

The Effects of CARD Act Disclosures on Consumers' Use of Credit Cards

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This research examines the impact of changes in credit card regulations on consumers' use of credit cards. The study uses a unique data source on consumer credit card usage that is available on a monthly basis from 2006 through 2010. The data are obtained from the Ohio State University's *Consumer Finance Monthly*, which interviews a nationally representative sample of 300 to 500 households each month. The survey provides detailed data on credit card ownership, credit terms, usage, and payment behaviors, along with data on employment, income, net worth, and demographics. These data are used to examine the impact of changes mandated by the Credit Card Accountability, Responsibility and Disclosure (CARD) Act on consumers' use of credit cards. Results suggest that there are at best modest beneficial effects of the CARD Act on consumer credit card payment behaviors, and only among the highest-risk borrowers.

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