



The National Organization of Portuguese Americans

Legislative Alert ©

April 21, 2010

As a part of NOPA's mission to empower Portuguese-Americans, this Legislative Alert is sent out every two weeks as pertinent developments occur in order to keep the community informed of legislative action at the national level. This objective, non-partisan report aims to educate those interested about action on Capitol Hill that may affect the Portuguese-American community at large.

If you have any questions about this or other legislation, please contact NOPA's Government Affairs Team at info@nopa-us.org or 703-389-3512.

Legislative Update

Congress returned from the Easter/Passover break last week and will be in session until May 28th before breaking for Memorial Day.

Upon their return last week, Congress passed H.R. 4851, *The Continuing Extension Act of 2010*, which includes a two-month extension of unemployment insurance (through June 2) and COBRA benefits (through May 31.) The bill also provides several other short-term extensions such as the Small Business Loan Guarantee, National Flood Insurance Program, Highway Trust Fund, Poverty Guidelines the Medicare Physicians Payments. The bill was signed into law by the President last Thursday.

You can read the legislative text of the 12 page bill here:

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:h4851pcs.txt.pdf

For the coming weeks, it appears Congress will mainly focus Financial Reform legislation, Budget Resolutions for FY2011 and confirmations of nominees.

Credit Card Accountability Responsibility and Disclosure (CARD) Act

On May 22nd, 2009, the Credit CARD Act of 2009 was signed into law by President Barack Obama. The full title of the law - Public Law 111-24 - is the Credit Card Accountability Responsibility and Disclosure Act of 2009. It amends the Truth In Lending Act, the Federal Trade Commission Act and the Electronic Funds Transfer Act.

Most of the provisions in this bill go into effect February 22, 2010.



What CARD Act Changes Have Become Effective as of February 2010?

- Credit card issuers will not be able to increase interest rates on existing credit card balances unless the borrower is at least 60 days late on the account. This will eliminate the retroactive rate increases and the universal default clause where credit card issuers would periodically review an account holder's current credit standing to determine changes in terms and annual percentage rates.
- Credit card issuers will have to provide clear disclosure of account terms before a borrower opens an account. If the account provides a promotional interest rate period, the promotional interest rate will have to last a minimum of six months.
- Credit card issuers will not be able to raise interest rates on new credit card accounts during the first year the account is opened. This rule will not apply if the borrower falls 60 days late on a credit card payment.
- Credit card issuers will not be able to charge over-limit fees unless they obtain the account holder's consent to accept and process over-limit transactions beforehand. If consent is obtained, the card issuer will not be able to charge more than one over-limit fee per billing cycle. Additionally, credit card issuers will not be able to charge an over-limit fee if interest charges or other fees are the sole reason for pushing the account holder over their limit.
- Credit card issuers will not be able to charge additional payment penalties for accepting payments by mail, phone, electronic transfer, or any other means, unless the payment is processed through an expedited service processor.
- Credit card issuers will face significant hurdles if they try to issue credit cards to consumers under age 21 without an "of-age" co-signer, unless they meet sufficient income requirements to independently repay the debt.
- If a due date falls on a weekend or holiday, the credit card issuer will not be able to penalize mailed payments that are received on the next business day. Payments received by 5 p.m. must be credited the same day.
- Double-cycle billing, a process where credit card issuers use the previous month's balance to calculate interest charges for the current month, becomes illegal.
- Credit card issuers will be required to apply any payment above the minimum amount due to the highest interest balance first.
- Subprime or "fee harvester" credit cards will have fee limits. Fees on a credit card (other than late fees, over-limit fees, or insufficient funds charges) will not be able to



exceed more than 25 percent of the credit limit when the account is opened.

- Credit card issuers will have to include a minimum payment disclosure that explains how long it will take to pay off the existing balance and the total cost in interest fees if the cardholder paid only the minimum amount due. Additionally, card issuers will have to provide minimum payment details and the total cost in interest to pay off the existing balance within 3 years (36 months).
- Card issuers will have to make account terms and cardholder agreements available to their cardholders on the Internet.

Donate Now - Madeira Credit Card Donation Account

NOPA has opened a specific account to take credit card donations for our Portuguese brothers and sisters trying to rebuild their lives in Madeira. If you still have not donated yet and desire a more convenient process than making a bank



wire transfer, you can send your contribution by going to the NOPA website, www.nopa-us.org, and click the donation button to proceed and use your credit card. All donations will be sent to the Cruz Vermelha Portuguesa (Portuguese Red Cross). Those still wishing to make a donation via bank transfer can find the account information on our site as well.

The source for all Congressional legislation information on this report was the THOMAS system from The Library of Congress (<http://thomas.loc.gov/>). Links for each of the bills listed above direct readers to the THOMAS web page specific to the bill.

You can find a PDF file of this and other alerts at NOPA's [website](http://www.nopa-us.org). If you have any questions about this or other legislation, please contact NOPA's Government Affairs Team at info@nopa-us.org or 703-389-3512.

The National Organization of Portuguese-Americans is a national non-profit, tax exempt organization that supports and works with communities and organizations to advocate for and empower Portuguese-Americans. If you feel inspired to join our mission, please send your tax deductible contribution to:

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