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FOR IMMEDIATE RELEASE November 18, 2010

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**BEYOND THE CREDIT CARD ACT:  
FEATURES OF A SAFER CREDIT CARD  
NEW NCLC POLICY BRIEF**

Recent reforms have curbed many credit card abuses, but credit cards can still be made considerably safer, explains a new policy brief by the National Consumer Law Center.

“Credit cards remain a risky product, especially for less affluent consumers,” said Lauren Saunders, author of the [“Beyond the Credit CARD Act: Features of a Safer Credit Card.”](#)

“Some credit card issuers are still looking for ways to manipulate consumers, and the credit card industry has yet to develop a simple, safe credit card that would help vulnerable consumers have access to credit with less risk of exploding costs and debt,” she added.

Even after the current reforms, credit card issuers can use bait and switch tactics on interest rates or can hide the cost of a card in fees and complicated rules. Credit cards too often trap consumers in a cycle of debt, despite new rules requiring issuers to consider ability to pay. Typical minimum payments extend the debt out 20 years.

Credit card companies should offer safer credit cards, with features including:

- A single, reasonable rate for all transactions, with no penalty rates.
- Transparent costs captured in the APR and annual fee (if any), with few other fees beyond a modest late fee.
- Minimum payments that eliminate the debt in five years.
- Simple grace period, payment and other rules that meet consumers’ expectations.
- Mutual consent to renew a card when terms change.

“Consumers should have access to a safe credit card—one with no surprises, reasonable terms, and features that won’t trap cardholders with unaffordable debt,” said Saunders.

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