

**Meeting Between Staff of the Federal Reserve Bank of St. Louis and
Representatives of the Missouri Bankers Association
February 20, 2024**

Participants: Kathleen O’Neill, Carl White, Jim Fuchs, Allen North, and Laura Girresch
(Federal Reserve Bank of St. Louis)

Jackson Hataway (Missouri Bankers Association);
Jim Barnett III (Peoples Bank, Cuba, Missouri)

Summary: Staff from the Federal Reserve Bank of St. Louis met with representatives from the Missouri Bankers Association (MBA) to discuss the Board’s notice of proposed rulemaking on Regulation II (Regulation II proposal). Specifically, MBA representatives stated they did not believe that the Federal Reserve had a specific requirement to undertake a new rulemaking on debit interchange. The MBA expressed concern that despite the Regulation II threshold exempting banks with less than \$10 billion in assets from debit interchange fee caps, these caps have still resulted in loss of income for community banks. The MBA also expressed concerns with the Regulation II proposal’s use of 2021 data in developing the new interchange fee caps and noted that the proposal did not incorporate data on how the 2023 changes to Regulation II’s routing rules impacted debit card processing costs for banks.