

From: John Rhea  
Subject: Reg II - Debit card Interchange

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Comments:

January 21, 2011

Federal Reserve Board  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue NW  
Washington, DC 20551

Dear Federal Reserve Board:

Robins Federal Credit Union is extremely concerned about the Federal Reserve Board's proposed regulation that regulates debit card interchange fees. There are no provisions that will enforce the small issuer exemption.

The interchange revenue from debit and credit cards is vital to credit unions to support the ability to provide this service to our members and cover the administrative expense of the programs. Merchants must be required to pay their fair share of the cost of the payment card system.

The proposed limitation on debit interchange fees will affect how credit unions serve their members. This will drive up the cost of providing debit cards and checking accounts.

This government intervention will most likely shift the cost burden from the merchant to the consumer. Please make sure that you implement reasonable interchange regulations that will allow small issuers to be protected from lower interchange fees.

Sincerely,

John R. Rhea