

From: Melodee D. Montgomery
Subject: Reg I I - Debit card Interchange

Comments:

February 14, 2011

Federal Reserve Board
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Dear Federal Reserve Board:

I am very concerned with the Federal Reserve Board's recently proposed regulation that would regulate debit card interchange fees and routing.

Having worked in this industry for a number of years I'm not sure I see a way for a two-tiered system to work.

What I do see are more fees and inconvenience to consumers.

Some financial entities will probably have to discontinue their card programs or implement fees in an attempt to sustain them. Again, another blow to the consumer.

Merchant's cover their card costs just like they do everthing else in the course of business operations.

When they take cards for payment they are guaranteed payment. No insufficient funds or uncollected check items for them!

Further, even if a two-tiered system can work, the idea of having card producers maintain numerous Network affiliations could also place a burden on them.

I urge you to reconsider this ludicrous proposition.

Sincerely,

Melodee D. Montgomery