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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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## Comments:

The Durbin Ammendment is another one of those good ideas with terrible unintended consequences. However, there are always at least two viewpoints on the validity of any new government law or regulation. The main issue with the DA is that it is yet again another form of government price fixing. In this case, it focuses its force on, essentially, two companies, under the highly questionable assumption that through an anticipated sequence of other actions, to be taken by other related parties, the net result will be a reduction in the price of some goods in some stores to some consumers. In effect, price control will be government imposed based upon a hoped for but entirely speculate series of actions. Our history with government imposed price controls has more than proven through painful experience that they not only fail to achieve the hoped for results, they always create other unanticipated instances of costly economic distortion resulting in widespread economic pain throughout the country. There is no reason to believe this will not be the case from the DA. Clearly, as our most recent experience has once again established, free markets require some degree of broad regulation by government; but equally clearly, government price control cannot be part of such regulation.