



September 14, 2022

Dear Representative:

We are writing to ask you to support S. 4674, the Credit Card Competition Act, sponsored by Senators Richard Durbin and Roger Marshall. This is landmark legislation that would help fix a broken market that has allowed Wall Street megabanks and global card networks to block competition and unfairly profit at the expense of Main Street merchants and American families for far too long. Passing this bill is one of the most important things Congress can do to provide relief for small businesses and consumers struggling amid near-record inflation in every state and congressional district.

Most consumers don't know it, but big banks and card networks like Visa and Mastercard charge merchants more than 2 percent of the customer's total bill every time a credit card is used to make a purchase. Credit and debit card swipe fees have more than doubled over the past decade and soared 25 percent in 2021 alone to a record \$137.8 billion. They are most merchants' highest cost after labor – far too much to simply absorb – and drive up consumer prices by about \$900 a year for the average family. With few people using cash today, merchants have no choice but to accept cards for payment.

U.S. swipe fees are the highest in the industrialized world while banks and card networks in Canada, the United Kingdom and Europe charge a fraction of the amount while still providing generous rewards programs and other consumer perks.

Swipe fees have been able to rise so much because of lack of competition. Visa and Mastercard control more than 80 percent of the credit card market. And, unlike with debit cards, they block their competitors from handling many credit transactions. They restrict processing to their own networks, prohibiting competition from innovative independent payment networks that offer both lower fees and better security.

The Credit Card Competition Act would address this by requiring that credit cards issued by the nation's largest banks be enabled to be processed over at least two unaffiliated networks – Visa or Mastercard plus an independent network such as NYCE, Star or Shazam. Domestic credit card networks like American Express or Discover could also be the second network, but not networks supported by foreign governments like China's Union Pay. Merchants would be allowed to choose which network to use, meaning payment networks would have to compete to offer the best pricing, security and service.

This carefully crafted bill would apply only to financial institutions with \$100 billion or more in assets – fewer than three dozen institutions nationwide but 90 percent of Visa and Mastercard credit card volume – and would have no impact whatsoever on small community banks or small credit unions.

Furthermore, this measure would provide redundancy that is essential in a world dependent on credit cards. Currently, there is no backup if Visa or Mastercard's networks are hacked or suffer an outage, leaving millions of consumers with empty pockets and unusable cards. The availability of a second network would protect against such a cataclysmic breakdown of consumers' ability to pay.

While this legislation would benefit all merchants, it is small retailers who are calling for swipe fee reform more than any segment of our industry. Small retailers have the narrowest profit margins and fewest resources and are hit hardest by continuing unjustified increases in swipe fees.

We call on you to choose Main Street merchants and American consumers over Wall Street megabanks and global card networks by cosponsoring the Credit Card Competition Act. Your constituents are counting on you.

Sincerely,

American Beverage Licensees  
Energy Marketers of America  
FMI- the Food Industry Association  
Independent Restaurant Coalition  
International Franchise Association  
Merchant Advisory Group  
National Association of College Stores  
National Association of Convenience Stores  
National Association of Theatre Owners  
National Grocers Association  
National Restaurant Association  
National Retail Federation  
National Wildlife Refuge Association  
NATSO - Representing America's Travel Plazas and Truckstops  
Retail Industry Leaders Association (RILA)  
SIGMA - America's Leading Fuel Marketers  
Heartland NATO (KY, OH, TN, WV)  
Mid-Atlantic NATO (DE, MD, VA)  
New England Convenience Store & Energy Marketers Association  
New England Service Station & Auto Repair Association

NATO of California & Nevada  
North Central NATO (IA, MN, ND, SD)  
Northeast Campus Stores Association  
Northwest Grocery Association (OR, WA, ID)  
Pacific NW Theatre Owners (OR, WA)  
Restaurant Association of Metropolitan Washington  
Rocky Mountain Food Industry Association (CO, WY)  
Rocky Mountain NATO (CO, MT, NM, UT, WY)  
Rocky Mountain Skyline Bookstore Association (CO, KS, NE, NM, SD, WY)  
Theatre Owners of Mid-America (KS, MO, AR, OK, LA, TX)  
Theatre Owners of New England (MA, NH, ME, RI, VT)  
Tri State Jewelers Association  
Western Petroleum Marketers Association  
Alabama Grocers Association  
Petroleum & Convenience Marketers of Alabama  
Alabama Restaurant & Hospitality Association  
Alabama Beverage Licensees Association  
Alabama Retail Association  
Alaska Cabaret, Hotel, Restaurant & Retailers Association  
Arizona Food Marketing Alliance  
Arizona Restaurant Association  
Arizona Petroleum Marketers Association  
Arkansas Grocers and Retail Merchants Assoc.  
Arkansas Hospitality Association  
United Beverage Retailers of Arkansas  
Arkansas Oil Marketers Association  
California Fuels & Convenience Alliance – CFCA  
California Grocers Association  
California Restaurant Association  
California Retailers Association  
Colorado/Wyoming Petroleum Marketers Association  
Colorado Restaurant Association  
Colorado Petroleum Marketers and Convenience Store Association  
Coloradoan's for S.A.F.E.T.Y.  
Connecticut Energy Marketers Association  
Connecticut Association of Theater Owners  
Connecticut Food Association  
Connecticut Restaurant Association  
Delaware Food Industry Council  
Delaware Association of Chain Drug Stores  
Delaware Restaurant Association  
Delaware Small Beverage License Council  
Florida Petroleum Marketers Association

Florida Restaurant & Lodging Association  
Florida Independent Spirits Association  
Florida Retail Federation  
Georgia Association of Convenience Stores  
Georgia Food Industry Association  
Georgia Oilmen's Association  
Georgia Association of College Stores  
Georgia Restaurant Association  
Georgia Alcohol Dealers Association  
Hawaii Petroleum Marketers  
Hawaii Energy Marketers Association  
Hawaii Food Industry Association  
Hawaii Restaurant Association  
Retail Merchants Association of Hawaii  
Idaho Lodging & Restaurant Association  
Idaho Petroleum Marketers and Convenience Store Assn  
Idaho Retailers Association  
Idaho State Pharmacy Association  
Illinois Fuel & Retail Association  
Illinois Association of College Stores  
Illinois Licensed Beverage Association  
NATO of Illinois  
Illinois Restaurant Association  
Illinois Retail Merchants Association  
Indiana Food & Fuel Association  
Indiana Grocery and Convenience Store Association  
Indiana Restaurant & Lodging Association  
Indiana Association of Beverage Retailers  
Theater Owners of Indiana  
Indiana Retail Council  
Iowa Grocery Industry Association  
Iowa Restaurant Association  
FUELlowa and RINAlliance  
Retail Grocers Association of Missouri and Kansas  
Fuel True: Independent Energy and Convenience  
Kansas Licensed Beverage Association  
Kansas Restaurant & Hospitality Association  
Kansas Association of Beverage Retailers  
Kentucky Grocers & Convenience Store Association  
Kentucky Association of Beverage Retailers  
Kentucky Restaurant Association  
Kentucky Petroleum Marketers Association  
Kentucky Retail Federation

Louisiana Oil Marketers & Convenience Store Association  
Louisiana Restaurant Association  
Louisiana Retailers Association  
Maine Energy Marketers Association  
Hospitality Maine  
Retail Association of Maine  
Maine Grocers & Food Producers Association  
Mid-Atlantic Petroleum Distributors Association  
Maryland Association of Chain Drug stores  
The Maryland Food Industry Council  
Restaurant Association of Maryland  
Maryland Food Industry Council  
Maryland State Licensed Beverage Association  
Maryland Retailers Association  
Massachusetts Food Association  
Massachusetts Restaurant Association  
Massachusetts Package Stores Association  
Retailers Association of Massachusetts  
Michigan Distributors and Vendors Association  
Michigan Restaurant & Lodging Association  
Michigan Petroleum Association/Michigan Association of Convenience Stores  
NATO of Michigan  
Michigan Retailers Association  
Minnesota Grocers Association  
Hospitality Minnesota  
Minnesota Petroleum Marketers Association  
Minnesota Service Station Association  
Mississippi Petroleum Marketers & C-Store Assn.  
Mississippi Hospitality & Restaurant Association  
Missouri Grocers Association  
Missouri Petroleum & Convenience Store Association  
Missouri Restaurant Association  
Missouri Retailers Association  
Missouri Tire Industry Association  
Montana Retail Association  
Montana Tavern Association  
Nebraska Grocery Industry Association  
Nebraska Hospitality Association  
Nebraska Petroleum Marketers & C-Store Association Inc.  
Retail Association of Nevada  
Nevada Restaurant Association  
Nevada Petroleum Marketers & Convenience Store Association  
New Hampshire Grocers Association

New Hampshire Lodging & Restaurant Association  
New Hampshire Retail Grocers Association  
New Jersey Food Council  
NATO of New Jersey  
NJ Gasoline C-Store Automotive Association  
New Jersey Restaurant & Hospitality Association  
New Jersey Liquor Stores Alliance  
Fuel Merchants Association of New Jersey  
New Mexico Petroleum Marketers Association  
New Mexico Restaurant Association  
New Mexico Retail Association  
New York Association of Convenience Stores  
New York Retailers Alliance  
Empire State Energy Association, Inc.  
NATO of New York State  
New York State Restaurant Association  
The Food Industry Alliance of New York State  
New York State Liquor Store Association  
North Carolina Retail Merchants Association  
NC Petroleum & Convenience Marketers Association  
Carolinans Food Industry Council  
North Dakota Petroleum Marketers Association  
North Dakota Grocers Association  
North Dakota Hospitality Association  
North Carolina Restaurant & Lodging Association  
North Dakota Retail Association  
Ohio Energy & Convenience Association (OECA)  
The Ohio Council of Retail Merchants & Affiliates  
Ohio Association of College Stores  
Ohio Restaurant Association  
Ohio Grocers Association  
Oklahoma Grocers Association  
Retail Liquor Association of Oklahoma  
Oklahoma Restaurant Association  
Oklahoma Petroleum Marketers and C-Store Association  
Oregon Fuels Association  
Oregon Restaurant & Lodging Association  
Pennsylvania Food Merchants Association  
NATO of Pennsylvania  
Pennsylvania Restaurant & Lodging Association  
Pennsylvania Petroleum Association  
Malt Beverage Distributors Association of Pennsylvania  
Puerto Rico Restaurant Association (ASORE)

Rhode Island Hospitality Association  
South Carolina Convenience & Petroleum Marketers Association (SCCPMA)  
South Carolina Restaurant & Lodging Association  
ABC Stores of South Carolina  
South Carolina Association of College Stores  
South Carolina Retail Association  
South Dakota Licensed Beverage Dealers & Gaming Association  
Tennessee Fuel & Convenience Store Association  
Tennessee Grocers & Convenience Store Association  
Tennessee Wine & Spirits Retailers Association  
Hospitality Tennessee  
Tennessee Retail Association  
Texas Food and Fuel Association  
Texas Package Stores Association  
Texas Restaurant Association  
Texas Retailers Association  
Utah Food Industry Association  
Utah Restaurant Association  
Utah Petroleum Marketers Association  
Utah Retail Merchants Association  
Vermont Fuel Dealers Association  
Vermont Retail & Grocers Association  
Vermont Specialty Food Association  
Virginia Food Industry Association  
Virginia Restaurant, Lodging & Travel Association  
Virginia Petroleum and Convenience Marketers  
Washington Food Industry Association  
Washington Hospitality Association  
Washington Independent Energy Distributors  
West Virginia Oil Marketers and Grocers Association (OMEGA)  
West Virginia Hospitality & Travel Association  
Wisconsin Grocers Association  
Wisconsin Petroleum Marketers & C-Store Association  
NATO of Wisconsin  
Wisconsin Restaurant Association  
Tavern League of Wisconsin  
Wyoming State Liquor Association  
Wyoming Hospitality & Travel Coalition  
Wyoming Petroleum Marketers and Convenience Store Association