



## A Better Way To Bank.

March 8, 2024

Ann E. Misback, Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue NW  
Washington, DC 20551

Dear Ms. Misback:

The Federal Reserve's proposal to reduce the cap on debit card interchange fees will be harmful to local community banks and consumers across Ohio. A vital tenet of the Fed is to promote "consumer protection and community development." I am concerned that this new proposal will negatively impact community banks and hinder our ability to effectively serve low-and moderate-income families.

Since the Fed first capped debit card interchange fees in 2011, it's become clear the policy failed and increased the unbanked population. A 2017 study found that "hundreds of thousands of low-income households have chosen (or been forced) to exit the banking system, with the result that they face higher costs, difficulty obtaining credit, and complications receiving and making payments."

The same study also concluded that "interchange fee regulation (which exempts issuing banks with under \$10 billion in assets) no longer appears to be protecting smaller banks from the Durbin Amendment's adverse effects." This indirect, downward pressure negatively impacts community banks like mine because it affects the services we provide customers. It also further consolidates the marketplace and makes it harder for local community banks to compete.

Once again, it is my firm belief that the proposal to reduce the cap on debit card interchange will be harmful to community banks and Ohioans at large. Therefore, I respectfully request that this proposal not be implemented.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Fred G. DeBiasi', with a long horizontal flourish extending to the right.

Fred G. DeBiasi  
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