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Secretary Jennifer J. Johnson
Board of Governors
Federal Reserve System
20th St. and Constitution Ave.
Washington, D.C. 20551
RE: Docket No. R-1314

Dear Secretary Johnson:

I would like to express my concerns about the increased regulations on subprime credit lenders being considered by the Federal Reserve Board. Actions like this could harm many consumers who fall into the high credit risk category. I realize that the fees that come from subprime credit lenders are necessary for them to be able to lend to people with low or no credit. I am very fortunate to have been given another chance with the First Premier credit card.

How will consumers be able to rebuild their credit if your actions make it harder to qualify?

People will be stuck in a bad situation. Taking the fees away from subprime lenders will force the companies to be much more selective with whom they choose to lend their money. People will be forced to find other sources of money when they have no access to lines of credit. Payday loans do not help build credit and they can put the consumer further in debt. I do not know where people will be expected to turn. It is much safer to have access to subprime credit cards with a low credit limit that is easy to manage.

The reason I am a First Premier cardholder is because I seen this as an opportunity to reestablish my credit and build a good relationship with a credit card company. I do not see any reason for the government to put the regulations on subprime lenders. Americans need options and opportunity to rebuild their credit. Reestablishing my own credit is very important to me, and I feel that others should have the same chance to do so.

Your constituent,

Albert Padilla

