

From: Anonymous  
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Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing  
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Banks are in business to make a profit. We have costs associated with debit cards and the processing of debit card transactions. There is also a risk of loss in processing debit card transactions - banks have to charge-off millions of dollars each year due to Visa and Mastercard zero dollar customer liability. So even if a customer writes his PIN on his card and there are unauthorized transactions the banks have to expense the transactions. RISK! And now the government wants to institute price fixing. How can banks have a sustainable debit card program on 7 - 12 cents? Banks have to make a profit on its product lines; if something isn't profitable then fees will be charged either on the same product or fees will be increased on other products. Customers have a choice. They can bank at a bank that does not charge high debit card fees, nor shop at a business that has high prices. My bank gives me a choice whether to use my debit card as a debit or credit. Using it as a credit card, the bank is charged less. CHOICE. It is the American way to let market forces drive pricing and competition. So who is going to pay for decreased interchange fees? The customer. Again the government shoots itself in the foot because of a knee-jerk over-reaction to something. Don't listen to banks and bankers associations at all on this issue; for some reason the government thinks it knows best.