

From: Sear Hardware Store , Andrew Smith
Subject: Reg II - Debit card Interchange

Comments:

February 24, 2011

Dear Federal Reserve:

To whom it may concern,

I am the assistant manager of a Sear Hardware store in Akron Ohio. We are a smaller store with only 24 employees. This is a huge concern to me and my associates.

Debit card swipe fees are a tremendous burden on my business and result in higher prices for my customers. This is unfair. The banks should not be able to charge centrally set fees at all on debit cards. They should compete on price like every other business in the country.

There is no need for interchange to be a source of excessive profit-taking through fixed fees. I hope the final rule will have fees even lower than what was proposed, but of the options provided, the 7 cent safe harbor is by far the better of the two.

Having competitive choices for networks to use to route transactions is also very important. We need competitive pressures to limit the fees that the networks charge us. While not as large as interchange, these network fees have been growing at a faster rate and are significant.

The problems my business has with debit fees are large and growing. We need you to build upon the good progress you have made in proposing these rules by finalizing them and putting them into effect as soon as possible under the law so that we and our customers can see some relief. Thank you for your work on this issue and your consideration of these comments.

Sincerely,

Andy Smith