

From: Glen Howie, Jr.
Subject: Reg I I - Debit card Interchange

Comments:

Secretary Johnson

Firstly, let me thank you for your service to your institution and our nation. I am writing this letter on behalf of the foundation of our nation's daily economic activity, our community banks.

Typically, I'm sure the Reserve receives automated emails plugged with technical jargon. However, in my case, I wanted to write something simple and to the point, as well as in my own words, not the words of lobbyists.

Simply put, the Debit Card Interchange Proposal would severely cripple community banks like the one I work for. All we are asking is that the Reserve consider network fees, the cost of inquiries and disputes, fraud losses and fraud prevention costs, fixed costs, capital investments, and a REASONABLE profit. With the 7-12 cent cap proposed in the rule, interchange revenues for community banks, like the one I work for, could be decreased by 70-85 percent.

Now, are there areas in which common ground could be found between bankers and the public to create a more consumer friendly environment in relation to costs while still respecting the free enterprise system and maintaining the values upon which our nation was founded, absolutely. But, do we really want to institute price controls and severely impair the products and services customers receive, as well as hinder the operations of our nation's community banks in the process?

There has to be a better way.

We must remember that we are a nation of dialogue, of contention, of debate. Through these wholly democratic and American values, I'm positive we can come to a better solution for the benefit of both the American people and their community banks.

Thank you for your time and consideration.

An American,

Glen Howie, Jr.