring in the Credit Card Accountability, Responsibility and Disclosure Act. The credit card industry, which clearly wants to make a killing in the Christmas season, used this unnecessarily long grace period to intensify its predations, doubling interest rates on people who pay on time and driving up rates by an industry wide average of about 20 percent.

These ravages seemed not to have registered with Senator Thad Cochran, a Republican of Mississippi, who represents the nation's poorest and most economically vulnerable state. On Wednesday, Mr. Cochran blocked a vote on a bill introduced by Senator Christopher Dodd, a Democrat of Connecticut, that would have immediately frozen credit card interest rates and fees.

Mr. Cochran said through his office that he objected to the bill on behalf of unknown Republican colleagues who had their own objections. But it is difficult not to see his maneuver in yet another act of obeisance by Senate Republicans to the banking and credit card industries.

The same was true of Congress's decision in May to delay implementation of the original credit card reform bill. Had the act gone into effect immediately, credit card issuers would have been forced to end many of the practices that have trapped millions of Americans in debt that they had no hope of repaying.

Arbitrary increases like the ones that appear to have become even more common since the spring would have been immediately outlawed. So would the practice of penalizing customers who are late paying an unrelated bill — known as universal default — and the rip-off in which companies charge cardholders new interest on debts that they have paid a month or two earlier. And the companies would have been forced to end the outrageous practice of burdening teenagers with credit cards without first judging their ability to pay the bills or getting a signature from a responsible adult.

The Dodd bill appears to be off the table for the moment. But a stronger bill that would move up the effective date of the credit card law to Dec. 1 has already passed the House. The Senate version has been introduced by Mark Udall, a Democrat of Colorado. With December almost upon us, the measure should long since have become law.

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