

From: Air Force Credit Union, Kathy Johnson
Subject: Reg I I - Debit card Interchange

Comments:

Dear Chairman Bernanke:

My name is Kathy Johnson and I am the Vice President of Lending for Air Force Federal Credit Union. We have over 40,000 thousand members and about half of those use our debit cards regularly. We are a very small issuer of plastic and are opposed to the proposal as published for comment and request that implementation of any version of the rule be postponed at minimum.

Interchange legislation would make credit more expensive for our members and would reduce their rewards. Our free checking will go away. Having a debit card program does not come without costs to us and the average can be as much as .32 cents per transaction. The .12 cent limit would negatively affect our income; income we need due to lack of loans. The media reports that lenders are not willing to lend and this is false. Being a small Credit Union it is harder to get the word out that we have millions to loan. We cannot afford the loss of income this legislation proposes. In this economic downturn, we simply cannot afford to threaten a healthy source of revenue for smaller Credit Unions like ourselves.

The only beneficiaries of this harmful rule are retailers and our members be left to deal with the consequences. The rule does not require that retailers pass along even one penny of their savings to customers. I don't want myself or our members to be forced to pay higher fees and lose a free checking account, just so the big retailers can have extra billions in profits.

Congress should be in the business of protecting our members and I hope that this legislation is voted OUT.

Thank you very much for considering my comments and should you have any questions my contact information is below.

Thank you again sir and I hope you have a wonderful day.

Kathy Johnson
Air Force Federal Credit Union