



February 16, 2023

Co-Chair James Maroney  
Co-Chair Michael D'Agostino  
Senator Paul Cicarella  
Representative David Rutigliano

Members of the General Law Committee:

We are submitting testimony in opposition to HB 6614, AN ACT CONCERNING DEBIT CARDS AND CASH DISCOUNTS FOR GASOLINE PURCHASES .

The Connecticut Energy Marketers Association (CEMA) represents 600 family owned heating fuel dealers in the state and our motor fuels members own, operate and distribute fuel to approximately 1,000 gasoline stations.

We are opposed to HB 6614 because debit cards, just like credit cards, have processing fees whereas cash transactions do not. [According to the National Association of Convenience Stores](#) (NACS) debit cards cost "roughly 2.4 cents per gallon in additional expenses. "

With approximately 77% of motorists paying by plastic ( [43% by credit and 35% by debit card](#) ) gas station owners cannot afford to absorb the cost of processing debit transactions if we are required to pass along cash discounts to consumers who pay for gas oline with a debit card.

According to the [Energy Information Agency \(EIA\) Connecticut old 3.7 million gallons of gasoline](#) per day in 2021, or 1.366 billion gallons total annually. Since 35% of these sales were paid for by debit cards, or 32.8 million gallons, and with the cost to the dealer of about 2.4 cents per gallon to process debit transactions, the use of debit cards would cost our industry \$32.8 million per year.

Connecticut is a unique state when it comes to the sale of gasoline. [Refiners are prohibited by law from owning and operating gas stations](#) , so when you fill up in our state you are typically buying fuel from local family owned businesses. These businesses can not absorb the cost that banks and credit card processing companies charge when debit cards are used.

If HB 6614 were to pass it may have the unintended consequence of eliminating the offer of a cash discount when paying for gas. Local retail gas stations that offer these discounts , but cannot afford to extend them to customers who purchase gas with a debit card, may choose to stop offering these discounts to avoid the transaction costs.

Please oppose HB 6614, AN ACT CONCERNING DEBIT CARDS AND CASH DISCOUNTS FOR GASOLINE PURCHASES.

Respectfully,

Christian Herb  
President