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Consumer Credit Counseling Service of Greater San Antonio Press Release
For Immediate Release

NEW CARD ACT PROVISIONS PROVIDE ADDITIONAL PROTECTIONS FOR CONSUMERS

San Antonio, TX – The Federal Reserve is expected to release another round of consumer protections on August 22, 2010. This set of rules is the latest in a series that implement the provisions of the Credit Card Accountability, Responsibility, and Disclosure Act (CARD Act).

Consumer Credit Counseling Service of Greater San Antonio (CCCSSA) wants to make consumers aware of these changes, as a greater understanding of the terms of their credit card contract increases the likelihood of consumers being better able to manage their finances responsibly.

The new set of regulations includes the following rules:

- The credit card company cannot assess a late fee of more than \$25 unless one of the consumer's last six payments was late, in which case the fee may go up to \$35. However, if the credit card company can demonstrate that the costs it incurred as a result of the late payments justified a higher fee, they are allowed to impose a higher penalty.
- The issuer cannot charge a late payment fee that is more than the minimum payment.
- When a charge exceeds the account's credit line, an over-the-limit fee of more than the amount charged cannot be assessed.
- The credit card company cannot charge consumers an inactivity fee for not using their cards.
- Consumers can no longer be charged multiple penalty fees for the same transaction. For instance, both a late fee and an over-limit fee resulting from the same transaction cannot be charged.
- The company must explain any increase in the card's Annual Percentage Rate (APR).
- If the APR is increased, the credit card company must re-evaluate the increase every six months, and if appropriate, reduce the rate within 45 days after completing the evaluation.

George Merkle, President & CEO, suggests that "In addition to being familiar with these provisions, consumers need to open their credit card statements promptly, and read all inserts that accompany the monthly mailings. These simple steps will help prevent unpleasant surprises."





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For help understanding how the provisions of the CARD Act impact you, or for assistance getting your finances back on track, reach out to CCCSSA. To locate the location closest to you, dial toll free to 1.800.410.2227 or to find a counselor online go to www.CCCSSa.org.

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CCCSSA is a member of the nation's largest and longest serving national nonprofit credit counseling organization, the National Foundation for Credit Counseling, Inc. Their collective mission is to provide services to consumers to help them achieve financial wellness through financial management counseling, financial education and when appropriate debt reduction services through debt management plans. As a condition of membership, CCCSSA is required to maintain high quality services through standards set by The Council on Accreditation and the NFCC.

