

Support for the Marshall Credit Card Competition Amendment Restoring Fairness in Credit Card Processing for Small Business

The American Building Materials Alliance (ABMA) urges Congress to support the amendment filed by Senator Roger Marshall to include the Credit Card Competition Act in the stablecoin legislation currently under consideration.

Our members are small, independently owned and operated businesses, many of them family-run and integral to the supply chain that supports housing and construction across the country. These businesses are not operating with the luxury of wide margins or flexible pricing power. The average profit margin in our industry is just 5 percent. Yet, the dominant credit card companies are posting margins greater than 50 percent. That is not a sign of a functioning or competitive marketplace. It is the result of a system that has been built to squeeze small business.

Credit card fees have become one of the largest operational expenses for lumber and building material dealers, second only to labor and overhead. Some of our members report paying \$300,000 to \$400,000 annually in credit card processing costs. These are not luxury expenses. Credit cards now account for more than half of all transactions in our industry. They are a necessary form of payment, and one that comes with little transparency, and virtually no room for negotiation.

The fees themselves are confusing and opaque. Interchange and other fees often appear on statements without any clear explanation, making it nearly impossible for business owners to understand what they're being charged or why. This lack of transparency undermines good business planning and eats away at already-thin margins.

The Credit Card Competition Act is a smart, targeted solution. It would require banks with more than \$100 billion in assets to enable at least one unaffiliated network to process credit card transactions in addition to Visa or Mastercard. This would inject badly needed competition into a market that currently operates like a duopoly.

This is not just a financial issue. It is a fairness issue. Small businesses across the country are doing everything they can to stay competitive, serve their communities, and support job growth. They deserve a level playing field.

ABMA strongly urges Congress to adopt the Marshall amendment and give small businesses the chance to compete, thrive, and keep America building.

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