

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 15, 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.

In my case, my Bank and Credit Union provide free services such as free checking and online banking from the revenue generated by interchange fees. If interchange fees are restricted to a maximum of 7 to 12 cents per transaction the loss of income will eliminated the programs that I as a consumer currently enjoy free of charge. I am hearing that both my Bank and Credit Union intend to charge a monthly fee to my checking account for using my debit card for everyday transactions.

I question the logic in enacting a program where Government sets the rate on a Business to Business transaction and the consumer, me, has to begin paying for using a product that was considered free.

My folks are not debit card users, they prefer to use cash and write checks. My farther buys his gasoline from fuel stations that offer the price of a gallon less if the customer uses cash. He chooses to save 3 to 4 cents per gallon, by walking into the store and paying with cash before he pumps the fuel himself into the car. You can imagine he never has a full tank of gasoline, because at age 80, he only makes one trip into the store and gives the attendant a rounded number of dollars and no cents.

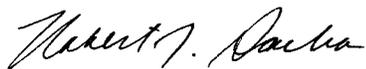
My point being, how come merchants across the country do not offer a lower price for those purchases paid with cash? In other words, if merchants are being overcharged for accepting my debit card transaction, why haven't they offered me a discount to use cash instead and give me an incentive to do so? I am sure an incentive like this would deter their customer base from using their debit card as often and reduce the merchant's debit

card expense. There is no evidence in this ruling that merchants will pass the Interchange savings along to me.

I have taken steps to close my debit card and applied for a credit card to begin using it for day to day transactions. I truly believe the restraints imposed by the Debit Card Interchange Ruling is not sound policy that favors merchants and the associated costs will be passed on to debit card users for Banks and Credit Unions to conduct a Business to Business transaction. The fact is merchants receive tremendous benefits when they accept debit cards for payment, including lower costs and guaranteed payment. That's why millions they have chosen to accept debit cards in the first place.

Thank you for your time in reviewing my letter.

Sincerely,

A handwritten signature in cursive script that reads "Robert J. Sacha".

Robert J. Sacha