



March 18, 2024

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

RE: Debit Card Interchange Fees and Routing [Docket No. R-1818, RIN 7100-AG67]

Dear Ms. Misback:

For over 125 years at First Federal Community Bank, we have been committed to serving thousands of customers across Northeast Ohio. That's one of the reasons we are proud participants in the national Bank On program and share in the [goal](#) to "ensure that everyone has access to a safe and affordable bank." However, a new proposed rule by the Federal Reserve to lower the cap on debit card interchange fees could drastically hinder our efforts.

Even though First Federal Community Bank has less than \$10 billion in assets and therefore is not directly subject to the rule, we believe the rule will have significant indirect and direct impacts on our bank. For example, our Bank On products, which offer safe, low-cost accounts to improve the financial stability of unbanked and underbanked residents in their communities, would be threatened. These accounts are primarily funded by debit card activity. Still, according to the [American Bankers Association](#), the Fed's proposal would result in "an almost 30% decrease in the debit interchange fee that covered banks and credit unions may receive for each debit transaction." This would make it more costly for banks like ours to maintain Bank On accounts.

We also believe that the Federal Reserve vastly underestimated the cost of debit card transactions by not evaluating the interconnectedness of how checking accounts work in the banking marketplace.

This proposal would only further harm our efforts to offer increasingly popular Bank On products and to serve low to moderate income customers, likely significantly increasing their costs of maintaining a bank account. I urge the Federal Reserve to reconsider this rule and instead embrace policies designed to decrease the unbanked population.

Sincerely,

A handwritten signature in blue ink, appearing to read "Trent B. Troyer", is written over a light blue circular watermark.

Trent B. Troyer
President & CEO
First Federal Community Bank, National Association