

# MERCHANT GROUPS AND THEIR ALLIES

## How Does Anyone Trust Them?

Senator Dick Durbin and his merchant and retail allies made some big promises when they proposed debit card interchange regulations back in 2010. Turns out, none of those promises were true. Small financial institutions lost billions of dollars in funding, and more than one million Americans lost access to vital banking services.

Today, these same politicians and special interest groups are making the same exact promises about proposed credit card interchange regulations. *How does anyone trust them?*

### What Senator Durbin (D-IL) said about the Durbin Amendment in 2010:

*“Visa and MasterCard can continue to set the same debit interchange rates that they do today for small banks and credit unions. **Those institutions would not lose any interchange revenue** that they currently receive.”*

–Senator Durbin in 2010

### What Actually Happened:

*“**Federal Reserve data clearly shows that interchange revenue fell for community banks.** Since 2012, issuers have lost nearly \$107 billion in interchange revenue — including an estimated \$15.2 billion in 2020 alone.”*

–ICBA

### What the Merchants Payments Coalition said about the Durbin Amendment in 2010:

*“**99 percent of all banks, 99 percent of all credit unions, and 97 percent of all thrifts would be exempt** and would continue to receive the same swipe fees they receive today.”*

–Merchant Payments Coalition in 2010

### What Actually Happened:

*“The result of the Durbin Amendment has been **additional compliance burdens and related business costs to credit unions and banks**, a reduction in interchange revenue from debit transactions, and a massive transfer of money to the largest retailers.”*

–CUNA

### What the National Retail Federation is saying about the Credit Card Competition Act:

*“The measure would apply only to banks with \$100 billion or more in assets and **would have no effect on local community banks or small credit unions.** Credit card rewards would not be affected because those are determined by banks that issue cards, not the networks that process transactions.”*

–National Retail Federation

### What Will Actually Happen:

*“This experiment has been tried before, with the Durbin Amendment on debit cards, leading to a precipitous drop in the availability of low-cost banking services and free checking accounts for consumers. While supposedly ‘exempt’ from the Durbin Amendment, **community banks and credit unions still suffered a 30% decrease in their interchange revenue.**”*

–American Bankers Association

CONGRESS: DON'T BUY WHAT MERCHANT AND RETAIL GROUPS ARE SELLING

## Oppose the Credit Card Competition Act

EPC

Electronic  
Payments  
Coalition