



FEDERATION OF AMERICAN CONSUMERS AND TRAVELERS

- NEWS RELEASE -

FOR IMMEDIATE RELEASE

New Reg Could Keep Non-working Spouses from Obtaining Credit

EDWARDSVILLE, IL, February 23, 2011 - Vicki Rolens, Managing Director of the Federation of American Consumers (FACT), reports that a new Federal Reserve rule would limit credit available to nonworking spouses.

Before the rule goes into effect, says Rolens, the Fed must negotiate some conflicts which apparently exist with the Equal Credit Opportunity Act.

Once effective, the rule will require merchants to consider the independent income of an applicant for credit rather than overall household income. The rule would not, however, apply if one is filing for a joint account with an income-producing spouse.

“There’s objection from various quarters concerning the proposed reg, ” says Rolens. “Retailers who issue credit cards, for example, are worried that sales would suffer if stay-at-home moms are unable to establish their own accounts.”

Proponents say the new reg brings credit-issuing policies in line with 2009 credit card reform legislation, and will help to keep persons with no independent income from incurring debt which they themselves are unable to pay back.

This news release has been issued by the Federation of American Consumers and Travelers (FACT), a consumer organization formed under the not-for-profit corporation laws of the District of Columbia in 1984. FACT serves more than 1 million consumers nationwide. Additional information on FACT may be found in the Encyclopedia of Associations, and by visiting the association's Web site (www.usafact.org). Informative, unbiased news bulletins are regularly disseminated by FACT to help its members remain current on matters which might seriously impact their lives. The association does not offer support to -- and does not receive support from -- any political party or movement. In addition to publishing consumer-related reports, the association provides more than 40 benefits for its members, ranging from medical insurance and dental discounts to prescription drug savings and scholarships. FACT’s administrative office is located at 318 Hillsboro Avenue, Edwardsville, IL 62025