

From: Steven Stewart
Subject: Reg II - Debit card Interchange

Comments:

Date: Feb 17, 2011

Proposal: Regulation II - Debit Card Interchange Fees and Routing
Document ID: R-1404
Document Version: 1
Release Date: 12/16/2010
Name: Steven Stewart
Affiliation:
Category of Affiliation: Other
Address:

City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

I recommend you let the regulation to limit fees be put in place as scheduled. Right now there is no competition between banks. The cost of transactions is clearly significantly less than the \$.44 the banks are charging today. This \$.44 charge is a windfall to the bank and a drain on the Merchant. The banks are against the proposal because it will reduce this cash cow. I submit the cost to the banks may be even less than the proposed \$.12 cap. Banks will still make money on Credit card fee's - thereby giving the consumer a choice - use their credit card and get rewards, or use a debit card and save the merchant money. The banks are threatening to raise the cost of checking accounts to consumers to cover the cost of the reduced transaction fees. I submit that some banks may raise their rates, but other banks will not causing consumers to flock to banks with lower fees. Finally - the 12 billion savings to the merchants by putting the regulation in effect, will allow the Merchants to hire more workers, allow the cost of products to the the consumer to be less and in the long term create more jobs. In conclusion - It is in the best interest of the consumer and the economy to put the regulation to cap debit fees cards in effect.