

From: Ronald Groth
Subject: Reg I I - Debit card Interchange

Comments:
02.22.2011

Ms. Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th. Street and Constitution Avenue, NW
Washington D.C. 20551

Re: Comments on Regulation II; Docket No. R-1404

Board of Governors, FRS:

My name is Ronald Groth; I have been the President of Bayou City FCU, for the last 22 years. BCFCU is a small credit union, approximately eighteen million in assets, serving approximately thirty four hundred health care workers in The Texas Medical Center. the bulk of our members are associated with the Memorial Hermann Healthcare System. BCFCU's mission is to provide financial services to individuals who can least afford financial services.

I'm asking today for you; the Board of Governors to delay the implementation of the Durbin amendment of the Dodd-Frank act. I implore you to study the impact the proposed cap on interchange fees will have on small institutions such as Bayou City FCU. I understand that there is a "carve-out" for small institutions such as us - but will it really work? Without more study, and more defined safeguards to prevent large institutions and merchants from working around the regulations, I fear that our days of service to

the low income will be numbered, if this is implemented.

BCFCU suffers significant transaction losses and security expenses associated with our Debit card program. If we do not have the revenue to support these losses and expenses, then we will be forced to limit out debit card issuance and or charge our members for the privilege of having the convenience of a debit card.

I understand Congress's intent for this regulation, and I support many of the new financial regulations. However, punishing "Main Street" banks and credit unions that serve the working people of this great county for the sins of Wall Street, will not serve the purpose it was intended and only make more and more Americans have no access to financial services. Just look at your own numbers over the last 20 years of those Americans who have no financial Institution relationship.

I implore you to take time and study carefully the impact this will have on all Institutions before you implement it.

Sincerely,

Ronald E. Groth
Bayou City FCU