

From: Georgias Own Credit Union, Hal Allen
Subject: Reg Z - Truth in Lending

Comments:

The Credit Card Act of 2009

It was my understanding that the Congress and President were producing legislation to reform Credit Cards regulations. However, it is obvious that the final legislation is much more far reaching than originally intended.

Credit Union are unique when it comes to loans, we offer open end loans for a variety of purposes (car, unsecured, etc) unlike Banks that primarily offer this type of product for lines-of-credit. Since we operate in a member friendly environment we offer payment dates that fit the members needs. For example, if a member is paid weekly or semi-monthly he/she may want the loan payment to fall on the date he/she is paid. It appears that the legislation has assumed that all open-end loans have a monthly payment. That is not a correct assumption. I would like to say that this legislation will be very costly to Credit Union's at a time that we are not needing additional cost (Corporate Credit Union Stabilization Plan). The legislation will also be very confusing to the Credit Union members that use the open end products. Member's may skip a payment when it should not be skipped and cause them to be farther past due.

I would like to close by saying that our Credit Cards are in compliance. We were not abusing our member's prior to this legislation. This legislation has missed its mark by including all open-end-loans.

Hal F. Allen
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