

25 January 2007

Board of Governors of the Federal Reserve System
20th & Constitution
Washington DC 20551

Attn: Jennifer Johnson
RE: Docket R-1270

Gentlemen:

Your proposed change to 12 CFR 205.9, as it is proposed, is not a good idea.

Although many consumers do not retain receipts for small transactions, some choose to do so, and persons who do not may not retain receipts for larger transactions either. The fact that the transaction will appear on a monthly statement does not help when a consumer has several possible statements, and financial statements do not actually identify the goods or services that were bought with the transaction. State law frequently provides that a receipt for a cash transaction be given upon request and even transit systems have procedures to provide for such a receipt without delaying travel.

However, vending equipment does need to be exempted, while still providing a means to prevent abuse and fraud. Simply listing such transactions on financial statements does not accomplish that, because it is the details of the goods or services which would provide a consumer the knowledge to recognize fraud.

A better regulatory approach is:

205.9(e) Exception for receipts in small-value transfers. A financial institution is not subject to the requirement to offer or to provide a receipt under paragraph (a) of this section if the amount of the transfer is \$15 or less and a means is provided for the account holder to obtain, upon request within 1 year of any such transaction, records of all such transactions organized by the terminal location and including for each transaction all the information about that transaction available to the consumer at the time of the transaction.

The increased information can be easily captured and stored in the same manner that an integrated dispensing-terminal device captures and stores or transmits account information. With such a regulation, the Board would be adding significant consumer value to Electronic Fund Transfers.

Sincerely,

Robert Jaegly
Vice President