

July 24, 2008

Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

RE: **Docket No. R-1314**, Proposal to amend Regulation AA, Unfair and Deceptive Acts or Practices

Dear Ms. Johnson and the Federal Reserve Board of Governors:

I would like to take this opportunity to comment on the proposed rules on Regulation AA.

I have been employed within the credit card industry for twenty years. Most of my career has been in the sub-prime market and with companies that have strong recognition for their service and integrity, one in particular I would like to mention is PREMIER Bankcard. This company allows the employees to have input into the changes and practices to the utmost integrity level; while supporting and enabling its employees to balance work and family. This organization truly tries to do what's best for the consumers, our employees, and our proud community.

Within my career in the credit card industry I've seen many changes that have been good and some that have caused hardships for the consumer. The sub-prime market is in a market of its own and many really don't take into consideration the needs of these consumers. Many of the consumers that apply for these types of cards are in need of rebuilding their credit, or establishing credit, perhaps a mechanism to rent a car or purchase airline tickets, buy groceries, medical needs, and any emergency that comes along. Without companies enabling these consumers the opportunity for credit will not only diminish the economy by limiting purchasing power, it will reduce employment opportunities; limit consumers to have access to credit when needed for an emergency and purchases. This change will have a ripple effect and will affect every single person in our country along with every business. Negative ripple will happen that may cause higher unemployment rates, higher taxes, higher number of people without health insurance/car insurance, higher number of people that are not able to get credit or help rebuild their credit (credit does not heal itself – it needs help to rebuild), family impact, and most important it will impact our children. If we close our eyes and don't think these things will happen than we are looking into this with our eyes half open or closed.

I've had personal experience on how these programs and companies help rebuild the consumer. My nephew at age eighteen had a bad run where he was not managing his credit very wisely. Prime companies were sure open to giving him credit, and lots of it without him truly knowing how to manage it correctly. When he noticed the situation he was in, the prime company wanted nothing to do with him or provide any avenues on how to rebuild or cure. His account got turned over to collection agencies and each added fees upon fees along with subsequent damage to his credit bureau profile. A sub-prime company gave him an account where he was able to prove he can handle his money management and provided him education on the importance of making his payments on time and etc. In the last two years, he is on a strong upward climb and is now disciplined to make credit purchases when necessary. If these proposed rulings would have gone in several years back my nephew would not have had the opportunity to make a positive change in the economy or himself. He is thankful everyday that someone gave him a chance. He was fully disclosed on the expectations, fees and processes for this type of account and gladly accepted. Options for him were slim and he was pleasantly pleased with the outcome of what this company offered.

I hope that you will **seriously** consider the impact that these changes would have on our economy. I hope that everyone takes the opportunity to listen to the people, understand the needs of the people and to allow the people to make their own pricing decisions. Such a ruling can only cause the loss of jobs, income and create even a stronger decline to our challenging economy going further south.

Thank you for allowing me the opportunity to provide comments to the proposed rules on Regulation AA.

Sincerely,

Eastlyn Carson

Sioux Falls, SD