

From: Karl Kraus
Subject: Reg II - Debit card Interchange

Comments:

January 5, 2011

Federal Reserve Board

Dear Federal Reserve Board:

I am very concerned with the Federal Reserve Board's recently proposed regulation that would regulate debit card interchange fees and routing.

The Fed should NOT implement any interchange regulations since this will only move transactions from Debit to Credit Cards and we know the story with credit cards! Debit cards are helping reduce the debit of millions of Americans. If you change this more fee's will have to be recovered on free checking accounts and other financial products.

Since this interchange is NOT being charged to the consumer why is the FED involved at all? Merchants always have a choice to NOT accept debit cards during a transaction if the cost is to high. Gas stations have dealt with this very effectively by charging a CASH or Credit Price.

Sincerely,

Karl Kraus