

Dayna Smoot  
Shuel's Lumber Company  
2120 S 2nd Ave.  
Union Gap, WA 98903

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

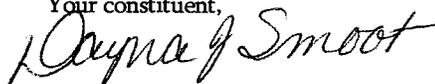
Dear Secretary Johnson:

Shuel's Lumber Company has been a family-owned business for 35 years. A couple of years ago, I took over the company from my father, going into business with two other partners. We are a very small lumber company and tend to sell high-ticket items. Our credit and debit card transaction fees have increased dramatically, resulting in a huge hit to our bottom line. At one point, we paid out \$14,000 transaction fees alone. When you are a small business, paying this much for expenses in just transaction fees forces us to consider raising prices, which will result in lost business, especially in this economy.

One way we try to reduce the transaction costs is by giving discounts to customers who choose to pay with cash or check. It is a small discount, but as business owner, that is our only option in helping to keep our expenses down. The proposed cap on debit card interchange fees is going to be a huge help to our business. It will help to increase our profit margin and allow some wiggle room to increase our employees' wages - maybe give them a bonus or even hire new employees. Having the additional help would be such a blessing.

Our average transaction fee is 2.5% - 3.0%, and we have at least half of our customers paying with debit or credit cards. Putting a cap on the debit card interchange fees is going to have a very positive effect on our bottom line. We are grateful to hear that the Federal Reserve has proposed to cap debit interchange fees, and we hope to see more efforts in the near future to cap the credit card interchange fees, too.

Your constituent,

  
Dayna Smoot