

Senators Boohar, Nofs and Green offered the following resolution:

Senate Resolution No. 14.

A resolution to memorialize Congress to take steps to ensure that the Wall Street Reform and Consumer Protection Act does not result in increased fees on consumers at exempted institutions.

Whereas, Under certain provisions (Section 1075) of the Wall Street Reform and Consumer Protection Act (Public Law No. 111-203), the Federal Reserve Board is required to issue regulations that would provide for reasonable interchange transaction fees for electronic debit transactions and place limitations on payment card network restrictions; and

Whereas, In drafting Section 1075, Congress included language to exempt small issuers from this provision, defining small institutions as those "with less than \$10 billion in total assets." Small issuers rely on debit interchange fees to provide free checking services to their customers and to cover costs associated with fraud prevention and data security. If these costs were not fully recoverable, small issuers would be unable to offer debit services to their customers, and the result could be decreased consumer choice and higher fees. Because of these concerns, Congress specifically exempted those institutions with less than \$10 billion in assets; and

Whereas, The Federal Reserve Board's current debit interchange fee regulatory proposal (Docket No. R-1404) could lead to the unintended consequences of increasing costs on consumers and limiting consumer choice. The proposal does not include any provision designed to enforce the carve-out for small issuers. It is incumbent on Congress to revisit this issue and help ensure that these regulations do not ultimately result in less choice and higher costs for consumers; now, therefore, be it

Resolved by the Senate, That we urge Congress to stop or delay the implementation of Section 1075 so that statutory changes can be made to ensure institutions with less than \$10 billion in assets are exempted without consequence in order to ensure Section 1075 does not result in increased fees on consumers at exempted institutions; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.