

February 15, 2011

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave., NW.
Washington, DC 20551

RE: Docket No. R-1404 and RIN No. 7100 AD63

Dear Ms. Johnson:

I want to start by thanking you and the Board of Governors for the opportunity to comment on the Federal Reserve System's proposed "Debit Card Interchange Fees and Routing" rule and for taking the time to hear my comment.

After doing my research on the proposal I have come to the conclusion that it will in no way benefit the consumers of the United States and will more than likely cause a negative impact on the nations already suffering economy. It is from my understanding that if banks are forced to absorb the costs associated with interchange then retailers are looking at an estimated \$15 billion in profits. The proposal does not state that retailers will be required to pass that savings down to consumers which means they will pocket this money. Now with that in mind, banks will then be forced to come up with alternate methods to maintain profitability. This means that they will more than likely start imposing fees on their customers, which are the consumers of the US, by doing away with free checking accounts, start charging for debit cards or debit card usage, or placing fees on services that have always been free in the past. So in reality this is just going to cost more for everyone and as a consumer I am not fond nor do I have the budget to pay for these extra expenses. The retailers themselves need bank accounts and they will also see an increase in service fees for their bank cutting into their new profits, yet they are still the only ones coming out on top.

I could go on and on about the adverse affects of the proposal, but understand that your time is limited. So, I am urging the board to reconsider. Feel free to contact me at the above address and thank you again for your time.

Sincerely,



Kyle N. Rice