

From: David Gregory
Subject: Reg I I - Debit card Interchange

Comments:

To Whom It May Concern:

Other than the impact that this legislation will have on the income of my employer my concerns are more from a personal viewpoint. The fact that it is believed that if retailers/merchants have to pay lower interchange fees they will pass their savings on to consumers is a laugher. Unlike credit unions, many of our larger retailers/merchants have stock holders. Credit unions pass our good fortune on to our members in the form of lower loan rates and higher yielding savings rates. In addition most credit unions offer free checking and free debit cards to our members. Much of this might have to cease to try to compensate for the income that interchange once provided financial institutions. How is this going to benefit the average consumer?

Retailers/merchants will be passing theirs new found savings on to their upper management in the form of bonuses and dividends to stock holders. The Wal-Mart's and Targets of the world will never be passing these savings on to consumers in the form of lower prices. Their lobbyists have done a tremendous job of selling this to our Congress and Senate. Where is it stated in the legislation that a percentage of the interchange reduction will be passed on to consumers? How will this be measured?

Now I see that even some of our Senators are starting to question the Federal Reserve about this very point. Hopefully a decision can be made that doesn't benefit one portion of the business community without any probable benefit to the American consumer.

Thanks,

David C. Gregory