

From: Mrs. Diane Bryan
Subject: Regulation Z - Truth in Lending

Comments:

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Comments for Federal Reserve Board
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I'm a Consumer Advocate who hears from irate citizens daily about how the banks in this country have been allowed to run amuck. I pay my credit card balances in full each month, and my credit rating is excellent, yet just before the credit card legislation became law in February 2010, I was blindsided, along with millions of other credit card customers, with tremendously higher interest rates. These are the same banks that helped create the economic mess we are now living with, yet they continue to act like they are entitled to use the American people as their personal piggy banks, even when they know well that these same people are suffering financially.

These banks took billions of dollars in TARP bail out money, paid for by American taxpayers, but like sociopaths, they have no conscience about being responsible for so much of the financial disaster affecting the same taxpayers who gave them the funds that allowed them to stay in business. I find it amazing that they have absolutely no appreciation that American taxpayers allowed them to survive. Instead, many of these banks have raised credit card interest rates during these troubled times, making it clear that they have no allegiance to this country and to its people. Their behavior is abhorrent, and it's disappointing that President Obama, and some members of Congress who are still able to see the truth, have not loudly and publicly admonished the top executives of these companies. They harmed this country because of their irresponsible business tactics, in their arrogance they felt entitled to be bailed out by the American taxpayer, and now that they are running profitable corporations again, think nothing of using outrageous interest rates to deliberately cause financial losses to the American taxpayers who saved them. In a rational world their actions would be illegal. Why aren't our elected officials screaming about this? The people in this country who reach out to me as a Consumer Advocate are furious. We're also hearing that the home loan modification program is basically a failure because these same banks don't seem to be making much of an effort to modify loans. They make it clear by their inaction that they really don't care if Americans lose their homes.

But Congress has been hearing for months from irate citizens who can't get loan modifications and/or are suddenly forced to have higher interest rates on their credit cards--adding to their already out of control debt. Congress has done nothing to help these citizens. Continuing to allow banks to treat Americans like they are nothing more than helpless prey will eventually cause widespread poverty in this country, and add to the destruction of the middle class. The banking industry in the United States, along with many other institutions,

cares only for the profits they make right now. They are not looking ahead toward the future. They don't care that their arrogant, greedy, and thoughtless actions toward American citizens is adding to the economic ruin of this country. How is it that they don't realize it will eventually take them down too? The next time there will be no TARP funds to bail them out. The American people would never let Congress help any banks again after seeing firsthand that the majority of banks in this country are out for themselves only, and they really are unwilling to even pretend that they care about helping the American people in troubled times. (Even when they are responsible for contributing to this current recession.) How short sighted they are--once again. What great publicity banks would receive if they put on a media show of caring, and being part of helping this country get back on its feet. But like Anthem Blue Cross recently raising health insurance premiums 39% during tough economic times, in today's world, corporations have no concern about being liked. They don't really care about their customers, and how their corporate decisions impact people's lives. Somehow, they seem to have forgotten that without loyal customers and employees they wouldn't exist. They just care about making big profits.

People ask me why Congress keeps very silent, and basically does nothing to really change anything. Why are the banks in this country allowed to have so much power? I hear this about health insurance companies too. Why doesn't Congress really do something to fix what is so obviously wrong? I have no answers. For years, Congress, by ignoring too much, has helped make it possible for these banks (and insurance companies) to operate far from the real world that the rest of us live in. Now it appears that these banks are so powerful that Congress really can't control them. (But is required to bail them out when it's necessary.)

Start the review of interest-rate hikes sooner, and strengthen them. Consumers faced huge rate hikes while waiting for the CARD Act go to into effect, and this provision is our only chance to have those rates reevaluated and reduced. We can't wait another year --- banks should review rate hikes as soon as the regulations go into effect this year. Also, banks must review the rate hikes to determine if they are still valid, and should be prohibited from coming up with new reasons for the increase.

Restrict the size of penalty finance charges. Penalty interest rates should be considered a 'penalty charge' and addressed by the rule. Set rules to limit penalty finance charges to levels that are reasonable and proportional to the cost of the violation.

Restrict penalty fees to the lower of 5% of the amount at stake, or \$10. Customers should never pay a penalty fee that is more than 5% of the amount at stake, and the Board also should adopt a low cap.

Keep the ban on inactivity, declined transaction and account closure fees. Customers are getting hit with new fees for not using their cards. The Board did the right thing to ban fees for actions that have no costs associated with them.

It is critical the Board issue the strongest rules possible to protect

consumers, since the banks continually come up with new ways to get around the consumer-protection laws. I urge you to give me the protections I was promised under the CARD Act, and issue the strongest rules possible.

Sincerely,

Mrs. Diane Bryan