

Proposal: 1818(AG67) Debit Card Interchange Fees and Routing

Description:

Comment ID: 156605

From: Douglas Davis

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Subject: 1818(AG67) Debit Card Interchange Fees and Routing

Comments:

Date: Dec 04, 2023

Proposal: Regulation II: Debit Card Interchange Fees and Routing [R-1818]

Document ID: R-1818

Revision: 1

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Your comment: There is more than enough data/evidence showing Merchants did not decrease their prices after the first iteration which was the primary purpose of the regulation. Since the regulation did not produce the intended result last time, what makes you think it will correct itself this time? Artificially setting prices for any industry is dangerous especially when it benefits one versus another. What you are not considering is the number of financial services that are provided to banking/credit union users with the revenue generated by debit card income. Consumers want things like bill pay, mobile deposit, person to person transfers, mobile apps, and many more services and view these services as "included with the account." Many do not realize their financial institution uses revenue generated from debit/credit card interchange and other means to provide those services to members at a perceived "no cost." There is data to show the initial interchange cap impacted all financial institutions, not just those over \$10B in assets. This change will likely do the same. To summarize.....if your plan it to hurt consumers and pad the pockets of larger retailers, then proceed as plan. Should you take a realistic view of the impact of this regulatory change, you will rescind the rule and keep the status quo. Thank you.