

Consumers Want Congress to Address Interchange Fees

According to a new Harris Interactive Poll commissioned by the Merchants Payments Coalition (MPC), an overwhelming majority of American consumers want Congress to do something about the hidden interchange fee that credit card companies charge merchants every time a customer uses a credit or debit card.

The poll found that 68 percent of U.S. adults had never even heard of interchange fees, even though interchange adds up to more than twice what consumers pay in late fees and more than all other credit card fees combined.

Release of the Harris poll comes as [insert organization name] and other members of the MPC are working hard to get Congress to take a closer look at credit card company policies. Senate Banking, Housing and Urban Affairs Committee Chairman Christopher Dodd, D-CT, said last month that he plans to hold a hearing on interchange as part of a series of hearings looking into credit card industry practices. The Senate Judiciary Committee and a House Energy and Commerce Committee subcommittee held interchange hearings last year.

According to the MPC, interchange fees average about two percent for most credit card and signature debit transactions, totaling more than \$30 billion in 2005, up 17 percent over 2004 and 85 percent since 2001.

The average American family is now paying more than \$300 each year in interchange fees, and they don't even know it. Unlike other fees that appear on the cardholder's monthly statement, card company rules make it virtually impossible to inform consumers how much they are paying in interchange fees.

The Harris poll found that nine out of 10 U.S. adults surveyed want credit card companies to disclose how much they charge in interchange fees. An overwhelming majority want Congress to require credit card companies to be more forthcoming about their policies and practices.

- 94 percent said credit card companies should be required to disclose to consumers the amount of interchange fees they charge.
- 93 percent said credit card companies should be required to inform consumers how interchange fees are set.
- 91 percent said Congress should require credit card companies to be more open about their policies and practices regarding interchange fees.
- 83 percent disagreed that credit card companies should be allowed to continue to charge interchange without change to their current policy.
- 91 percent disagreed that credit card companies should be allowed to set interchange fees without notification to consumers

This survey was conducted online within the United States by Harris Interactive using its QuickQuerySM online omnibus service on behalf of The Merchants Payments Coalition between January 16-18, 2007 among 2,214 adults (aged 18 and over). The full results of the poll can be found at www.unfaircreditcardfees.com