

From: Craig Gawryczik
Subject: Reg I I - Debit card Interchange

Comments:

I work for a company whose sole purpose is to help them reduce their credit card processing fees. I agree that the rates paid, especially for interchange, are currently too high. However the proposed debit cap of 12 cents goes too far in reducing these fees and will have a negative impact on consumers. Cutting fees by 75% to the largest institutions (Chase, Bank of America.) will result in a negative backlash that will result in a reduction in jobs in this industry and potentially the removal of debit cards from the payment industry.

Publicly traded companies won't take a hit on their profits without adding the fees somewhere else. We are already starting to see the disappearance of free checking accounts and this drastic fee reduction will surely lead to annual fees for debit cards and increases in credit card/commercial card interchange.

I think reducing the debit network/interchange fees is a good move, however it must be done on a smaller, gradual scale. If the current fees average 44 cents per transaction, a new cap of 30 cents would be more just. You could then write the legislation to set down the fees so that they reach a cap of 20 cents in 5 years. This would result in a less drastic reduction that could save thousands of jobs and prevent these greedy companies from overeating and punishing the consumer.

Thanks for your time

Craig Gawryczik
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