

March 1, 2021

Senator Larry Liston  
Colorado State Capitol  
Denver CO, 80203

RE: Senate Bill SB-091

Dear Senator Liston,

I'm James Dean the Owner of Prather's Market in Fairplay Colorado. I am writing this to ask the Legislature to pass Senate Bill 21-091, Concerning Limitations on Credit Transaction Charges. Prather's Market is a small, family-run, and family-owned grocery store, and has been the single source for Fairplay and Alma residents to buy groceries and household goods within a 45-minute radius. In the 17 years our doors have been opened, I have witnessed customers pay with cash 50% of the time to using credit cards 85% of the time. Also, the usage of credit cards has noticeably increased as consumers are leery of paying with cash during the pandemic. While credit cards offer a great convenience for customers especially in a time of "touchless transactions", the burden of transaction fees is a huge expense to small businesses.

Over the past five years, I have been forced by the credit card companies to purchase "new and safer" credit card terminals and to invest in "new and safer" software to protect the customer and credit card companies from a data breach. This has all come at a great expense to my business costing over \$15K. My small business paid over \$100K in credit card transaction fee in 2020 alone. Credit card companies expect to increase these fees again, even after posting record profits the last few years. Visa's transaction revenue rose last year by 6% to over 11 billion dollars, and now they are looking for more. For a small business like mine, over \$100K in credit fees is devastating. If my business were able to recoup a portion of the money spent on those fees, I could reinvest in meaningful ways, like increasing wages, employing more Coloradans, and lowering my retail prices.

While I understand that credit card fees are a cost of doing business, they are spiraling out of control and remain an expense unchecked by any other body. I believe by allowing the consumer to contribute to paying a portion of these fees they will gain an understanding of how much fees are and what these fees do to the cost of the products they purchase. The consumer will then be able to make an educated decision on whether the price of convenience is worth it or instead save money by paying cash. Currently Colorado is one of only five states which does not allow the merchant to collect a credit card surcharge. Passing Senate Bill 21-091 would bring Colorado in agreement with the U.S. Supreme Court. Which ruled in *Expressions Hair Design v Schneiderman* that anti-surcharge laws are unconstitutional and violate the merchant's free speech rights. The passage Senate Bill 21-091 would allow me to have a say in what is best for my small business and customers. It would give me the means to reinvest in my staff, and my community. Thank you for your consideration.

Regards,  
James Dean  
President  
Prather's Market  
301 Hwy 285  
Fairplay CO 80440  
970-485-0491

March 7, 2021

My husband and I own a small grocery store in the San Luis Valley. Our store is the only full-service grocery store in town. We also have a large influx of tourists during the summer months that bring a lot of business into our small mountain community. Nationally independent grocery stores net 2-3%. With razor thin margins in our business, credit card fees have been out of control through the past few years and with the increased usage of cards, our margins have even gotten thinner. Credit card companies have been very difficult for independent stores to negotiate competitive rates compared to big chain stores.

Therefore, we feel that it is time to pass this legislation so small businesses like ours can survive.

Respectfully,  
Dana Sowards