



Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Docket No. Docket No. R-1818

Dear Board of Governors,

The [Cities for Financial Empowerment Fund](#) (CFE Fund) writes in response to this request for comment on the proposed rule to update the maximum interchange fees that can be charged by covered debit card issuers. While we do not possess independent knowledge that could inform the appropriateness of interchange calculations themselves, we do write to note a factor we urge the Board of Governors to keep in mind.

The CFE Fund leads the national Bank On initiative, which partners with financial institutions, community organizations, government leaders, and banking regulators to create pathways for un- and underbanked individuals to enter or reenter the financial mainstream with safe and appropriate accounts. The [Bank On National Account Standards](#) are designed to address critical pain points for consumers, such as transparent pricing and surprise fees. Certification under the Standards prohibits overdraft or insufficient fund fees but allows for limited monthly fees and opening deposits in recognition of the costs of account maintenance.

At the same time the Standards' designated features, guardrails, and fee limitations are designed to meet those critical consumer needs, we also designed them to be economically sustainable for partner financial institutions, if not even somewhat profitable, rather than dependent upon more ephemeral charitable motivations. We note to the Board that interchange fees are a relevant component of that market sustainability.

Thanks to all of Bank On's many coalitions and partners across the diverse sectors noted above, the Bank On equation is proving enormously successful. There are now over 425 certified accounts offered by financial institutions comprising more than 60% of the domestic deposit market share and more than half of all U.S. bank branches offer a Bank On certified account. Certified accounts have played a key role in programmatic connections ranging from local summer youth jobs programs to the U.S. government's emergency disbursement of pandemic relief funds.

We appreciate the Board's consideration.

Sincerely,

Jonathan Mintz
President and Chief Executive Officer
Cities for Financial Empowerment Fund