



NEWS RELEASE

MEDIA CONTACT:

Don Childears
303 825 1575
Off-hours contact: 303 249 3541

Tim Powers
303 825 1575
Off-hours contact: 303 709 8061

CBA Reaction to U.S. Senate's Vote on the Corker/Tester Debit Interchange Amendment

Associate all quotes and lifted material to:
Don Childears, President/CEO, Colorado Bankers Association

"CBA is disappointed in the outcome of today's U.S. Senate vote on the Tester/Corker amendment, which would have delayed implementation of the damaging debit interchange price control rule. While a majority of bi-partisan Senators voted to protect market principles, the inability to reach the 60-vote super threshold will increase costs for bank customers while padding the profit margin of the nation's Wal-Mart's, 7-11's and other big-box retailers."

"46 Senators succumbed to the demands of the Wal-Marts and 7-11s, agreeing to cap the current market driven price of a successful product that big box companies want to use, but want someone else to pay for. They have told bank customers nationwide that we as customers should pay more for our banking products, so that their company can count larger profits."

"I assume since big box retailers like price controls they now welcome similar controls on their products such as gas, clothing, food and electronics."

"If this Federal Reserve rule goes into place, the competitive disadvantages small businesses face from the large retailers will widen significantly, and the everyday customers who have grown to enjoy the benefits of the debit card or free checking will have to endure unwelcome changes."

"Huge retailers will receive a \$14 billion annual profit increase, while our small businesses will see an estimated \$4.2 billion in higher costs, and bank customers will see fees increased for even the most basic of services like having a checking account. In short, Wal-Mart wins while consumers, small businesses, and everyday bank customers directly pay for that win. "

"We believe the retail industry's customer savings claims to be insincere. We doubt the retail industry would have spent tens of millions of dollars lobbying Congress, just to pass along a 30 cent savings each time we go to the grocery store. It makes more sense that they would spend tens of millions of dollars lobbying Congress to increase their profits.

"The added costs that will get passed along to bank customers are known, are substantial, and are unfortunate."

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The Colorado Bankers Association represents over 90% of the \$100 billion in assets within the 160 Colorado banks. On behalf of the 22,000 men and women who work in Colorado's banks CBA works with government seeking a better banking industry in this rapidly changing environment. CBA also provides banking-specific information and education, offers bank insurance, anti-fraud efforts, and numerous other miscellaneous services.