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April 29, 2024

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

Dear Secretary Misback,

The Federal Reserve's proposed changes to Reg II would have sweeping implications for credit unions, banks, and consumers. Therefore, on behalf of TruStage, we ask that the Federal Reserve pause any further regulatory efforts on this topic until it has time to study its impact on these audiences.

TruStage is the nation's leading provider of financial products and services to credit unions and credit union members. As part of the cooperative movement, we embrace the credit union philosophy of "people helping people." To that end, we provide plastic card coverage to protect cards issued by credit unions. This coverage has significantly changed over the last 20 years and now protects credit unions in the event of a catastrophic loss within their portfolio. This coverage, in conjunction with the interchange debt fee, allows credit union customers to access low-cost or free checking accounts and help credit unions responsibly mitigate debt card fraud efforts. Fraud associated with debt card programs continue to rise, therefore, any changes to interchange fees should be closely studied for real impact on community financial institutions and the members they serve before regulatory efforts proceed.

Credit unions need access to as many resources as possible to provide critical services in rural and underserved communities across America. We need to ensure interchange debt fees will continue to provide the same level of fraud protection and mitigation that it has successfully done in the past. Therefore, we urge the Federal Reserve to study this issue to fully understand its potential consequences on consumers and credit unions before moving forward with any further regulatory efforts.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Isaacson".

Jay Isaacson
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