

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

Description:

Comment ID: 159275

From: Premier Financial Credit Union, Brad W. Grant

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Comments:

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In regard to proposed interchange rate change, Docket No. R-1818.

After the misguided attempts to curb or redirect interchange fee income in 2011 I would ask that the Federal Reserve Board reconsider the proposed rule to limit interchange fees. Setting an interchange fee cap on issuers over \$10 billion implies that only large issuers will be affected, this could not be further from the truth. Small community based financial institutions have a difficult time competing with large institutions and even more difficulty providing the services they offer, primarily because of startup and ongoing cost associated with these programs. After the 2011 implementation the credit union industry has seen a decrease of the number of credit unions by 37.6%. Small credit unions provide needed services in the communities they serve that might otherwise not be available. Seven years ago, our community of 3,000 people had 3 financial institutions, we now have ONE, our credit union. Many of our members do not have the ability or wherewithal to travel to larger communities to access these services. The larger financials do not give the hands-on care that we do, for example: when an elderly member walks through our door with a lap top computer in hand and says he cannot access his online banking we sit down with them and reset the password and get him back online, other financials won't do this.

I ask again please reconsider the rule and let competition set fees not the government.

Thank you for listening.

Brad

Brad W. Grant

President & CEO

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