
From: Weeks, Warren [mailto:Buddy.Weeks@ps.net]
Sent: Thursday, May 15, 2008 1:24 PM
To: Weeks, Warren; _Regulatory Comments
Subject: RE: Regulation AA - docket No. R-1314. Credit Cards

Please pass this regulation – consumers have been abused by credit card companies for years

- Financial institutions would be prohibited from treating a payment as late unless consumers have been given a "reasonable amount of time" to pay their bill.

Issuers would be barred from charging a late fee if the credit card bill was mailed to the consumer fewer than 21 days before the due date.

- Credit card issuers would be prohibited from increasing the annual percentage rate on an outstanding balance, except in certain instances. Those include if a borrower is more than 30 days late in making a payment or if the promotional interest rate has expired.

- Issuers would be required to more fairly apply the payments that cardholders make to balances with different interest rates. When consumers transfer balances with low, short-term "teaser" rates that have higher rates for new purchases, issuers would be required to apply payments first to higher-rate debt.



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That's in response to criticism that card firms were applying payments first to balances with a lower interest rate, causing borrowers to rack up higher finance charges on balances subject to a higher rate.

Sincerely

Warren (Buddy) Weeks