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Subject: Regulation AA

Federal Reserve,

The Federal Reserve needs to support Regulation AA – Unfair or Deceptive Acts or Practices (R-1314) Docket No. R-1314.

Consumers around the U.S., are tired of banks and credit card issuers gouging customers. It's time the Federal Reserve starts regulating an industry that is completely out of control. Financial companies deserve to make a profit, but sneaky fees and foul policies aren't the way to do it – these sleazy tactics need to be removed.

- **Retroactive re-pricing**, or jacking up the rate on an existing credit card balance, for any reason other than the customer paying late.
- **Double-cycle billing**, which essentially charges two months' interest on a balance carried only one month.
- **Unfair payment allocation**, in which the issuer applies your monthly payment only to your lowest-rate balance (typically a balance transfer), so that your high-rate balances -- typically purchases and cash advances -- continue to accrue tons of interest.
- **Bait-and-switch offers**, in which one interest rate is heavily advertised but applicants wind up with another, much higher one.
- **Arbitrary due times**, which make a payment late if it arrives on the due date but does so after, say, 1 p.m. Central time.
- **Mandatory bounce protection**, or "courtesy overdraft" coverage, that can't be turned off, which means overdraft transactions automatically get approved and rack up big fees.
- **Charging overdraft fees based on holds**. Certain merchants (gas stations, hotels, car rental outfits) are notorious for placing big holds on your checking account when you use a debit card. These holds are typically for far more than you actually spend and may not be released for hours or even days after the transactions, yet some banks count these holds as actual transactions and charge fees as if you'd actually overdrawn your account.

MSNBC columnist Bob Sullivan calls these practices above "Gotcha Capitalism." Personally, I don't carry any credit card balances, but I'm still subject to these unfair credit practices. With a dire economy, the housing crisis, unemployment, outsourcing, inadequate health care, skyrocketing gas prices, and all the other ills affecting consumers today, the last thing we need are banks and credit cards companies gouging consumers even more.

Regards,

David Fowler