

**Interagency Consultation on Debit Card Interchange Fee Rule
January 21, 2011**

Participants: Kevin Korzeniewski, Michele Meyer, Elizabeth Milor, and Kevin Russell (Office of the Comptroller of the Currency); Luke Brown, Robert Drozdowski, Martha Ellett, Samuel Frumkin, Cheh Kim, and Victoria Pawelski (Federal Deposit Insurance Corporation); Christi Loizos and Margaret Miller (National Credit Union Administration); Jennifer Smith (Small Business Administration); and Paula-Rose Stark (Bureau of Consumer Financial Protection)

Louise Roseman, David Mills, Jeffrey Yeganeh, Edith Collis, Joshua Hart, Stephanie Martin, Dena Milligan, Elizabeth Kiser, Mark Manuszak, David Stein, Ky Tran-Trong, Vivian Wong, and Brendan Burke (Board)

Summary: Staff from the Federal Reserve Board (Board), Office of the Comptroller of the Currency, Federal Deposit Insurance Corporation, National Credit Union Administration, Small Business Administration, and Bureau of Consumer Financial Protection met to discuss the Board's proposal to implement the interchange fee and network exclusivity and routing provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Board staff provided an overview of the proposed rule and answered questions posed by staff of the other agencies about the proposed rule. Aspects of the proposed rule that were discussed included the interchange fee standards, the role of supervisors in determining compliance with these standards, the small-issuer exemption, the potential effects on consumers (both banked and unbanked) and merchants (both small and large), the two proposed approaches to a fraud-prevention adjustment, possible means of circumvention and evasion of the interchange fee standards (through network fees, compensation, change in account structure, or otherwise), and the possible impact of the prohibitions against network exclusivity arrangements and routing restrictions. Staff from the Board and other agencies agreed to have further consultations on this rulemaking.