

From: Spartan Stores, Dave Prus
Subject: Reg I I - Debit card Interchange

Comments:

February 9, 2011

Dear Federal Reserve:

Dear Sir, or Madam,

As the Electronic Payments Application Development Manager for a small 100 supermarket chain, not only do I see the excessive interchange fee hikes, I also see all the Visa/MasterCard mandates for credit/debit card processing. These various mandates cost us thousands of dollars annually, and are basically transparent to almost every outside of the IT side of Electronic Payments. Some examples of this are PCI compliancy, no "Stand-in" for Debit, hand-keyed not allowed for Debit, acceptance of FSA cards, support for partial authorizations, and so on. I have also seen where other fees not related to interchange have been increased substantially over the past couple of years, or new ones added. Examples of these are Assessment Fees, Settlement Fees, Base II Fees, Risk Fees, Brand Usage Fees, APF Fees, and various other fees such as image, chargeback, verification, floor limit, etc, etc. If interchange fees are regulated, I'm afraid with their many tentacles, the card associates will simply raise any number of these other fees, but regulation would be a good start. Thank you for your time.

Dave Prus
Spartan Stores