

Millennials are saying no to credit cards

By Blake Ellis, CNN Money

NEW YORK – Debt-fearing millennials are saying no to credit cards.

More than six out of 10 millennials, or 63 percent, don't have a single credit card, according to a Bankrate survey of 1,161 respondents. That compares to a mere 35 percent of Americans who are over the age of 30.

A tanking economy and mounting student loan debt have scared many millennials away from opening credit cards, says Jeanine Skowronski, an analyst at Bankrate.com. The CARD Act of 2009, legislation introduced to protect consumers from high interest and fees, also made it more difficult for younger Americans to get credit cards.

Instead, Millennials are turning to debit cards – especially prepaid debit cards, which are reloadable and often linked to bank accounts.

This credit card exodus is part of an ongoing trend. Last year, a report from credit scoring firm FICO found that the number of young Americans without credit cards had doubled between 2007 and 2012.

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