

From: Mark Warshal
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Comments:

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Name: Mark Warshal
Affiliation:
Category of Affiliation: Other
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

In my opinion, not only is it unreasonable, but also financially detrimental to consumers, to require credit card issuers to evaluate one of only three standards for determining a consumers ability to pay (those three being the ratio of debt obligations to income; the ratio of debt obligations to assets; or the income the consumer will have after paying debt obligations). Credit card issuers should be free to base their decision upon the consumer's FICO score as well (or any other measurable standard chosen by the credit card issuer). I cannot tell you how many times I have saved hundreds of dollars at department stores and specialty stores by taking advantage of the stores' offers of a 15% discount in exchange for opening a store charge. I provide the store with my ID and a major credit card. The store checks my FICO score (which is well above XXX) and opens for me a store charge. No hassles, just 15% savings. I understand that the Federal Reserve is merely implementing the laws which are passed by Congress and signed by the President. However, please use the full amount of discretion available to you. Credit card issuers should be able to use a FICO score or some other measurable standard, including your payment history on an existing account, to open an account or increase a credit limit. Just imagine having to send your credit card company 2 years worth of tax returns just to get a \$2,500 increase in your high credit limit. Please do not sacrifice the freedom of the majority of Americans who have good credit, pay their bills and enjoy the convenience of instant credit to protect a small percentage of Americans who will most likely find a different way to get into financial trouble, if not from credit cards.