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*President and CEO*

July 29, 2010

The Honorable Daniel K. Inouye  
Chairman  
U.S. Senate Committee on Appropriations  
Washington, DC 20510

The Honorable Thad Cochran  
Ranking Member  
U.S. Senate Committee on Appropriations  
Washington, DC 20510

Dear Chairman Inouye and Ranking Member Cochran:

On behalf of the 5,000 community bank members of the ICBA, I write to urge you and your colleagues to support an amendment to be offered by Senator Susan Collins to the FY 2011 Financial Services and General Government Appropriations Bill that would remove harmful language relating to credit card interchange fees.

Nearly  $\frac{3}{4}$  of all community banks provide credit cards to their consumer and small business customers. In many cases, community bank card programs are break-even propositions at best, but they permit a bank to enhance its customer relationships through these important product offerings.

Senator Collins' amendment would remove language relating to credit card transactions at federal agencies. This language would further erode the primary source of revenue that allows a community bank to offer credit cards to its customers. Were this language to remain intact, the resulting decline in revenue would likely cause many community banks to reconsider their product offerings, or make less credit available to consumers.

As you know, the Dodd-Frank Act contains significant reforms to the electronic payments system and establishes price controls over debit interchange. This will have far-reaching consequences for consumers and community banks. Further expanding the scope of government manipulation of the electronic payment system would only exacerbate these concerns.

Again, please support the Collins amendment.

Sincerely,

Camden R. Fine  
President and CEO

CC: Members of the Senate Appropriations Committee