

From: Edmund Geer
Proposal: 1404 (RIN 7100-AD63) - Reg-I I- Debit Card Interchange Fees and Routing
Subject: Reg I I - Debit card Interchange

Comments:

Date: Jun 30, 2011

Proposal: Regulation II - Debit Card Interchange Fees and Routing
Document ID: R-1404
Document Version: 1
Release Date: 12/16/2010
Name: Edmund Geer

Comments:

Ask yourself why a bank charges \$.08 to process a paper check and \$.35 to process a Debit? The reason is retailers such as my company are currently the true consumers of interchange fees. The problem, we are not able to refuse a particular bank's card out of fear of losing customers. The proposed \$.21 fee represents 1% on our \$21.53 average debit card transaction. While less than the average discount rate on credit transactions, not being able to directly pass these cost on to the customers that use banks cards increases the prices others pay who choose to pay with cash or checks. I propose that all electronic payment transaction fees be passed on to the consumer who chooses to pay with a bank card as a line item at the bottom of the receipt (like sales taxes). That way the public decides what the fee should be through competition among banks. If a bank charges to high of a fee consumers will seek out one that doesn't. We may be surprised to find that users of bank cards are willing to pay \$.50 to a \$1 for the convenience debit cards offer.