

From: Rost Gofman
Subject: Reg I I - Debit card Interchange

Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing

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To Whom it may concern. First of all, I am categorically against the proposal for many of the same reasons outlined by others submitting comments. I am hoping very much that this entity will consider the fact that the only (few) comments in support of this proposition is coming from some merchant, and NOT FROM CONSUMERS. It is generally wrong for the government to set prices for the goods and services offered by the Companies unless they represent some vital services. Acceptance of the Debit Cards is not a necessity, any merchant can choose NOT TO ACCEPT cards and just work with checks and cash, it is their CHOICE to do so, and it is the CHOICE of the issuer to set prices they think are appropriate for the service. What would stop the government to regulate the prices on NIKE shoes or Cuisinart food processors next? How is this case different? If you set the price artificially low for every transaction, what would stop all the banks to re-issue all debit cards as ATM cards and take the progress industry made back 10 years? It is inconceivable that the US Government made an arbitrary decision to support one type of companies at the expense of the other type and in the end CONSUMER WILL BE HOLDING A BAG. Banks will not conduct any business unless it will be profitable, this is a very easy formula; they will enact other fees and will make banking overall either more expensive, less profitable or simply impossible for all of us (and that includes you reading this). Why did we make a decision to regulate what didn't need to be regulated? Why didn't we regulate the interchange when it was a property of the consortium of banks and are doing it now when Visa and MasterCard are independent companies? Please stop this regulation or at least regulate in a very mild manner, this is wrong for everybody, merchants notwithstanding, because this will damage everybody in the long run. Thank you for considering.