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Subject: Reg Z - Truth in Lending

Comments:

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Proposal: Regulation Z - Truth in Lending - Closed-end Mortgages
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Comments:

Reg. Z R-1366. I am disappointed that the Fed. and Congress is considering this legislation. In my opinion, the legislation is a product of political expediency. Government's intention is to regulate so that the subprime meltdown never happens again. This is historically predictable. After a catastrophe Congress needs to appear to address the source of the problem. Usually the regulation is overbroad and has unintended consequences that are as harmful in the long run as the problem the law was intended to address.

Comments:

R1366 To continue my prior comment.... This legislation will eliminate the profit an independent or wholesale banker can earn on obtaining credit for a client at wholesale prices and selling it at retail pricing which must remain competitive with other retail mortgage credit offerings. This "fee" is disclosed on several of the mortgage disclosures already. This legislation will therefore only serve to favor banks providing mortgage credit as a bank does not have to disclose the cost of its money or the profit it gains on its sale. Restricting competition is NEVER good in the name of regulation, regardless of political leanings on free-market economics. The legislation is misguided and should be abandoned. The idea that it was taken up in the first place shakes my confidence in government. It has to do a better job informing itself on the industries it seeks to regulate or at least this industry unless merely making headlines is the intention. Maybe the Presidents" Consumer Protection Finance Agency will do a better job than this. This is wrong. Thank you.