

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW.
Washington, DC 20551

Re: Docket No. R-1404 and RIN No. 7100 AD63

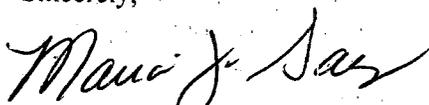
February 14, 2011

Board of Governors of the Federal Reserve System,

Thank you for the opportunity to comment on the Federal Reserve System's proposed "Debit Card Interchange Fees and Routing" rule. I am a bank employee & consumer who is concerned about the economic consequences of this new rule. My company might be forced to eliminate many of our free services, such as free checking, or charge accounts for debit cards, so that we will be able to compensate for the lost revenue from reduced interchange fees. This hurts the consumers, this rule was intended to protect. The only beneficiaries of this harmful rule are retailers, who will take home an additional \$15 billion in profits - and consumers will be left to deal with the consequences. The rule does not require that retailers pass along even one penny of their savings to customers. Meanwhile, banks will be forced to lose money on debit interchange transactions, will be forced to compensate by increasing fees for deposit customers. I don't want to be forced to pay higher fees, give up my rewards, and lose my free checking account - just so retailers can have extra profits. Not only will the retailers see the increased profits but it will hurt my bank in not offering free products and services, it will make the debit card program unprofitable and they will need to charge me to use my debit card. Ultimately the consumers will have to pay while the retailers make the profits.

I may choose not use the debit card because of added fees and majority of consumers will use the same. If debit card use declines and customers increase cash use, store operators and clerks will also face increased security threats by having so much cash on hand. Criminals will take advantage of this and crime will increase dramatically. While the rule is intended to protect consumers, it is simply Government price controls, which are inappropriate for debit card transactions and will not work. These price controls will lead to inefficiencies in the payment system and will stifle innovation and improvements. Our bank is opposed to the proposed rule because the proposal does not permit our bank to cover the cost of providing debit card transactions, which will create new maintenance and other fees on checking accounts. **I strongly feel that this needs to be reconsidered because of the many reasons as stated in this letter and I would hate to be another statistical figure that would lose benefits as a consumer and bank employee. This could affect me as an individual, family and member of the community, please carefully consider the next step of this Interchange Fees and Routing" rule and think of all that will be affected by it.**

Sincerely,



Maria J. Saenz