

United States Senate

WASHINGTON, DC 20510

March 1, 2011

Hon. Ben Bernanke
Chairman, Federal Reserve Board
20th Street and Constitution Avenue NW
Washington, DC 20551

Dear Chairman Bernanke:

Seven months ago, President Obama signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act). Now, as the Federal Reserve and other financial regulators set out to implement this sweeping legislation, we write to urge you to follow the clear Congressional intent when implementing Section 1075 of the Dodd-Frank Act, which regulates interchange transaction fees. This provision, which was drafted by Senator Durbin, was intended to level the playing field for many merchants and other businesses that rely on electronic payment systems to process their customers' purchases.

As the Federal Reserve drafts rules to implement this important section, we urge you to consider the potential impact on smaller issuers, including credit unions and community banks throughout Michigan, and ensure that the \$10 billion exemption provided by Congress is effective. Additionally, with respect to the substance of the rules applicable to the larger issuers, we urge you to consider fraud-related costs and to make every reasonable effort to mitigate any potential impact on access to banking services for low- and middle-income families and businesses.

Thank you for your consideration.

Sincerely,



Carl Levin



Debbie Stabenow