

From: Glen Reames, Nashville, TN

Subject: Electronic Fund Transfers

Comments:

Jan 27, 2009

Federal Reserve Board Email comments

Dear Email comments,

Bank and credit card companies need limits on their excessive fees. There needs to be a way to establish reasonable fees if necessary. Many of their tactics border criminal and would be illegal or not allowed in other industries. The term loan shark comes to mind. It is like trying to play a game, except these companies are the only one to have a playbook and then, they change the rules as they go along. Currently, you need a law degree and several legal assistants to try and interpret the rules. Also, there is too much variance between policies in different states. Since credit card companies from all sources can be used all over the country and world, there needs to be more common policies.

Also, another major concern are the annual rates charged by these companies. All of their rates are exorbitant compared to the money/credit rates in the marketplace. They are able to borrow money, paid for by the US taxpayers (federal funds, bailout money, etc), at ridiculously low rates and then are allowed to charge criminally high percentages to the consumer. Even allowing for a more than generous profit return, they are still assessing fees that are not fair, competitive, or reasonable. This all contributes to monetary stresses for consumers. If the rates are more realistic, say 5-15% instead of the more normal 15-30% being charged, consumers would be in a better position to make their payments, or better yet, pay more toward principle reductions. This helps the credit card companies, consumers, and taxpayers. It is a win-win situation. It puts more money back into the system for usage, and reduces unpaid debts and collections. This whole situation is being made harder than needed. Maybe if the government listened and worked with consumers and other financial people, instead of just listening to banks, their lobbyists, and others that have no "real" experience handling matters such as these, more would be done. A lot of this is more common business experience than rocket science. Some of the smartest and most successful people I know are small and medium size business owners. You cannot really know about these matters until you have experienced them.

These are the people I respect the most to make intelligent decisions. Nobody wants to deny the credit card companies the chance to make a fair profit, but not at levels that a normal business cannot achieve. Unfortunately, most people in government today have legal backgrounds.

Sometimes legal input is needed to make legislation, but what is needed to pass laws is common sense and experience in the subject matter. Most people in government do not know what it is like to run a business, manage people, operate on a real budget, be forced to make tough decisions that affect many lives. All too often, government thinks and

acts as if they are experts in all matters. They do not go to the backbone of this country and seek out input and opinions from the real experts, incorporate this expertise into making legislation that is truly beneficial. Too often the real purposes get lost because our focuses are diverted due to political influences, amendments being added that have no bearing to the actual piece of legislation, and unknowledgeable people doing the work.

When this country was founded, the government was made up of regular citizens that were farmers, tradesmen, business owners, and some professionals. They never did government as their sole business. They stayed in touch with the real world because it was a part of their daily lives. Government work was done as a service to the country out of love and a desire to make this country great, not because it was a good paying, high profile, long term job. All too often, government has lost touch with reality because they are not out living and working everyday in the real world on a regular basis.

Please allow me the chance to opt-in to overdraft services. This is the only way that I will truly feel protected.

Sincerely,

Mr. Glen Reames
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