

Proposal: 1748 (AG15) Regulation II - Debit Card Interchange Fees and Routing

Description:

---

Comment ID: 140855

From: Teresa L. Cook

Proposal: 1748 (AG15) Regulation II - Debit Card Interchange Fees and Routing

Subject: R-1748; Regulation II - Debit Card Interchange Fees and Routing

---

Comments:

Date: Aug 06, 2021

---

Proposal: Debit Card Interchange Fees and Routing [R-1748]

Document ID: R-1748

Revision: 1

First name: Teresa

Middle initial: L

Last name: Cook

Affiliation (if any):

Affiliation Type: Commercial (Com)

Address line 1:

Address line 2:

City:

State:

Zip:

Country: UNITED STATES

Postal (if outside the U.S.): 72758

Your comment: August 6th, 2021 Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System 20th Street and Constitution Avenue NW Washington, DC 20551 Re: Docket No. R-1748, RIN 7100-AG15 Dear Ms. Misback: Thank you for the opportunity to comment on the Board's proposed clarifications on debit card routing and interchange fees. I strongly support the Federal Reserve Board of Governor's proposal to ensure merchants have options when choosing how to route each and every debit transaction. The 2010 Durbin amendment ensured that a merchant has a choice amongst debit networks when processing a transaction. The law does not limit that choice to only card present transactions, and the Board is correct to clarify that card-not-present, or CNP, including eCommerce transactions are covered under the law. As the Board called out in their proposed clarifications, several issuers are not enabling the second routing option for card not present transactions. This decision is in direct conflict with Regulation II which requires at least two unaffiliated routing options for each debit card transaction. This lack of routing options has been especially burdensome over the last 18 months as merchants have seen commerce shift online and their acceptance costs increase as well. It is critical that the Board address this choice by the issuers and ensure that merchants have routing options for each debit card transaction. Again, I thank the Board for the opportunity to share my thoughts, but more importantly in taking actions to protect merchants' routing rights. Thank you for your time and consideration. Sincerely, Teresa Cook