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# About.com Credit / Debt Management

## New Credit Card Rules for Young Adults

New Rules Require Teenagers and College Students to Have a Cosigner

By LaToya Irby, About.com Guide

According to a recent [study by Sallie Mae](#)<sup>1</sup>, the average college student carries about \$3,000 in credit card debt. The study even projects that some freshman students could graduate with more than \$8,000 in credit card debt if they continue charging at the same rate. Perhaps, the Credit Card Accountability Responsibility and Disclosure Act came at the perfect time. This new credit card legislation goes into effect on February 22, 2010 and will limit teenagers' ability to get credit cards. Hopefully, it will slow the rate of college credit card debt and allow students to enter the real world with fewer financial obligations.

### Written Credit Card Applications Required

Once the new rules become effective, credit card issuers will no longer be allowed to give a credit card to anyone under 21 who hasn't submitted a written application. That means no more telephone credit card approvals for teenagers.

### Teens Must Prove Income or Have a Cosigner

The applicant must have a cosigner who's over 21. The cosigner can be a parent, legal guardian, spouse, aunt, cousin, or anyone else, as long as that person is over 21. Remember, [cosigners are jointly liable](#)<sup>2</sup> for charges made on an account.

The applicant can bypass the cosigner requirement by proving that he has enough income to repay the charges.

Credit card issuers must have written cosigner approval before increasing [credit limits](#)<sup>3</sup> on credit cards that have been cosigned. This gives the cosigner the opportunity to lower the credit limit to prevent high balances.

### Restrictions on Campus Credit Card Marketing

Credit cards are notorious for luring college students with free t-shirts and sandwiches in exchange for credit card applications. New credit card rules make this practice illegal. Card issuers can't offer "any tangible item" to entice students to apply for their credit cards on campus, near campus, or at a college-related or college-sponsored event.

Credit card companies can no longer send pre-approved credit card offers to consumers under 21 unless that person has opted to receive these offers.

*This About.com page has been optimized for print. To view this page in its original form, please visit: <http://credit.about.com/od/consumercreditlaws/a/credit-card-rules-for-young-adults.htm>*

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#### Links in this article:

1. <http://credit.about.com/b/2009/04/27/despite-the-credit-crunch-student-credit-card-debt-is-overwhelming.htm>
2. <http://credit.about.com/od/toughcreditissues/qt/cosignloans.htm>
3. <http://credit.about.com/od/usingcreditcards/qt/creditlimitcut.htm>