

**From:** MaiAlexi@aol.com on 07/26/2008 07:44:56 PM

**Subject:** Regulation AA

Comment on Credit Card Practices = Regulation E-1314:

This legislation needs enacting NOW and should be extended to include re-enforcing usury laws. This means regulating the credit card practices of banks and financial institutions. Banks should not be allowed to increase interest rates. It is absurd to keep extending credit whilst increasing interest rates for it is a practice that keeps people in debt as they will never be able to pay off the balance due by only making minimum payments which keep increasing. It reminds me of the song:

"You load 16 tons, And what do you get? Another day older, And deeper in debt. Saint Peter, don't you call me, Cause I can't go, I owe my soul to the company store."

This is tantamount to Mafia practices and why the Mafia is outlawed.

Banks, financial institutions, and businesses (department stores/gas station companies), credit card issuers should not be allowed to charge for late payments made online if they are made by midnight of the due date; this should also apply to mailed payments. Online and mailed payments due on a weekend day should be considered on time on the next monday, especially if the website will only allow the payment to be scheduled for business days--the scheduled payment should not be considered late if the website does not accept payment up to midnight on the actual due date.

If you rarely miss a due date and make it within five days you should not be charged a late fee. After all when they owe you money they don't give you a payment for being late with their reimbursement.

These days people need credit cards to be able to get by, especially for medical expenses which should have a special low finance charge attached (in fact Discover Card does have this option for medical payments for a short period of time but since medical treatments are vital the low finance charge should be extended until they are paid).

Medical expenses should also be allowed as a deduction on tax returns for the full amount of the medical expense. The financial institutions and credit card issuers should not be allowed to use predatory or Mafia-like practices. Obviously credit card issuers do have remedies at their disposal for chronic late payers: move their due dates to the date they do make payments or cut off credit until their balance is paid off.

It does not cost financial institutions 22-30+% to make a profit. Finance charges should be set at whatever their cost is to borrow the money plus a fixed charge for the loan. No CEO is worth the amount of money these folks are paid. Financial institutions should not be allowed to increase finance charges on any other credit card when only one card was late. They should not be able to sell personal information to third parties without the cardholders's permission. Membership fees should not be allowed--this is actually an advance finance charge.

It is wonderful to hope that some of these changes may be made to the way credit card issuers are allowed to do business although I doubt that they will--too many people are greedy and too many people make an obscene amount of money in the credit card

business and can afford to buy off regulators and legislators--who cares, the credit card companies are only preying on the little people and their votes are not needed every year.