



National Black Chamber of Commerce Statement on HR 2695

The National Black Chamber of Commerce (NBCC) today reiterated its opposition to the Credit Card Fair Fee Act (HR 2695).

The NBCC also urged Senators to reject attempts to attach credit-card interchange legislation to the financial-regulation bill currently before the Senate.

Harry C. Alford, president and CEO of the National Black Chamber of Commerce, issued the following statement:

“These proposed radical changes to the nation’s credit-card interchange system would hurt small businesses. By intervening in a functioning market, Congress would artificially reduce the profit margins of banks and credit unions that issue credit cards. As a result, cardholders could be forced to pay more for credit and debit cards and receive lower benefits from reward cards, according to the Government Accountability Office and many other independent experts.

“In addition, banks and credit unions would be less likely to issue cards, constricting credit just as America seems on the cusp of economic recovery. Small business owners, particularly minority entrepreneurs, rely on credit cards for access to capital – especially as traditional bank loans have become more difficult to obtain. Congress should not make it more difficult to start a small business or keep one afloat.

“Small businesses also would be hurt by lower consumer spending, the likely result of higher costs and reduced benefits for cardholders. The proposed legislation would cost the average American consumer an estimated \$400 a year – in effect, a tax on American households to pay for windfall profits to large retail corporations.

"Government intervention in the credit-card interchange system might boost profits for these multinational corporations, but it would harm the interests of American small businesses.”

About the National Black Chamber of Commerce

The NBCC, with 190 affiliated chapters across the country, has direct reach to 95,000 Black owned businesses and proudly represents more than one million Black enterprises doing business in the United States.

For more information, please visit www.nationalbcc.org.