

## Repealing the Durbin Amendment

The Durbin Amendment was included as a last-minute addition to the Dodd-Frank Wall Street Reform Act with the intent that retailers would pass along an estimated \$8 billion in savings per year to debit customers in the form of lower prices.

Retailers promised they would pass any savings from the Durbin amendment on to their customers, but almost six years since the Amendment was passed, it is clear customers have seen no relief at the register. That means retailers have pocketed more than \$36 billion to date.

Another failure of this legislation is the increased cost to community banks and credit unions, which were intended to be exempt from this law. The Durbin Amendment intended to exclude small issuers from interchange fee-ceiling restrictions, but the law offers no such exemption from the costly and burdensome network routing and exclusivity provisions—a process that involves substantial and recurring administrative costs on top of an already challenging cost environment.

It is now clear that the only way to reverse the damaging impact on financial institutions of all sizes and customers is to repeal the Durbin amendment in its entirety.

We support a well-regulated payment system based on laws that provide a frame-work for constant product improvement, but the Durbin Amendment did not serve any traditional regulatory purpose—it simply enshrined into law a “permanent” economic benefit for one well-heeled industry.



Support H.R. 5465 to repeal the Durbin Amendment, and the Financial CHOICE Act, which includes repeal.