

Congressman Paul Hodes [NH-02] Statement to be submitted to the record on Students and Credit Cards on June 25, 2008

Thank you Chairwoman Maloney for holding this important hearing on students and credit cards.

Many students fall into a cycle of debt, making it impossible from them to break free from payments to credit card companies over their lifetime. Often these students carry this debt into adulthood making it difficult for them to save for a home, children and retirement.

I applaud the work of New York's Attorney General Andrew Cuomo and his nationwide investigation into whether or not credit card companies offered payments or other incentives to colleges in exchange for exclusive access to the institution's students.

The GAO recently reported that student debt continues to rise. Marketing to students has become more and more aggressive. Students receive offers in the mail in addition to on campus. In return for signing up for a new credit card students often get gifts, including t-shirts, hats or mugs. I am curious about the thoughts of this distinguished panel on Senator Menendez's bill, S. 2753. The bill prevents solicitation mailings to consumers ages 18-20 unless they opt-in to credit card solicitation lists, and they can opt-out again until their 21st birthday. I would like their comments in writing.

Thank you Chairwoman Maloney and I look forward to the testimony of the panel.