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From:	Aram Homampour <aram@irecoverfit.com></aram@irecoverfit.com>
Sent:	Thursday, March 23, 2023 9:28 PM
To:	DFPI Regulations
Subject:	Re: Notice of Second Modification to Proposed Regulations: CCFPL Complaints and Inquiries
Follow Up Flag:	Follow up
Flag Status:	Completed

know it's late, but why exclude the two most egregious actors? FCRA entities and Student Loan entities?

Please note you must make regulations prohibiting Banks from Reporting Reduced Credit limits. Failure to do so will allow banks to affect the consumer credit rating in an area that the consumer is supposed to be solely in charge of. The debt-to-credit ratio is a major component of the credit score. This is supposed to demonstrate the ability of the cardholder to use credit wisely. This power is taken out of the hands of the consumer when banks are allowed to reduce the credit limit and report the same to the bureau. By way of example, a 10K credit line used to a 2K balance is 20% utilization. The banks fear an economic

disaster next year, so they start cutting credit limits. They cut this card's limit to 3K; usually, they do it to the amount of the balance, but let's say they reduce it to 3K. This means the utilization ratio is 75%. This gets reported, and then a cascading effect occurs because the credit score drops because of overutilization, and then one bank after another does the same thing. This destroys the credit score of the consumer, all without the consumer having a single voice in what happens. To suggest the consumer should pay down those cards is beyond moronic. The consumer used the cards for a reason. The consumer agreed to pay 20% for a reason. Now it's 30%, and you people don't do anything about that gouging, but that is not the point here; the Consumer has no say in this even though they used their credit

appropriately and are honoring the terms of their card. If the banks want**S** to lower the limit, that is their prerogative, but to allow them to report that and thereby reduce the credit score is insane. This will prevent the consumer from getting a balance transfer at a lower rate or any other remedy for their credit situation. Failure to act here is going to guarantee the economic disaster ahead. The banks can't even handle the tightening of credit, and they get bailed out; how does and average consumer deal with the same? Do the right thing, and for god sake, how do you allow exemptions for these criminal actors, the Credit Reporting agencies, and the Student Loan people? They are worse than the mob. You cant get them to change or validate anything.

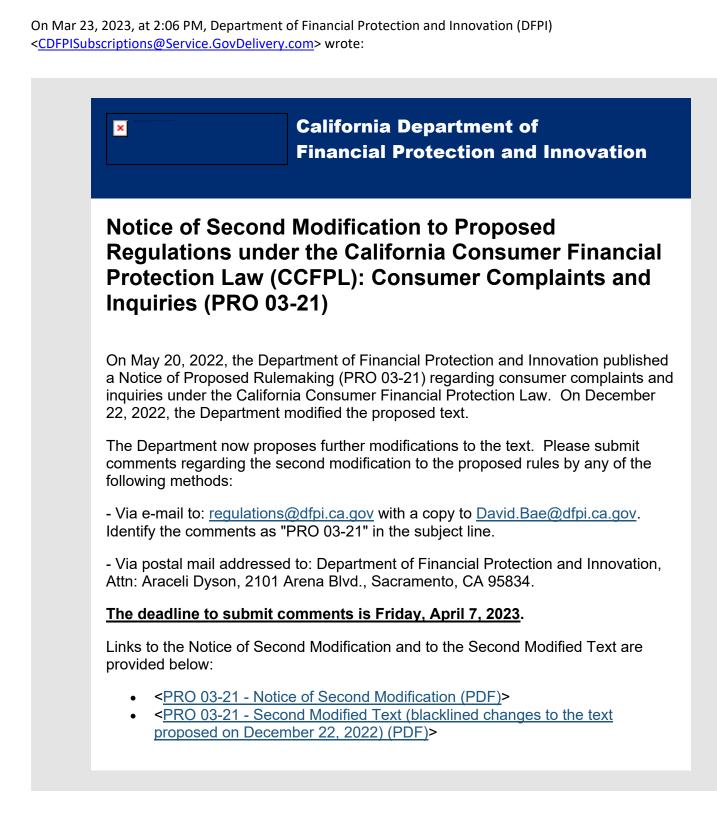
(b) Notwithstanding subdivision (a) of this section, Sections 1072, 1073, and 1074

of this Article shall not apply to the following:

(1)(a) A person or entity identified in Section 90002 of the Financial Code, to the extent that person or entity is exempt from the California Consumer Financial Protection Law unless otherwise specified in another law.

(2)(b) a consumer reporting agency as defined by the Fair Credit Reporting Act (15 U.S.C. Sec. 1681a(f)), or

(3)(c) a student loan servicer as defined by Section 1788.100 of the Civil Code.



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