



REPRESENTING THE RESTAURANT INDUSTRY

*The Cornerstone of the Economy, Career Opportunities and Community Involvement*

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May 14, 2008

## **The National Restaurant Association Strongly Supports H.R. 5546 – The Bipartisan Credit Card Fair Fee Act.**

Dear Representative:

On behalf of the National Restaurant Association, representing over 13 million employees in nearly one million locations nationwide, I am writing to voice our strong support of the bipartisan H.R. 5546, The Credit Card Fair Fee Act of 2008. Introduced by Rep. John Conyers (D-Mich.) and Rep. Chris Cannon (R-Utah), H.R. 5546 will allow large and small businesses to negotiate directly with credit card companies in an effort to reduce the artificially high credit card interchange fees and eliminate the anticompetitive method in which they are being set.

Interchange fees, which make up the vast majority of the merchant discount fee charged to merchants accepting payment cards, are meant to cover the cost of processing a credit card transaction. However, reports show that the cost of processing is steadily decreasing in the United States, while fees continue to rise. Inexplicably, the United States has some of the highest interchange rates in the world, despite constant improvements in credit card acceptance technology.

Interchange fees represent the one cost of business that restaurant owners cannot currently negotiate. While these continue to rise without explanation, retailers are increasingly obligated to accept credit cards due to high consumer demand. With Visa and MasterCard controlling over 80% of the payment cards market, merchants have no other choice than to accept their credit cards and pay the exorbitant interchange fees.

The Credit Card Fair Fee act will for the first time provide an avenue that allows restaurateurs and other merchants to have a seat at the negotiation table. The National Restaurant Association urges your support of this important bipartisan legislation.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Gay".

John Gay  
Senior Vice President  
Government Affairs & Public Policy