



Synopsis of Original Bill

The Periodic Statement of Credit Card Accounts Act requires card issuers to provide with each statement the number of months and total cost to pay off the entire balance on an account if the card holder were to pay only the minimum balance due at the current rate.

Significant Issues

By requiring credit card companies to make New Mexico consumers aware of the cost and the amount of time it would take to pay off a credit card by paying only the minimum balance, the state may foster greater financial responsibility among its credit card holders.

**ADMINISTRATIVE IMPLICATIONS**

The Attorney General may see an administrative impact if credit card companies fail to comply with the new law and enforcement action is necessary.

**OTHER SUBSTANTIVE ISSUES**

Extensive federal regulation exists regarding the information that credit card companies must disclose to its customers in a credit card application and periodic statements. Sometimes states are prevented from making state laws where the federal government has already legislated. However, with regard to credit card disclosures, federal regulations explain that federal law preempts state laws regarding disclosure statements *only to the extent of inconsistency*. There appears to be no inconsistency between the bill and federal law.

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