

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

Docket No. R-1404 and RIN No. 7100AD63

February 14, 2011

Board of Governors of the Federal Reserve System,

As I talk to people throughout our community one common concern is the increase in costs of products and/or services that people need. The new Federal Reserve System's proposed "Debit Card Interchange Fees and Routing" rule will do just that. By restricting interchange fees, Banks will have to make up for lost revenue by charging for debit cards, and eliminating many free services. The only beneficiaries of the harmful rule are retailers, who will take home an additional \$15 billion in profits while consumers are left to deal with the consequences. No one who I have spoken to about this believes they will see any cost savings from any retailer. Remember, the rule does not require that retailers pass along any savings whatsoever to their customers.

As a bank employee, I am concerned that my company might be forced to eliminate many of our free services, such as free checking, so that we will be able to compensate for the lost revenue from the reduced interchange fees. While the rule is intended to protect consumers, it is simply Government price controls, which are inappropriate for debit card transactions and will be harmful to them.

My bank takes pride in being a community based organization. We provide many different free services, which include the use of a debit card. In today's economy, consumer simply cannot be without one. Our bank is opposed to the new proposed rule because the proposal does not permit us to cover our costs, which will create new maintenance and other fees on checking accounts.

My customers, friends and family continue to work through very difficult economic times. We believe that Government's role is to help them through this process. Unfortunately, the new proposed rule will do exactly the opposite.

Sincerely,



Adrian Villarreal