



To: EFTA Members

From: Dennis Ambach, Legislative & Regulatory Council Chairman

Date: December 16, 2010

Re: Fed Proposes 12 Cent Cap on Interchange

This afternoon the Federal Reserve Board unanimously approved releasing the [proposed rule on debit card interchange](#) for public comment. The proposed rule seeks comment on two alternatives to interchange fee standards. Alternative two is gaining the most attention by setting a proposed cap of 12 cents per transaction. The proposed rule also sets two general approaches to fraud prevention adjustments.

The comment period will end February 22, 2011. By law the rule must be finalized by April 22, 2011.

I hope you can join the [EFTA Webinar](#) this Tuesday, December 21st for an analysis of the proposed rules. EFTA plans to meet with Fed staff to discuss our concerns.