

From: Greenlining Institute, Orson Aguilar
Subject: Regulation Z - Truth in Lending

Comments:

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Name: Orson Aguilar
Affiliation: Greenlining Institute
Category of Affiliation: Other
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

Dear Chairman Bernanke and the Federal Reserve Board: The Greenlining Institute opposes the Federal Reserve Board's proposed changes to the Truth in Lending Act published in FRB Docket No. R-1390. It would effectively eliminate the right of rescission and stop homeowners from challenging unfair foreclosures. The new rule would encourage abusive lending by removing lender accountability. The right of rescission gives borrowers an important protection. When a lender doesn't properly disclose a loan's amount, interest rate or repayment terms, the borrower can reject the loan within three years. A homeowner still must pay back a rescinded loan, but the lender cannot foreclose. The right of rescission gives a homeowner a chance to refinance or modify a loan so it is fair, affordable and clear. In the midst of the foreclosure crisis most acutely felt in low-income communities and communities of color, we urge the Federal Reserve Board to strengthen consumer protections. We therefore urge the Federal Reserve Board to withdraw the proposed rule. Sincerely, Orson Aguilar - Greenlining Institute