



sclc

Southern Christian Leadership Conference

Charles Steele, Jr.
President & CEO

Dr. Martin Luther King, Jr.
Founding President

Rev. Raleigh Trammell
Chairman of the Board

July 2, 2008

Congressman Hank Johnson
5700 Hillandale Drive, Ste 110
Lithonia, GA 30058

Dear Congressman Johnson,

We write to ask for your leadership on a critical economic issue facing the people of Georgia's 4th district. Legislation ironically named the "Credit Card Fair Fee Act of 2008" – H.R. 5546 – would raise interest rates for credit card holders, harm local businesses and threaten community-based banks.

The biggest retail companies want a free pass from antitrust rules that outlaw "collusion" between competitors in the same market. These companies want to band together to effectively dictate the terms under which credit cards can be used in stores across the country. These mega-retailers would gain skyrocketing profits, but the impact on our communities could be disastrous.

H.R. 5546 will lower profits for credit card issuers. Economists report that the logical result would be increased APR rates and the reduction or elimination of discount programs. Consumers struggling to deal with debt may have to contend with higher interest rates, while other consumers in smaller, lower-income neighborhoods will lose access to credit card services altogether. This will have terrible consequences for consumers and local economies in the 4th District who already face a widening mortgage crisis, record gas prices, and an oncoming recession.

Furthermore, this bill threatens the survival of community-based banks and credit unions, many of which have come to rely on income from credit card transactions. Local lenders are already struggling because of the housing slump. Taking away their credit card business could put many of them out of business, thereby imperiling a key source of business loans and other financial services for small businesses. When combined with the likely decrease in purchases due to the impact on consumers, H.R. 5546 could seriously damage the small businesses that drive Georgia's economy.

SCLC Board Of Directors

Mr. Lonzo Alexander
Ms. Kathryn Wheatleis Belger
Mr. Joseph Boston
Bishop E. Lynn Brown
Rev. James Bush, III
Don Cash
Rev. E. Theophilus Coviness
Rev. Byron Clay
Ms. Jewelene Devereaux
Mr. Spiver Gordon
Rev. Curtis W. Harris
Rev. S. L. Harvey
Dr. Oscar Hayes
Rev. R. B. Holmes, Jr.
Rev. Randy Johnson
Mr. Martin L. King, III
Rev. Vernon King
Dr. Barrard Lafayette
Honorable Cynthia Williard-Lewis
Mr. Jeffrey L. Lewis
Dr. Garth Lovo
Mr. William "Bill" Lucy
Rev. Ruby Reese Moore
Mr. Jeremy Pond
Rev. N. Q. Reynolds
Mr. Bennie Rountree
Mrs. Rita Samuels
Rev. A. A. Scales
Rev. Wilburt O. Shanklin
Mrs. Cheryl Spencer
Rev. Horwood Thompson
Rev. Sylvia K. Tucker
Mr. Joseph Waymack
Robin Williams
Richard Womack
Rev. Abraham Woods
Dr. Cloud R. Young

Congressman Hank Johnson
Page 2

As you may know, economic empowerment is one of SCLC's strategic priorities, but H.R. 5546 poses a serious threat to our efforts. If this bill becomes law, consumers, local businesses and neighborhood financial institutions in low- and middle-income communities could all suffer. ***We urge you to oppose H.R. 5546.***

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Steele". The signature is fluid and cursive, with a prominent initial "C" and a long, sweeping tail.

Charles Steele, CEO and President
The Southern Christian Leadership Conference