



NEW YORK STATE SENATOR

Shelley B. Mayer

Democrat and Chronicle: How NY's new law on credit card rewards protects you from losing hard-earned points

EMILY BARNES December 18, 2023

New Yorkers now have protections from losing earned credit card rewards through a new statewide consumer protection law that went into effect this month.

The new law, which began Sunday, requires credit card companies to take additional steps to protect consumers from losing accrued points when rewards programs are modified or terminated, [according to Gov. Kathy Hochul's office](#).

"For many people, a sudden loss of rewards can amount to the loss of a significant amount of money," Senator Shelley B. Mayer, who represents the 37th District, said. "Individuals will now receive notification and a grace period to use their rewards when an account is being closed, thereby increasing transparency for all New Yorkers and ensuring earned credit card rewards can be used."

What the new law means for New Yorkers

Credit card issuers have 45 days to let cardholders know when any existing credit card account or rewards program is canceled, closed or modified in a way that is less favorable to them.

This includes any change that:

- Eliminates or reduces the value of a consumer's points
- Makes it harder to accumulate points
- Limits rewards availability
- Diminishes the value of the rewards program

And from the day the credit card issuer sends the notice, consumers then have 90 days to redeem their accrued points or rewards in accordance with the program's original terms and conditions.

The law also requires the 90-day grace period after any account is closed to allow you more time to cash in your rewards.

Best practices for using your credit card rewards

- **Make the most of your points.** Since many reward programs give multiple options to redeem points, compare the value of each potential reward and pick the option that provides the highest dollar value per point.
- **Review reward expiration policies.** While most credit card rewards do not expire as long as you keep your credit card account open, some airline and hotel reward "miles" and points expire after 12 to 36 months. Be sure to read the terms and conditions of any rewards card to understand the expiration policy.
- **Avoid becoming delinquent on your account.** Making purchases to gain rewards can be tempting but as most credit card issuers require consumers to maintain their accounts in good standing with on-time payments to access points, never spend more than you can

afford just to earn points or rewards.

- **Close accounts strategically.** If you decided you need to close a credit card account, plan to redeem all your points before the end of your 90-day grace period. In some cases, you may also be able to transfer your points to your spouse or another card in your name.

Read the article here: <https://www.democratandchronicle.com/story/news/2023/12/18/ny-just-enacted-a-law-to-protect-your-credit-card-points-heres-how/71877991007/>