

WASHINGTON, DC – At a Capitol Hill press conference Tuesday morning, a bipartisan coalition of lawmakers called on House negotiators to retain a Senate-passed amendment to Wall Street reform legislation cracking down on credit card swipe fees.

Led by Reps. Peter Welch (D-Vt.), Bill Shuster (R-Pa.) and Chris Carney (D-Pa.), the group released a letter to Speaker Pelosi and Minority Leader Boehner emphasizing their support for the Durbin swipe fee amendment, which supports small businesses by reining in excessive fees imposed by the credit card industry. Also taking part in the press conference were Reps. Walter Jones (R-N.C.), Keith Ellison (D-Minn.) and John Hall (D-N.Y.).

The Durbin amendment, which passed the Senate by a bipartisan vote of 64-33, directs the Federal Reserve to ensure that the fees small businesses pay to process debit card transactions are reasonable and proportional to the costs incurred. It also prevents card networks, like Visa and MasterCard, from penalizing small businesses that offer discounts to customers paying in cash.

"Small businesses around the country are struggling to stay in business as they bear the brunt of the credit card industry's out-of-control swipe fees. These cash register rip-offs prevent small businesses from growing and creating jobs, and consumers end up paying the price," Rep. Welch said. "This practical, bipartisan proposal will bolster small businesses by cracking down on the worst abuses perpetuated by the credit card industry."

Credit and debit card interchange fees cost American consumers \$36 billion a year – or \$300 for the average family. With interchange fees consuming as much as \$2 of every \$100 purchase, many businesses report that they spend more each year on fees to credit card companies than on providing health insurance to their employees.

The debit card restrictions in the Durbin amendment apply only to big banks with more than \$10 billion in assets, and it exempts 99 percent of credit unions and smaller banks.

The Durbin amendment is based on two House bills sponsored by Welch: the Credit Card Interchange Fees Act (H.R. 2382) and the Electronic Check Parity Act (H.R. 5199).

"Small businesses are increasingly saddled with exorbitant swipe fees and it is time we reined in these practices by big banks," Rep. Carney said. "We must give small businesses every tool to thrive and this is a common sense measure that would reduce costs for the engines of our economy."

"Interchange fees are about 2% of the transaction amount. When you start adding up how average Americans are paying fees right and left, while wages are stagnant, millions are unemployed, and the economy is struggling to get back on its feet, it becomes clear that people are being nicked and dimed to death," Rep. Ellison said.

"We gave consumers a Credit Card Bill of Rights, but financial regulatory reform will not be complete unless we pass a Small Business Bill of Rights. This must start with interchange fee regulation. It's time for Congress to help small businesses across the country in this regard," Rep. Hall said.