



06/08/2011

Hopefully, by the time you read this release, the U.S. Senate has voted in favor of S. 575 (the Tester/Corker Interchange Stop & Study Bill) or S. 782 (Tester/Corker Amending S. 575). A vote in the U.S. Senate is tentatively scheduled for 2:00 pm EST on Wednesday, June 08, 2011.

In anticipation of a successful vote in the U.S. Senate, G. Scott McComb, President and CEO of Heartland Bank, Gahanna and I participated in an interchange fee roundtable hosted by Congressman Pat Tiberi (R-12). There were 10 other roundtable participants representing organizations such as the Associated Food & Petroleum Dealers, the Ohio Grocers Association, and the Ohio Credit Union League. The forum allowed all in attendance to discuss issues related to debit and credit card interchange fees, but the focus was primarily on the effect of the Durbin Amendment/Federal Reserve proposal on small business, community banks, and consumers.

This opportunity allowed us to increase attendees' awareness of the cost to issue and reissue debit cards and the cost of fraud to a community bank when a breach occurs, to dispel the myth that debit card interchange was a substantial profit center for community banks, to reiterate that the loss of revenue, as proposed, would have to be offset at the expense of the consumer and/or merchant, and to point out that the current FRB proposal does not allow sufficient revenue to cover the cost of offering a debit card program for a community bank.

We would like to thank Congressman Tiberi (R-12) and his staff for inviting us to participate in the roundtable. CBAO continues to seek his co-sponsorship of H.R. 1081 (the Moore-Capito Debit Interchange Stop & Study bill), joining with Ohio Congressmen Bob Gibbs (R-18), Jim Jordan (R-4), Bob Latta (R-5), and James B. Renacci (R-16).

If you haven't contacted Senator Brown at (202) 224-2315 and Senator Portman at (202) 224-3353 recently asking them to vote YES, we encourage you to do so ASAP!