

From: Anonymous
Subject: Reg I I - Debit card Interchange

Comments:

Date: Feb 21, 2011

Proposal: Regulation II - Debit Card Interchange Fees and Routing
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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. Banks will eliminate free checking, instead charging monthly or per-transaction fees to cover their costs. 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. It seems highly unlikely that merchants will pass the savings on to the consumer, as there is no provision in the proposed regulation to enforce this. 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, Anonymous