

From: Alissa Russell  
Subject: Reg I I - Debit card Interchange

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Comments:

February 18, 2011

Jennifer J Johnson  
Secretary, Board of Governors of the Federal Reserve System  
20th St and Constitution Ave, NW  
Washington, DC 20551

Dear Jennifer Johnson:

I would like to express my opposition to the Federal Reserve's proposal to implement the debit card interchange fees and routing provisions contained in the Dodd-Frank Act. The Federal Reserve's proposed implementation of the Durbin provisions of Dodd-Frank is in essence price fixing by the government. The Federal Reserve's proposal would initially cap interchange at 12 cents per transaction, a rate approximately 80 percent lower than current rates and is insufficient to cover the costs of providing debit card services. The proposed rule went much further than the law. Rather than establishing standards for assessing interchange rates as required by Dodd-Frank, the Federal Reserve's proposal imposes specific fee limitations.

I urge the Federal Reserve to delay issuing a final rule until there is an opportunity to study extensively the costs and benefits for all participants - merchants and banks of all sizes as well as consumers and small businesses and payment card networks -- of the federal government regulating interchange fees and transaction routing in the debit card payment system.

I would like to underscore the importance of incorporating the small bank perspective into further study since the regulation of debit card interchange fees and routing will affect all banks, not just those banks with assets greater than \$10 billion.

In closing,

I would like to reiterate opposition to price fixing by the government. Underscore the impact on your bank and its customers. I would also like to stress the importance of a comprehensive study before finalizing the rule.

Sincerely,

Alissa S Russell