

My name is Melody Barr and I am a Marketing Representative for Mutual Oil Co., Inc. I have been in the industry for 30+ years and offer the following written testimony on:

Proposed S.B. No. 440 AN ACT CONCERNING DEBIT CARD PURCHASES OF GASOLINE- I do not know of one gas station/convenience store retailer in Connecticut that charges a premium for Debit Card transactions.

Proposed H.B. No. 5045 AN ACT CONCERNING CASH DISCOUNTS FOR GASOLINE AND DEBIT CARD PAYMENTS - Consumers should not be allowed the "Cash Discount" when paying for transactions with plastic of any kind because Retailer's pay fees on debit card transactions. Debit card transactions can be run as a pin based debit transaction and in the case the Debit card carries a MasterCard or Visa logo, as a credit transaction. These transaction are seen by the consumer as "cash" because the funds come directly from their checking accounts. However, Retailer's pay exorbitant fees on these transactions whether the transactions are processed as pin based or not.

For example, If a customer purchases \$20.00 worth of gasoline, and runs their debit card as a credit transaction, the gas station/c-store retailer incurs a fee of 1.7% plus \$.15* for the transaction for a total of a \$.49 fee (2.5% total) to the retailer. If this same consumer was to process this same transaction as a pin-based debit transaction, the retailer would incur a fee of .75% plus \$.30 for the transaction for a total of \$.45 (2% total). Although the fee is smaller, the fees associated with debit cards are still oppressive on business owners. These fees can equal a retailer's mortgage payment and in many cases are greater than a Retailer's profit from gasoline.

You must not allow Debit cards to receive the "cash discount", you will only inflate the cash price Retailer's will have to charge to absorb these fees.

Cash is cash.

Thank you.

* Example is based on the fee schedule at Gulf branded locations although the industry in whole has similar fees.

Proposed H.B. No. 6205 AN ACT CONCERNING DEBIT TRANSACTIONS BY CONVENIENCE STORES AND GAS STATIONS- See my testimony to H.B. No. 5045 above.

Proposed H.B. No. 6205 AN ACT CONCERNING DEBIT TRANSACTIONS BY CONVENIENCE STORES AND GAS STATIONS -Gas Station/Convenience Stores do not place "holds" on our customer's bank accounts. This function is handled by the debit card issuer (the bank). I have had the responsibility of handling customer complaints in my employment in the past and would occasionally receive a phone call from one of our customers regarding a hold on funds in their checking account. I would go out of my way to research the customer's transaction at the store level and call **their** bank to release the hold they placed. At no time does the Retailer place the hold or receive funds in excess of the transaction amount.

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