

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

Description:

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Comment ID: 159003

From: Combined Employees Credit Union, Robert T. Glore

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

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Comments:

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

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First name: Robert

Middle initial: T

Last name: Glore

Affiliation (if any):

Affiliation Type: Other (Oth)

Address line 1: 593 Russell Pkwy

Address line 2:

City: Warner Robins

State: Georgia

Zip: 31088

Country: UNITED STATES

Postal (if outside the U.S.): 31088

Your comment: I am the CEO of Combined Employees Credit Union in Warner Robins Ga. We are a smaller, LID certified credit union that has been primarily a Savings & Loan type of establishment. We have realized that we will need to grow our credit union in order for it to survive. That means we will need to add the services for checking accounts and debit cards to meet the needs of our membership. We also saw this as a way that we could reach the underserved and unbanked members of our community. Obviously, there is the big risk of fraud that comes along with these offering and we had factored in the interchange income as a way to help reduce and mitigate that risk. Restricting the interchange income could cause some irreparable damages to this offering and restrict the offering to the segment of the community that we are trying to help. I do understand that a lot of fees imposed on members can be avoided and some are in my opinion, excessive. We are looking at those in pricing our account and determining the penalty fees that would be charged. As we reduce these amounts, we look for the interchange fee to help make this a viable offering to the future of our credit union. Please look at all the different aspects of the limitation of these fees, not just how it affects the larger institutions. I have been a champion on other issues that were passed with a broad-brush stroke aimed at larger institutions where the passage of legislation had a detrimental effect on my smaller credit union. Please dig deeper than just looking at the big institutions!