

From: First Federal Savings Bank, Kay D Roush
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:

During consideration of the Dodd-Frank Act an amendment by Senator Richard Durbin (D-IL) was made part of the final bill, without any consideration for the consequences this amendment would have on consumers, the economy or community-based institutions like mine. This price control amendment and the Federal Reserve rule will dramatically harm my financial institution and the customers who have directly benefitted from advances in the debit card payment network. My bank is a community-based institution. We provide savings and checking accounts, which include the use of a debit card. Providing debit card services to my customers is a very important aspect of my relationship with my customer, and one which involves significant expense. This will significantly affect my ability to offer this important customer benefit. In short, my customers and the community you and I both serve will be greatly harmed. The interchange amendment was passed as a last minute addition to the Dodd-Frank financial restructuring legislation on the Senate Floor. This was done without any Congressional hearings on the amendment. If the Federal Reserve's interchange proposal is allowed to move forward my bank will likely see a 70 - 85% percent cut in debit card revenues. As a result, we will have to consider: *Limiting other services that customers have come to expect. *Eliminating staff. It will also mean that we will have fewer resources to make job producing small business loans in our community. Community-based banks are suffering enough under the weight of the economy and excessive regulation. Don't let the proposed Federal Reserve rule further harm community-based banks in our state. I appreciate your consideration. Kay D. Roush