

From: Jim Poteet
Subject: Reg II - Debit card Interchange

Comments:

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Proposal: Regulation II - Debit Card Interchange Fees and Routing
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Name: Jim Poteet
Affiliation:
Category of Affiliation: Educational
Address:
City:
State:
Country: UNITED STATES
Zip:
PostalCode:

Comments:

Dear Federal Reserve Board: If you move forward with this regulation and reduce interchange fees for financial institutions you will see the cost passed on to consumers in the form of higher fees or new fees for services. Financial institutions are responsible for not only the cost of running their card programs but also the losses from fraud and abuse. Merchants have the benefit of guaranteed payment and in many cases instant settlement. Taking fees away from the institutions that are running the programs and serving the consumer will not mean better prices at the retailers. What will incent the retailers to pass the savings on to the consumer? Nothing. Think about what you are doing to the end user before you take income from the ones running the programs and hand it over to the retailers. I urge you to seriously evaluate consumer impact and reconsider the implementation of this proposed rule as I believe that further study and investigation of the matter is warranted Sincerely,
Jim Poteet