

[Burlington Free Press staff report](#)

WASHINGTON -- Plastic is slowly bleeding Kathy Miller and the Elmore Store to death.

Miller -- a guest of Rep. Peter Welch, D-Vt. -- urged the House Committee on Financial Services on Thursday to crack down on unfair credit-card swipe fees paid by small businesses.

At a hearing to debate Welch's Credit Card Interchange Fees Act, Miller and the Vermont Democrat asked the committee to consider that small retailers forced to pay close to 2 percent of every purchase in swipe fees to credit card c [Save](#) ompanies.

Miller -- a fifth generation Vermonter who has owned the Elmore Store with her husband, Warren, for 26 years -- told the committee she loses money when customers pay for a pack of gum with a credit card and she makes only two cents when a customer buys a bag of chips.

"We have streamlined our business to reduce costs as best we can. Maintenance doesn't get done as it should, less money goes out in payroll, but we just can't keep absorbing these fees and survive in these tough economic times. If interchange swipe fees were fair and reasonable, Warren and I would have more money to invest back into our business," she said.

The legislation would allow merchants to offer discounts for cash payments and set a minimum for credit card purchases, and it would prevent card companies from charging merchants more for rewards card transactions.

The bill would increase transparency by requiring card companies to disclose the terms of their agreements to merchants and consumers, and it would increase oversight by empowering the Federal Trade Commission to determine whether any practices are unfair or anti-competitive.

"Credit card companies and big banks are finding more and more ways to squeeze small retailers, for whom the profit on an individual sale can be completely canceled out by the cost of the burdensome interchange fee," Welch said. "What is at issue here is a question of basic fairness and reasonable regulation of credit card and large bank practices."

Miller's voice cracked with emotion as she concluded her statement to the committee:

"Some days I feel like I should just turn in my keys -- but too many people count on us. Elmore is a town of 850 people. We're the hub. We're 'Mom' and 'Pop.' We are just trying to keep our doors open."