

From: Community Bankers Association of Illinois, Steve Vogt
Subject: Reg I I - Debit card Interchange

Comments:

February 12, 2011

Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

Dear Jennifer Johnson:

Â This is the most anti free enterprise proposal the financial industry that has been conjured up that I've seen in a while that benefits no one and ultimately the consumer will be the one receiving the blunt of the blow. Who will benefit, Wal Mart?? Think again, they are not going lower prices due to reduced interchange fees. The system as currently is is a perfect example of what free enterprise can do, customers love it, banks love it and merchants love it. Banks get paid to cover the risk they assume for providing guaranteed funds to the merchant and reduces handling of checks (remember the purpose of Check 21 legislation). Banks incur substantial costs to administer a debit card program. If the fee income is lost, the processing costs incurred will cause the debit card program to be a net cost to the bank and everyone loses, consumer, bank and merchant. Get rid of this ridiculous "legislation".

Sincerely,

Steve Vogt/CFO

Community Bankers Association of Illinois