In February, landmark reforms to the credit card industry included in the Credit CARD Act went into effect. The legislation, passed by Congress and signed by President Obama last year, ends unfair industry practices and protects consumers from abusive tactics like retroactive rate increases, misleading late fee charges and over-limit fee traps.

I was proud to vote for this bill, which amended the Truth in Lending Act, providing credit consumers with protections against abuse by the credit card industry.

In August 2009, several provisions of the legislation went into effect. Credit card companies were instructed to provide written notice of any interest rate increases or other significant changes in the terms of a credit card account. They must inform consumers about their right to cancel the card before the rate hike goes into effect. And creditors must mail bill statements 21 days before payment is due.

Additional improvements to credit card regulations went into effect in February. Creditors are no longer able raise rates based on late payment on an unrelated account (i.e. cell phone or cable bills). They won't be allowed to charge interest on balances that have already been paid. And "double-cycle billing," which happens when credit card issuers charge interest on balances from a previous billing cycle, will no longer be permitted.

Several other important provisions also went into effect, including:

Any payments you make above the minimum will be automatically credited against the account balance with the highest interest rate.

- Credit card companies are no longer be able to increase the annual percentage rate (APR) during the first 12 months of opening up an account.
- Creditors can't charge over-limit fees unless cardholders agree and, if over-limit fees are assessed, they can only be assessed once during any billing cycle.
- You can close a credit card account for any reason at any time, even if you are still carrying a balance. And the creditor cannot change the rate on the remaining balance unless you miss payments or it is a variable rate card.
- Credit card companies must provide a 30-day advance notice of an account closure.

- Creditors cannot set early morning deadlines for payments, and payments due on weekends or holidays will not be considered late if they are received on the next business day.

- Creditors are prohibited from providing credit to consumers under age 18 (unless they are emancipated under state law, or the consumer's parent or legal guardian is designated as the primary account holder).
- Before extending credit to consumers under 21, a parent or guardian who will take responsibility for the debt must co-sign, unless the applicant has proof that the applicant has an independent means of repaying any credit extended.

The final provisions of the Credit Card Accountability Responsibility and Disclosure Act are effective August 2010, including the following:

- Requiring penalty fees to be reasonable and proportional to the omission or violation.
- Requiring that creditors periodically review all interest rate increases since January 2009 and reduce rates when a review indicates that a reduction is warranted.
- Amending the Electronic Fund Transfer Act to limit dormancy, inactivity, and service fees associated with gift cards.

I think these provide us with some common sense consumer credit protections that will ensure that credit is widely available at low rates.

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