

# THE GHOSTLY IMPACT OF DURBIN'S DEBIT MANDATES ON YOUR WALLET

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## A HAUNTED HISTORY

This October marks the 14th anniversary of the implementation of the notorious Durbin Amendment, which mandated price controls on debit cards. Senator Dick Durbin—swayed by the interests of corporate mega-stores and the broader retail lobby—sneakily orchestrated the attachment of the Durbin Amendment to a bill at the eleventh hour without debate.

Durbin's Debit Card Mandates were promoted as a consumer safeguard, sold on the premise that they would lower prices for consumers and small businesses.



## WHO REALLY BENEFITS FROM THESE MANDATES?

Since 2011, consumers, small businesses, and small financial institutions have faced **higher costs, increased data breaches, disappearing debit rewards, and a decline in the availability of free checking.** Just two years into implementation, one study estimated that the value of losses to consumers fell between \$22 and \$25 billion.

The amendment was never about consumers. Corporate mega-stores, like Walmart and Target, masked themselves as small businesses in need of relief and pocketed billions of dollars.

In 2011, then CFO of The Home Depot Carol Tomé admitted the savings would **BENEFIT** the company, **NOT CONSUMERS** as retail lobbyists promised:  
***“THE BENEFIT TO THE HOME DEPOT COULD BE \$35 MILLION A YEAR.”***



## DURBIN'S FRIGHTENING FUTURE

Now, Senator Durbin and Senator Roger Marshall want to impose similar mandates on credit cards via the same playbook: backdoor attempts to attach mandates to any must-pass legislation.

## WHY WOULD THE RESULTS BE ANY LESS DEVASTATING TO CONSUMERS THIS TIME AROUND?

The Durbin-Marshall Credit Card Mandates only serve to benefit corporate mega-stores, jeopardizing Americans' data security and eliminating credit card rewards.

# THE DURBIN DEBIT HORRORS: ALL TRICKS, NO TREATS

## DURBIN'S DEBIT CARD MANDATES LED TO...

### INCREASED DEBIT CARD FRAUD

The Durbin Amendment contributed to a **60% increase** in debit card fraud.

FORBES, 10/5/22

### HIGHER PRICES

The Durbin Amendment was supposed to lower prices for consumers, but the Federal Reserve Bank of Richmond reported that **98% of retailers actually raised or kept prices the same.**

FEDERAL RESERVE BANK OF RICHMOND, 9/4/15

### DECLINE IN FREE CHECKING

A Harvard study found a **42% drop in the share of banks offering free checking** after the amendment was passed.

HARVARD KENNEDY SCHOOL, 4/1/16

### LOSS OF DEBIT REWARDS

Consumers lost access to debit card rewards programs, with one study showing a **30% drop in the percentage of cardholders who received rewards.**

NBC NEWS, 4/6/11

### HIGHER FEES FOR MOM-AND-POP SHOPS

Post-amendment, the average interchange fee for a \$5 purchase **doubled from \$0.11 to \$0.23 for small-ticket transactions.**

JUSTT, 12/21/21



**CONGRESS:** Don't let mandates haunt credit cards the same way they hurt debit cards. Stand up to this **FRIGHTFUL LEGISLATION** and **STOP THE DURBIN-MARSHALL CREDIT CARD MANDATES** from haunting your constituents' wallets.

**EPC** Electronic Payments Coalition