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Comments:

The cap on debit card interchange fees is an unfair practice that will not only hurt issuers of debit cards but will ultimately hurt consumers in the end. Most financial institutions are not making money hand over fist with debit card interchange income. They use this source of income to provide other products to the consumer at low or no fees at all. If you take away this income financial institutions will have to find other ways to make this income up so in the end consumers will be paying more banking fees. The system set in place now works fine, the merchant is guaranteed their funds. Of course that comes at a price. The fees they pay for each transaction cover the cost to process that transaction, post the transaction, research the transaction (if a problem exists) and any fraud expenses. If the merchant wants to lower their cost maybe they should take on some of our costs. Everyone is looking for ways to make more money in this struggling economy, but to take away from one sector is not the answer. The consumer is the one that will ultimately pay in the end.