



Credit rules that give women a fair shake

NOW IT'S THE LAW: A woman—single, married, divorced, widowed—can get a loan, open a charge account and finance a house or car on the same basis as anyone else.

That's what's promised by the 1975 Equal Credit Opportunity Act, for which the latest regulations took effect in March. The revised and broadened act says flat out that you cannot be denied credit because of sex, marital status, age, race, color, religion, national origin, your receipt of public assistance income or exercise of your rights under truth-in-lending and other credit laws.

Having this law on your side is one thing. But law or no law, many a woman complains that actually getting credit is still something else. A lot of them think their credit needs continue to be frustrated by the sex discrimination that this law forbids.

So what can you do about it? Sue?

Yes. That's the ultimate remedy the law provides. You can sue the offending parties for damages and force compliance with the law.

The most practical way to get fair consideration short of suing, however, is to know what rights and protections the law affords and to be ready to invoke them—in a tone that hints of lawsuits, if necessary—

whenever you believe your credit difficulties result from illegal discrimination.

To help you get what the law entitles you to, here's the essence of what the new regulations do and do not provide.

First, understand that neither this law nor any other guarantees anyone credit. As you can see from the list on the next page, there are many valid reasons for a creditor to deny you credit. What the law does is to simply but firmly guarantee that a woman's creditworthiness will be evaluated on the same basis as that of all other customers.

What creditors must do

- ▶ When evaluating a joint application for credit of a husband and wife, creditors must consider the wife's income—even if it's from a part-time job—in the same way they consider the husband's in determining the couple's creditworthiness and allowable credit limit.
- ▶ If you want them to, creditors must count as income any alimony and child support payments you receive to the extent that they are likely to continue. If you do include these payments as part of your

income on a credit application, then the creditor can ask you to demonstrate that this income is reliable (by way of copies of court judgments, checks and the like), and he is also entitled to check on the credit record of the ex-husband if it is available under other applicable credit laws.

► Creditors must permit you to open and maintain credit accounts in your birth-given first name and surname or your birth-given first name and married surname or combined surname, whichever you prefer, regardless of your marital status. For example, Jane Doe married to Robert Smith has a right to obtain credit as Jane Doe, Jane Smith or Jane Doe Smith.

► When checking on the history of any kind of account—joint or separate—used by you or your husband, late husband or ex-husband, the creditor must consider any additional information you present to show that the credit history being considered does not accurately reflect your willingness and ability to repay debts. This protects you from getting poor marks as a result of an unpaid bill that was solely your husband's responsibility or from such things as a creditor's failure to clear the record on an account mix-up.

► When creditors pass along information about how

you handle your account to credit bureaus or other agencies, they must report all information on joint accounts opened June 1 or later in the name of both you and your husband if both of you use the account or are liable for it. (For existing accounts they must notify you of this option.) This is to insure that both husband and wife get equal acknowledgement for the credit history of the account.

► If a creditor denies you credit or closes your account, you have the right to know his specific reasons so you can compare them against anything you might have been told that leads you to believe sex or marital status discrimination was the reason.

What creditors must not do

► They must not discriminate against you because of your sex or marital status, discourage you from applying for credit for these reasons, or consider your sex or marital status in any credit-scoring systems they have for evaluating creditworthiness.

► They cannot refuse to grant you and your husband separate credit accounts if each of you is credit-worthy on your own merits without relying on the other's income or credit history.

► They cannot ask you about your childbearing intentions or capability or your birth control practices, whether you are applying individually or jointly with your husband.

► They cannot require a co-signature on your loan or credit account unless the same requirement is imposed on all similarly qualified applicants—that is, others whose income, existing debt obligations, credit history, etc., are comparable.

► They must not change the conditions of a credit account or close it solely because of a change in your marital status while you are contractually liable for it. However, they can require you to reapply for the credit when your marital status changes if the credit was initially granted in part because of a spouse's income.

► They must not ask for information about your husband unless he will be

When credit is denied

Under the equal credit opportunity law, a creditor who won't give you credit must tell you so in writing within 30 days. The notice must also tell you about the Equal Credit Opportunity Act, provide the name and address of the federal agency having jurisdiction, and give either the specific reasons or, if they are not provided, a note that you have the right to them if you so request.

The reasons must be specific. Just saying that the action was based on internal standards or policies or that you didn't get a good score under the creditor's private scoring system is not good enough. He can state his reasons in checklist or letter form or he can use a form designed by the Federal Reserve Board, which would contain your name and address and his, a description of the transaction involved, a statement of the adverse action taken, and a checklist of reasons with one or more indicated.

- Credit application incomplete
- Insufficient credit references
- Unable to verify credit references
- Temporary or irregular employment
- Unable to verify employment
- Length of employment
- Insufficient income
- Excessive obligations
- Unable to verify income
- Inadequate collateral
- Too short a period of residence
- Temporary residence
- Unable to verify residence
- No credit file
- Insufficient credit file
- Delinquent credit obligations
- Garnishment, attachment, foreclosure, repossession or suit
- Bankruptcy
- We do not grant credit to any applicant on the terms and conditions you request.
- Other, specify: _____

liable for or will use the credit account or loan, or you live in a state with community property laws, or you are relying on alimony provided by him as part of the income you list in your credit application, or you are applying for a student loan.

► They cannot require you to use a courtesy title, such as Mrs., Ms. or Miss even though these may be printed on application forms. They are not part of anyone's legal name.

Making the law work for you

If you run into a problem with credit that you believe is a result of discrimination against your sex, marital status or other circumstances covered by the law, raise the issue right away, in person if you're dealing face-to-face with a loan officer or credit department clerk. Simply asking which government agency you should complain to under the equal credit law may straighten things out fast.

If it doesn't and the creditor's response to your suggestion of discrimination doesn't alleviate your suspicions, put your complaint in writing. Explain the circumstances, the specific actions of the creditor you believe revealed prejudice and the provisions of the law you feel were violated. Send it by registered mail to the president of the company, with copies to the employe or department you dealt with, local or state consumer protection bureaus and the appropriate federal enforcement agency.

Different agencies enforce the law for different

For more information

There are a number of pamphlets and booklets available that not only outline women's rights under the equal credit law but also provide good general advice about establishing your credit. Check with your bank, credit union or other lender. New York's Citibank, for instance, provides its customers with a 40-page booklet, *Borrowing Basics for Women*. The Commercial Credit Corp.'s booklet called *Women: To Your Credit* is free at its offices or by calling toll-free 800 638-1900. The free pamphlet *Equal Credit Opportunity Act* is available from regional offices of the Federal Trade Commission.

kinds of creditors. For example, for banks it's the Comptroller of the Currency, Federal Reserve Board or Federal Deposit Insurance Corporation; for savings and loans, the Federal Home Loan Bank Board; for credit unions, the National Credit Union Administration; for stockbrokers, the Securities and Exchange Commission; for airlines, the Civil Aeronautics Board; for credit card companies and retail stores, the Federal Trade Commission.

In your letter, suggest what you would consider a satisfactory resolution of the matter and ask for a prompt response. If you get a runaround or unsatisfactory results and want to press the issue, you'll have to turn to a lawyer. But if you know your rights and build a good case in your complaint letter, odds are you won't have to resort to a lawsuit.

Don't fall down the stairs

Some 538,000 people were treated in hospital emergency rooms last year because of falls on stairs. They wound up with sprained ankles or wrists, broken bones, severe scratches and head injuries. You can do yourself a favor by following these safety rules to help you stay on your feet.

Lighting. Have switches at the top and bottom of each flight of stairs. Make sure bulbs are strong enough to give sufficient light.

Stair treads. Repair any broken steps or loose boards and patch broken concrete. Replace worn carpets or tread coverings. Where possible, use compressed cork, rubber treads, abrasive strips or other slip-resistant materials to cover stairs.

Railings. Hold on to railings, especially when going down stairs. Tighten loose railings or handrails.

Clear steps. Never leave newspapers and boxes on stairs or landings. Pick up toys and other obstacles, too. Indoors, wipe up any spills; outdoors, clean off steps after every snow or ice storm.

Clothing. Loose slippers can trip you on stairs. Don't go up and down in socks or stocking feet. Be extra careful not to trip or stumble when wearing long skirts, flared pants or platform shoes.

Watch your step. Don't carry groceries and other packages in a way that obscures your vision. Don't turn around to talk to someone. Don't be in a hurry when you are climbing or descending steps.