



September 26, 2009

Federal Trade Commission
600 Pennsylvania Avenue
Washington, DC 20580

Dear Commissioner:

As if we don't have enough government intervention already, your agency is now considering regulating the debt settlement industry to the extent that it will become extinct? This is exactly what will happen if a debt settlement company is forced to provide services without payment until AFTER completion of a program.

There is a great need for counseling and guidance during the process of assisting a debtor while he or she saves money to offer the creditors in a lump sum settlement offer. The average debt settlement client can only afford a 36 month plan, so is it your intent to have companies work for free for that entire time frame and only be compensated at the end? Which government agency is going to pay the companies' considerable overhead?

Our government regulates how much the credit card companies can charge in interest and 30% is the rate millions of cardholders are paying. And they're paying it because they got behind in as little as one day! And why did they get behind? Because we're looking at almost 10% unemployment and one in seven people living at the poverty level here in the United States of America!!! There are foreclosures happening on every street and the typical family is suffering financially.

The government is handing out billions of taxpayer dollars in bailouts for the banks, the mortgage companies and the auto makers to get the economy moving again. No one is bailing out the cardholders who are paying exorbitant interest and fees. The government has allowed the bankruptcy laws to be changed to make it much harder for the average person to seek bankruptcy protection. If the cardholder cannot file bankruptcy and he can't afford his minimum payments, do we offer any solution better than settlement services whereby the creditor and the debtor both win?

How many practicing attorneys do you suppose we'd have in this country if we made it unlawful for them to be paid a retainer rather than a fee AFTER they have provided services? How about NO FEE if they don't win their cases? Why don't we make banks wait for their money until AFTER the debt has been repaid? How about CPA's...do they really deserve to be paid if we end up having to pay taxes? If there is no more debt settlement as an option, because no company can afford to provide good services without fiscal support, should we pass a law that a bankruptcy attorney cannot be paid until his client is back on his feet? Does a surgeon deserve to be paid his fee if the client dies???

There is a definite need for settlement companies to abide by excellent standards such as what the Association of Settlement Companies (TASC) sets forth. And there are a number of great debt settlement companies. Let's not eliminate an entire industry because of the actions of a few.

In my opinion, we have ENOUGH government regulation. Lay off the debt settlement companies who are trying to help people in a bad situation get back on track. If you want a new cause célèbre, how about taking a closer look at the usury laws!

Respectfully, /)

Teri Larkin ~]