

# Lack of Credit Card Competition Increases the Cost of Your Groceries

Every time shoppers use a credit card, retailers are charged a hidden fee.



## Hidden swipe fees cost American families \$900 a year



Because there is no competition, credit card companies and the nation's largest banks can increase swipe fees on grocers.

The credit card industry has sharply raised "swipe fees" over the last decade.

Credit card companies and large banks levied **\$137.8 billion** in credit and debit card processing fees in 2021, up **112%** over the last decade and **25%** over the prior year.



- Credit and debit card processing fees represent the highest operating cost for most grocers after labor and rent.
- **76%** of all grocery store purchases are now made with credit or debit cards.
- As a result, food retailers must factor the cost of these swipe fees into all products – regardless of whether shoppers use a card or not.

### Swipe fees impact some more than others:

- Lower income Americans and those who rely on cash for purchases
- Families without access to high credit card rewards programs
- Low margin businesses like grocery retailers that cannot afford expensive swipe fees

We urge Congress to pass the **Credit Card Competition Act** to foster competition in the credit card market and help customers and main street businesses during these challenging economic times.

