From: Ed Griffin

Subject: Truth in Lending

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Proposal:	Regulation Z - Truth In Lending
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Comments:

@@@Q2. Formatting Rules – Too often the "small print" aside from actually being too small is made even more difficult to read when printed in light gray on while paper.
Require high contrast print (e.g. black on white) in addition to larger type size.

Q16, 17, 18. Significance of labels "finance," "fee," , "other," etc.
Clearly, from these questions it's certain that any discussion regarding what a fee is to be called only serves the credit industry in obscuring the fact from everyone else that there are too many fees. Make it simple. If a charge is directly related to a carried balance, it's a finance charge. If not, it's a fee. In addition, the entire fee schedule for every possible fee should be grouped together using standardized descriptive names.

Q21 – Over the limit fees – Another example of lender greed. What is the purpose of a credit limit if the consumer can exceed that limit? Answer: to wring more money out of the consumer. If the lender is going to allow a borrower to exceed their limit, there should be no charge.
Remove over-the-limit fees and structure the subsequent monthly payments (if any) to bring the borrower in line with the rules of the account.

Q23, Q31 – Do not reduce information provided such as APRs. In fact, more disclosure of all fees is important. It's in the consumer's best interest to understand the cost of credit. Examples of how long it takes and what it costs to "pay-off" a balance at the lender's rate would be illuminating to the customer more than just the interest rate.

Q26 – 15 days is not sufficient advance time for notification of fee changes.

Q29 – I doubt the consumer understands how the balance rate method affects their total cost but I would assume that the calculation of interest uses the balance rate method that moves the most money from the consumer to the lender. I've never seen any notification on any lender disclosure that touts a balance method that is less usurious to the borrower than another method. A standard method for all would be a good thing.

Q45 – Convenience checks should be completely eliminated. They are a security issue since they are almost always unsolicited. They are a sure way for the lender to get a large fee for the “convenience” and plunge the consumer into months and years of expensive revolving credit debt. They are only convenience for the lenders’ “bottom line.” Get rid of them.

Q47- Q51 – The many questions regarding payment posting times and dates are needless complications of a simple idea. Post the date (a date has 24 hours in it) that the payment must be received and use postmark for the receive date. For electronic payments it’s the date the customer’s bank enters the payment in the register. The lender doesn’t want this additional responsibility to time stamp the payment. But it’s ultimately the consumer’s responsibility to get the envelope postmarked by the necessary date. All this discussion regarding times, hours of operation of the lenders, etc. are stupid and are designed to cover up the fact that the customer often fails paying their bill on time.

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