



September 19, 2023

Dear Senator,

On behalf of the United States Hispanic Chamber of Commerce (USHCC), our Board of Directors, and the undersigned organizations, **we write to express our strong concerns about the unintended consequences of the Credit Card Competition Act of 2023.**

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The United States Hispanic Chamber of Commerce (USHCC) is the nation's largest Latino Business Advocacy organization and works to actively promote the economic growth, development, and interests of more than five million Hispanic-owned businesses. The USHCC exists to support these businesses that contribute over \$800 billion to the American economy each year. We operate through a network of more than 260 local chambers and business associations throughout the nation and have partnerships with more than 200 major global corporations.

In 2022, the Government Accountability Office (GAO), an independent and nonpartisan government agency, released a report that found, among other things, that interchange regulations on debit card purchases, enacted through the Durbin Amendment, ranked as one of the most harmful laws negatively impacting the availability of fundamental banking services. Placing additional pricing mandates on financial institutions serving the millions of minority-owned small businesses could restrict critical lending these businesses continue to need and will reduce low-cost services, such as fraud prevention, that help these businesses serve their customers and drive revenue.

The sheer number of payment options now available at checkout, especially online, is an indication of the many options that are available to both consumers and merchants. Digital payments enabled small businesses to continue serving their customers during the pandemic, both in their local communities and online. Those businesses with access to digital payments over the last several years have been more resilient and better able to compete than those that did not.

According to an Economic Brief by the U.S. Federal Reserve Bank of Richmond, many businesses saw price increases following the Durbin Amendment. As such, we believe that this proposed expansion of the Durbin Amendment would not result in lower fees for small minority-owned businesses. That is why we urge you to carefully consider the unintended consequences that this proposed expansion could have on our most vulnerable small businesses.

Thank you for your service and partnership in supporting our Hispanic and minority-owned businesses across the country. If you have any questions, please do not hesitate to reach out to Anthony Hinojosa, Vice President of Government and International Affairs of the USHCC at ahinojosa@ushcc.com. We commend you for your leadership and look forward to a positive outcome on this important matter.

Respectfully,

Ramiro A. Cavazos
President and CEO
U.S. Hispanic Chamber of Commerce