

Kent Hartsuiker
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August 1, 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 have been an employee of PREMIER Bankcard for over 8 years and have enjoyed working in several different roles during my employment including Customer Service Representative, Project Manager, and Telemarketing Manager to name few. During the past 8 years, I have witnessed many testimonies of the life changing impact that sub-prime credit cards provide.

Sub-prime credit cards offer a 'life line' to consumers who do not have access to traditional credit due to unforeseen circumstances such as a serious health setback, loss of job, bankruptcy, disability, or loss of a loved one. These low limit credit cards allow consumers the ability to establish or re-establish good credit by the reporting that is done on a monthly basis to all of the major credit reporting agencies.

Consumers may not like the low limit and fees associated with a sub-prime credit card; however, many understand that this is a small price to pay to establish or re-establish good credit. This pricing allows the issuer to extend credit to customers in a high credit risk category. By limiting pricing, you are impacting millions of individuals with less than perfect credit, not to mention the thousands of families that rely on jobs in the sub-prime industry. These controls, if implemented incorrectly, will have a significant impact to consumers, employees in the sub-prime industry, and the overall economy.

The proposed price restrictions in the sub-prime credit card industry are not the answer. The answer is proper disclosures and appropriate refund policies. PREMIER Bankcard has done an excellent job disclosing fees, terms, and conditions of their products in a clear and conspicuous manner. In addition, PREMIER Bankcard provides a full fee refund opportunity to the consumer if they change their mind for any reason after receiving the credit card in hand.

I encourage you to consider the negative implications this proposal would have on consumers and the economy. Time does not heal poor credit. If this invaluable tool is taken away, where will this leave the consumer needing an opportunity to re-establish their credit? Please do not allow this question to go unanswered.

Thank you for your consideration.

Sincerely,

Kent Hartsuiker