

7/31/08

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:

Thank you for the opportunity to provide comments to the proposed rules on Regulation AA. I have been an employee with PREMIER Bankcard, LLC for nine years. These proposed changes will not be beneficial.

There are consumers that have low FICO scores either because they are new to credit or have had a financial hardship. By imposing price control on the financial industry it will have negative impacts to the American economy. If we start with the financial industry, where does it stop? Will a small business owner be told how much they can sell their product for? This is not the answer.

Credit cards are used for renting a car, booking a hotel room, and purchasing items on the internet. These amendments would prevent consumers with lower FICO scores the opportunity to engage in the items listed above. If financial institutions are told how much they can charge on a credit card, it will be hard for the institutions to keep operating. It will cause consumers with low FICO scores a lack of opportunity to improve their credit because financial institutions are unable to afford the risk. It will also affect taxes these institutions are paying into the government, low FICO consumers, employees of these institutions, and will reduce charitable contributions given by these institutions and its employees.

I agree that disclosures should be full and clear for consumers. Consumers need to be empowered to learn about credit, how to live within a budget, and to take ownership for their actions. This education should begin before a consumer turns 18. Today consumers have access to so much more information about credit scores and what they mean through various avenues. They can request free credit reports yearly, visit credit education websites, and can visit with credit counselors.

This proposal to enforce new rules and regulations on the credit industry will make it more difficult for Americans with less than perfect credit to get approved for loans or credit cards.

Respectfully submitted,

Angela Lembcke
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