

**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**

I understand that these changes are to help the consumer save some money, but I strongly believe that this will dramatically hurt them. The economy has been at its worst for the past decade and as we all know United States has reached out to all citizens to remain calm and spend smart. Several programs, for the unemployed, the un-insured, and the homeless, have kicked in to alleviate some of the economic distress. However, these permissible interchange fees are going to exhaust the consumers' pocket in epic proportion. For instance:

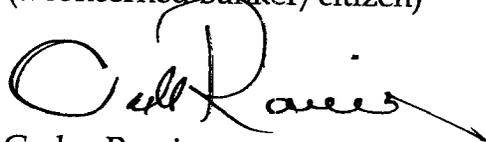
- If this proposal moves forward my bank will likely see some percent cut in debit card revenues. As a result, we will have to consider:
  - \*Not issuing debt cards or substantially increasing the costs for consumers to provide the service.
  - \*Limiting other services that customers have come to expect.
  - \*Eliminating staff.During this recession, United States cannot afford to leave more people unemployed.
- The use of debit cards has benefited small and big companies nationwide. The fact that the Point of Sale transactions get debited instantly, ensures retailers that the funds are available and saved. As a result of declining debit card use, we'll return to an increase in check fraud. District Attorneys will be labored with having to prosecute for a crime that can be prevented through debit card use, therefore increasing local and state budgets.
- Many banks are able to provide free services such as free checking and online banking from the revenue generated by interchange fees. If these fees are eliminated the programs they fund also face eliminations, harming the consumer that this rule is intended to protect. The results will be contrary to what this rule

is aiming for. This new policy is designed to help the consumer save some money, yet this will only create an extra expense on their end.

- All businesses will be greatly affected in the sense that when calculating the permissible interchange fee, the proposal does not recognize important differences between debit cards and checks. Debit transactions are fundamentally different from checks. Financial institutions are responsible for the maintenance and operation of these sophisticated systems for which we must collect a fee to cover the costs. The current proposal would have us give away our services at little or no profit that we would not be able to afford to maintain it. Nothing is free in this life, so both parties will get greatly be affected. As mentioned before, businesses will be forced to cut down staff, hence increasing United States' employment rate. Think about it, a domino effect will emerge from this, because in the long run the United States, Congress and the President will need to find solutions to lower the percentage.
- My bank is a community-based institution. We provide savings and checking accounts, which include the use of a debit card. Providing debit card services to my customers is a very important aspect of my relationship with my customer, and one which involves significant expense. Our bank robustly opposes 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.

In other words, if this system isn't broken, why fix it. During this recession, United States cannot afford to take huge risks. Everyone is going through financial crisis; smart solutions need to be put in place.

Sincerely,  
(a concerned Banker/citizen)

A handwritten signature in black ink that reads "Carlos Ramirez". The signature is written in a cursive style with a large, looped "C" and "R".

Carlos Ramirez