

**HOUSE . . . . . No. 3892**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Nine**  
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An Act relative to credit card companies..

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1    Chapter 255 of the General Laws is hereby amended by inserting after  
2 section 12H the following section:-

3           Section 12H ½ . No card issuer shall raise interest rates to collect on outstanding balances  
4 without sufficient reason. Sufficient reason shall include but not be limited to past payment  
5 history on credit card and credit history with the card issuer. Card issuers shall provide a  
6 cardholder with full disclosure of credit card company practices toward increasing their interest  
7 rate including but not limited to: calculation of rates, specific reasoning for increase of rates and  
8 specific credible reasoning as to why a customer’s rate is being raised. Credit card companies  
9 shall be limited to 2 credit reports per year on card holders. Credit card companies violating any  
10 provisions of this section shall be punished by a fine not to exceed \$2000 per incident.