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Comments:

I think that while the proposed rules do a lot to correct the broken credit market, the federal government needs to do more to make sure that the buying powers of individuals in the United States is uninterrupted. Credit card companies should not be able to report debt for 7 years. That is simply too long. Additionally, there should be caps imposed on the interest that can be charged and/or reported on closed and charged off accounts. Lastly, if it is determined that the account holder is not capable of making the payment on a charged off account, the interest should be capped and maximized (however restricted to the maximum amount allowed by the federal reserve) and a payment plan should be established for buyout. Basically, if I borrow \$500.00 and the account charges off, I should be charged up to 150% of the debt which would be equal to \$750.00 and the company should continue to send statements for payments for the duration of the time that the account is permitted to be present on a credit report. A few other things that the reserve should take issue with are as follows: Customers should not have their credit adversely effected if they make one late payment that is less that 30 days past due within 12 months. It is not a common knowledge piece to consumers that using in excess of 50% of your available credit limits adversely effects your

credit. Late fees should not cause consumers to incur over the limit charges. And rules should be changed on reporting requiring that settled accounts be removed from credit reports within 12 months of being settled. It is absolutely unreasonable to continue reporting debt that has been settled once there is no longer a debt owed to a debtor. This is an area that should receive special attention considering the amount of college students who receive credit cards and find themselves unable to balance this responsibility. While I don't think that they should be excused from having the information report, one year is a reasonable amount of time for reporting a settled debt.