

NBC Contradicts Itself on New Bill to Protect Consumer; May Hurt Students Trying To Establish a Good Credit Score

'Today's' Money Panel: Recommends Plastic in Moderation as Congress Makes it Harder for People under 21 to Get Credit Cards.

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NBC's coverage of a new bill that restricts credit card companies has been riddled with contradictions – first attacking companies for taking advantage of young people, then admitting students need to build credit.

On May 14 "Nightly News" anchor Brian Williams said, "graduates enter the world with awful credit card debt" and then reporter Lisa Myers [demonized credit card companies](#) for student debt and praised possible government intervention.

The House passed a bill on May 20 to restrict credit card companies which would make it very difficult for consumers under 21 to obtain a credit card unless they have a parent co-sign the card or prove they can pay.

That will make things difficult for college students who need to establish a line of credit to rent an apartment, buy an airline ticket or purchase a car. That was ignored by NBC "Nightly News" May 19 and CBS "Early Show" on May 20. "Good Morning America" didn't report the credit card story at all on May 20.



Ironically, a "Money 911" segment on NBC's "Today" included personal finance expert and author David Bach. He suggested that a young woman who called in should get a credit card to establish a line of credit.

Bach said, "The reason you don't have a higher credit score is that you're young and you don't actually have a credit line. So yes, we're gonna shock you right now, you should go open up a credit card account." He continued to say that setting a card up to pay one bill automatically will create a history of on time bill payments that will increase her credit score.

The new restrictions will hamper this process.

While "The Early Show" noted the age restrictions missed by "Today," they did not examine the consequences. CBS did quote a proponent of the measure – Sen. Chuck Schumer, D-N.Y. – who said, "For consumers across the country, who are drowning in credit card debt, a lifeboat has just arrived."

Cato Institute's Mark A. Calabria criticized the [bill](#) on May 11 saying, "Congress should also further examine the wisdom of restricting credit to college students under the age of 21. Outside of the obvious age discrimination, why treat adults between the ages of 18 and 21 any differently from those above 21?"

Calabria was included NBC "Nightly News" May 19 but was only quoted saying, "Even if I

thought that this was the best bill possible; I think the timing is absolutely wrong.”

Network criticism of the credit card bill has focused on rate hikes and fees that may be put into place until the law takes effect in nine months. That glossed over the unintended impact on the credit of young adults.