



NATIONAL COALITION of LATINO
CLERGY & CHRISTIAN LEADERS
(COALICION NACIONAL LATINA de MINISTROS & LIDERES CRISTIANOS)



The Honorable Harry Reid
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
United States Senate
Washington, DC 20510

May 12, 2010

Dear Senator Reid and Senator McConnell:

The undersigned organizations oppose the proposed credit card interchange amendments to the *Restoring American Financial Stability Act (S. 3217)*. Evidence indicates they could cause financial harm to consumers, community banks and credit unions, and small business owners.

The Government Accountability Office reported in November 2009 that proposals similar to the filed amendments could harm local lending institutions. Testimony in the April 28 House Judiciary Committee hearing confirmed this view. Community banks and credit unions consistently report that government intervention in the interchange system could drive them out of the payment-card business, threatening the survival of these pillars of community economic activity – the vast majority of which had nothing to do with the recent financial crisis – and reducing credit availability to small business owners and entrepreneurs.

Last year's Government Accountability Office report also found that government intervention in the credit card interchange system could result in higher fees and lower rewards for cardholders. Indeed, the proposed amendments could cost working families hundreds of dollars a year, according to some estimates. Yet Senators are asked to approve these 11th-hour amendments without a single committee hearing or markup.

With the global economic recovery in doubt and unemployment again on the rise, this is the wrong time for Congress to approve a radical change to the credit-card system that could mortally wound community banks and credit unions, reduce access to capital for small businesses, and further burden working families struggling to make ends meet.

Thank you for considering our views.

Sincerely,



Hector Barreto, Chairman
The Latino Coalition



Niel Ritchie, Executive Director
League of Rural Voters



Roger Campos, Esq., President & CEO
Minority Business RoundTable



Harry Alford, President & CEO
National Black Chamber of Commerce



Rev. Miguel Rivera, President
National Coalition of Latino Clergy & Christian Leaders (Coalition Nacional Latina de Ministros & Lideres Cristianos)



Dr. E Faye Williams, Esq., National Chair
National Congress of Black Women