

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

Description:

Comment ID: 159004

From: Northern Michigan University College Democrats, Alec LaPlante

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Comments:

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Dear Secretary Misback,

I trust this email finds you in good health. My name is Alec LaPlante, and I am reaching out to you as the President of the Northern Michigan University College Democrats, deeply concerned about the recent proposal by the Federal Reserve to lower the cap on debit card transactions.

Firstly, I commend the Federal Reserve for its commitment to financial empowerment, and I recognize the significant progress made through initiatives like the Bank On program. However, I am writing to express my apprehension regarding the potential ramifications of the proposed rule on the accessibility of low-cost banking options, particularly for un- and underbanked individuals.

The Bank On initiative, championed by the Cities for Financial Empowerment Fund, has been instrumental in expanding financial inclusion, with over 17.4 million Bank On certified accounts opened nationwide. These accounts provide a vital lifeline for marginalized communities, offering safe and affordable financial services that are essential for economic stability and independence.

The proposed reduction in the cap on debit card transactions threatens to undermine the viability of Bank On accounts, which heavily rely on such transactions to sustain their operations. This could hinder the ability of millions of Americans to access essential financial services and manage their finances responsibly.

Moreover, data from Bank On underscores the pivotal role of debit transactions in empowering individuals to navigate their financial affairs efficiently, with over 145 million transactions processed monthly. These transactions represent more than just numbers; they symbolize the financial autonomy and dignity that Bank On accounts afford to their holders.

In light of these concerns, I urge you to reconsider the proposed rule and instead prioritize policies that bolster initiatives like Bank On. By doing so, we can uphold the principles of economic justice and ensure that all Americans, regardless of their socio-economic status, have equitable access to the financial tools necessary for success.

Thank you for your attention to this pressing matter. I eagerly anticipate your thoughtful consideration and decisive action in support of our nation's most vulnerable communities.

Sincerely,
Alec LaPlante
President
Northern Michigan University College Democrats