

**Resolution Title:** Resolution to Oppose Punitive Credit Card Interest and Fee Schedules  
**Submitted by:** Submitted by Professional Staff Congress/CUNY

WHEREAS, a decline in wages forces many Americans to rely on credit to make ends meet; and

WHEREAS, most Americans carry credit cards issued by one of the nationally chartered banks; and

WHEREAS, in order to avoid state regulations, these national banks have relocated their credit card operations to the two states where there are no limits on interest charges; and

WHEREAS, credit card companies routinely market, on or near campuses, their products to college students, usually increasing their indebtedness; and

WHEREAS, the credit card industry reserves the right to change the interest rates at any time and with short notice, (15 to 60 days); and

WHEREAS, the credit card industry routinely charges interest at 20 to 30 times the prime interest rate with said fees now providing the largest share of industry profits; and

WHEREAS, if left unchecked, industry practices will force many more consumers into bankruptcy; and

WHEREAS, the Union Plus MasterCard, distributed through AFT to our members, as a Household Bank affiliate, engages in the same deceptive, usurious practices of the industry; and

WHEREAS, while the Office of the Comptroller of the Currency duly authorized to oversee the nationally chartered banks, though "troubled" by industry practices, has failed to rein in abusive or deceptive practices and encourages the industry to ignore state authorities that receive thousands of consumer complaints; and

WHEREAS, industry lobbyists have prevented even the most modest reforms in the credit card industry; therefore be it

RESOLVED, that NYSUT and its national affiliates support S2755 introduced by Senator Dodd for the purpose of reforming national credit card practices and stronger measures to regulate the industry; and be it further

RESOLVED, that NYSUT and its affiliates clarify for members the financial risks associated with credit card use and expose industry practices that put consumers, its members, at risk; and be it further

RESOLVED, that NYSUT collaborate with consumer advocacy groups and its labor affiliates to pressure the Office of the Comptroller of the Currency to use its existing regulatory power to change unsound, abusive industry practices.