



Legislation Details (With Text)

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Title: Resolution calling on Capital One to amend their individual credit card agreements regarding how and when they contact cardholders for debt collection.

Sponsors: Rafael L. Espinal, Jr., Robert E. Cornegy, Jr., Rosie Mendez, Deborah L. Rose

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Res. No. 131

Resolution calling on Capital One to amend their individual credit card agreements regarding how and when they contact cardholders for debt collection.

By Council Members Espinal, Cornegy, Mendez and Rose

Whereas, Capital One is a Fortune 500 company that provides an array of financial services and products to consumers, small businesses and commercial clients; and

Whereas, One of their products is an individual consumer credit card that can be applied for and obtained online or at bank branch locations in seven states, including New York; and

Whereas, According to various news reports, Capital One’s 2014 individual cardholder agreement allows them to visit cardholders at their homes and workplaces and contact them at any time for debt collection purposes; and

Whereas, Further, under the same agreement, Capital One states they “may modify or suppress caller ID and similar services and identify [them] selves on these services in any manner [they] choose” for collection

purposes; and

Whereas, New York City is home to over eight million residents, many of whom have and use credit cards on a daily basis and make their payments in a timely fashion; and

Whereas, Some consumers find themselves unable to make their credit card payments in a timely manner and while Capital One has every right to make efforts to collect delinquent debts, it should do so in a professional, respectful, above-board manner that doesn't offend and alienate the card holder; and

Whereas, Notwithstanding that there are existing consumer protections against some of the practices referenced in Capital One's credit card agreement, referencing these practices in their agreements or attempting to carrying out such acts is unprofessional, intrusive, invasive and overly aggressive; and

Whereas, Capital One should amend their credit card agreements and require their representatives to disclose their identity when they contact consumers to collect a debt and only contact the consumer by mail or over the phone during reasonable hours; now therefore, be it

Resolved, That the Council of the City of New York calls on Capital One to amend their individual credit card agreements regarding how and when they contact cardholders for debt collection.

JSM
LS# 830
3/18/14