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Subject: Reg I I - Debit card Interchange

Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing
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Please do not let the banks convince you they will go out of business if they are limited on how much they can charge merchants who accept debit cards. As an owner of a small business who pays more than 3.5%, on average, for every debit or credit card transaction, I have no sympathy for the banks. It is absurd to think banks can make the amount of profits for simply acting as a conduit for the consumers' money. The argument that small businesses will not pass the gain in profits on to consumers is without merit. Most small businesses, like myself, are the backbone of the economy and we spend a good majority of the money we make to survive. I personally have four kids and it takes everything we can scratch out running our family owned chocolates and ice cream business in a small resort town in Highlands, North Carolina. Just say to the bankers and yes to hardworking merchants and consumers and limit debit card transactions to 12 cents, if not less. Credit card transactions should also be addressed. When VISA makes almost 1 billion dollars in profit in 2009 as basically a marketing company, something is wrong with our economy and its future. Additionally, please take into consideration the pace at which our economy is becoming a cashless society and merchants will be required to pay large fees simply to complete a transaction. Limit the power of the banks and empower the merchants to keep the American economy growing during good and tough times. One item I would like you to consider is the bank's efforts to generate more fees by enticing their customers to tell merchants to run their Visa and Mastercard debit cards as credit cards. This effort allows banks to make more money off the transaction and sets a mindset for their customers to always request their cards be run as a credit. Once again, a great strategy to take more of the hard earned small businesses money. As you can tell, this topic is near and dear to me and I would be happy to testify on the future impact of unregulated fees from banks and processors on merchants and consumers. Thank you for reading and considering my comments.