

economic indicators point to a rally in crude oil prices. Oil is now above \$58 a barrel and gas prices are the highest they have been in 6 months. We don't need a repeat of last summer. We need to work together to craft a comprehensive energy policy that promotes domestic security and creates American jobs while providing energy at the lowest cost possible to consumers.

The key to the energy future is to take a balanced approach that includes domestic production, conservation, renewables, nuclear, and alternative fuel development.

I would like to conclude my remarks by repeating my constituents' desire for the kind of bipartisanship that can transform this country's energy policy. I welcome the opportunity to work with all my colleagues on this issue. I encourage us not to get into another energy crisis such as we faced last summer, with Congress having failed to take the important steps it can to help America become energy independent and a strong supplier of its own energy resources.

I yield the floor.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

CREDIT CARDHOLDERS' BILL OF RIGHTS ACT OF 2009—Resumed

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 627) to amend the Truth in Lending Act to establish fair and transparent practices relating to the extension of credit under an open end consumer credit plan, and for other purposes.

Pending:

Dodd-Shelby amendment No. 1058, in the nature of a substitute.

McConnell (for Gregg) amendment No. 1085 (to amendment No. 1058), to enhance public knowledge regarding the national debt by requiring the publication of the facts about the national debt on IRS instructions, Federal Web sites, and in new legislation.

Vitter amendment No. 1066 (to amendment No. 1058), to specify acceptable forms of identification for the opening of credit card accounts.

Sanders amendment No. 1062 (to amendment No. 1058), to establish a national consumer credit usury rate.

Gillibrand amendment No. 1084 (to amendment No. 1058), to amend the Fair Credit Reporting Act to require reporting agencies to provide free credit reports in the native language of certain non-English speaking consumers.

The PRESIDING OFFICER. Under the previous order, the Senator from New Jersey is recognized.

Mr. MENENDEZ. Mr. President, we see gathering clouds in this economic storm and those clouds are credit card debt. At the very same time that it is becoming harder to get new credit, Americans have almost a trillion dollars of credit card debt outstanding.

Defaults are rising and delinquencies are at a 6-year high. It is clear this isn't only a question of consumers overspending. Credit card companies are trying to boost their profit with deceptive practices and making the situation worse. People are seeing so much of their paychecks eaten up by late fees, over-the-limit fees, and interest payments that today companies can unilaterally increase at any time. Credit card companies are pushing cards on college students who can't afford them and teenagers are winding up with a lifetime of debt.

Companies are raising interest rates on consumers and customers who have a perfect record with their credit card but miss a payment with some other creditor. Maybe worst of all, if you have a credit card, chances are there is a line in the fine print that says the company can change the rules at any time. Considering some of the changes companies have made already, who knows what they could do tomorrow.

I have heard from thousands of people in New Jersey who feel their credit card contracts are booby-trapped, that their credit card agreements conceal all kinds of trapdoors behind a layer of fine print. Take one false step and your credit rating plummets and your interest rate shoots through the roof.

These are the same kinds of stories we started hearing as the foreclosure crisis began. Right now there is nothing stopping credit card companies from doing this to consumers—no law, no level playing field, no protection for the average American, no way to get the kind of fair treatment we expect as a matter of common sense.

When some people see that their interest rate has shot through the roof for no apparent reason, they call and plead with their companies for help, but their fate lies solely in the hands of the credit card companies. If the companies don't want to help, they are out of luck and stuck with an even bigger mountain of debt. Meanwhile, credit card companies are still making multi-billion-dollar profits. This isn't just impacting the lives of individual Americans and families trying to make ends meet; it has major ramifications for the entire economy.

One of our major economic challenges right now is getting credit flowing again but not at the high price credit card companies are imposing. The economy is never going to get running at full speed again if consumers can't get their bearings because they have fallen behind on a payment treadmill that credit card companies keep speeding up. If there is any time to end deceptive practices and level the playing field, it is now.

Credit card reform is something I have been calling for since I set foot in the Senate. In 2006, one of the first pieces of legislation I introduced was an effort to reform credit card practices. Even then it was clear credit card debt was a looming problem that had the potential to wreak havoc on

American families unless we achieved commonsense reforms. If there is one thing we have learned from this economic crisis, it is that we can't wait for a dangerous situation to reach full-blown crisis proportions before we act.

This Congress, as I have done for several Congresses, I introduced the Credit Card Reform Act to tackle essentially the same issues this current bill deals with, including banning retroactive rate increases, protecting young consumers from being sucked into the cycle of debt, reasonably tying fees to costs, and prohibiting unilateral changes to agreements.

We have \$1 trillion collective debt in credit cards. That is how big this issue is. I am proud to see Chairman DODD's credit card reform bill includes many of the provisions I included in my bill and have championed for years. His leadership is what has brought us to the floor today. I included in my bill many of those provisions, and we have championed them together.

Though in some cases I would like to see different provisions that I think would make for stronger legislation, I still look forward to working with the chairman on one or two of those. But this bill represents one of the strongest, most comprehensive efforts yet to end some of the most egregious practices of credit card issuers, while making sure that Americans young and old don't fall so easily into financial traps.

The principle behind this bill is simple: Companies should be clear about the rules upfront, and they should not change them in the middle of the game. The bill says, similar to a provision I have been pushing, if companies want to change the terms of credit card agreements, they have to give reasonable notice before they do so. It will end an industry practice known as universal default on existing credit balances so companies don't raise interest rates on customers' outstanding debt when they have a perfect record with that credit card but maybe miss a payment by a few days with some other creditor.

I called for this in my bill, and I am proud to see Chairman DODD has it in his. I am also proud he included a provision I called for in my bill to make sure that when fees are imposed, they are reasonably tied to the original violation or omission that triggered the fee, not just the companies' desire to increase profits.

This bill will discourage the bait-and-switch tactics behind the preapproved offers that almost every American consumer has seen come into their mailbox, an idea I also put forward strongly in my own bill. When you get a card offer, the offer should be real. The terms should not be so good to be true that it fades away once you apply for the card. This legislation will provide recourse for consumers, if a card issuer tries a sleight of hand and changes the terms in the fine print.

One of the things I have been focused on—and I am glad to see it in this