

Fact Check: Sen. Roger Marshall, Corporate Megastores, and MPC Ignore the Facts. Again.

Recent claims from the Merchant Payments Coalition (MPC) and Senator Roger Marshall about rising processing costs paid by gas stations rely on incomplete and misleading data. These claims ignore voluntary caps networks place on interchange rates for fuel purchases and fail to account for the **hidden costs of handling cash**, often more expensive than processing credit cards, misrepresenting the reality of the payments system and the infrastructure of fuel transactions.

Interchange rates have remained stable for more than a decade. Contrary to claims that costs are rising, the rate merchants pay to accept credit cards has not changed. What has increased is overall transaction volume and purchase size, a result of merchants serving more customers and charging higher prices, not higher interchange rates.

Additionally, for nearly two decades, both Visa and Mastercard have voluntarily set the maximum interchange rates on fuel purchases at roughly \$1 per fill-up – regardless of the overall amount, which today runs about \$60 for an average car. This fact raises an important question: are any savings passed on to consumers? History proves merchants do not pass savings onto consumers, as seen following the Durbin Amendment in 2010, when 98% of retailers raised or kept prices the same following the debit interchange mandate.

| MYTH | FACT |
|---|--|
| Interchange rates are rapidly increasing on fuel | Interchange rates have been stable for over a decade. The increase in interchange fees collected from merchants reflects a combination of higher transaction values and more frequent use of payment cards over cash—not higher interchange rates. |
| Merchants face unlimited costs as gas prices rise | Interchange is voluntarily capped by both Visa and Mastercard at about \$1 on the average \$60 gas fill-up—essentially giving gas station merchants an automatic discount for larger fuel transactions and a built-in buffer to help offset the impact of rising oil prices. |
| Credit cards are more expensive to process than other payment methods | Cash carries significant, often hidden costs that exceed the cost of accepting a payment card. The National Association of Convenience Stores (NACS) reports stores spend 15–20 hours per week counting cash, plus costs for theft prevention, safes, and transport. IHL Group finds cash handling can cost 4.7%–15.5% per transaction. |
| Consumers would benefit from government-mandated price controls on credit cards | Historical evidence proves otherwise - after the Durbin Amendment on debit interchange, 98% of merchants raised or kept prices the same, while the availability of debit rewards and free checking declined sharply, and fraud attempts increased. Only corporate megastores benefit from government price controls, while consumers, small businesses, and local community banks and credit unions pay the price. |
| Paying more in interchange reflects a broken system | The payment system already includes voluntary caps, steady rates, built-in protections, and intense competition. The fact that the volume paid in interchange has increased is a direct reflection of consumers' preferences for using payment cards over cash. In short, the VOLUME of electronic payments has increased, but the PRICE to process remains unchanged. Senator Marshall and his friends at the MPC understand this, of course, but they use cherry-picked data and leave out critical facts and context to create an intentionally misleading narrative. |

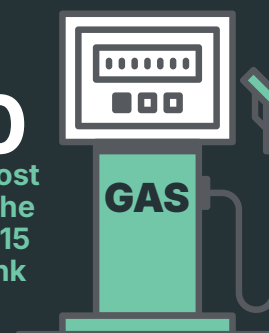
BOTTOM LINE

This debate isn't about "rising" interchange rates.

Steady card processing rates in a competitive market tell a very different story than the one being presented. Policy proposals built on incomplete data threaten to upend the nation's secure, convenient, and reliable payments system, while failing to deliver any real savings for consumers.

Learn more at electronicpaymentscoalition.org

\$60
average cost to fill-up the standard 15 gallon tank



\$1
maximum interchange on fuel purchases, regardless of overall purchase