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LD 151

To the members of the Health Coverage, Insurance and Financial Services Committee, thank you for reading and considering my testimony on LD 151.

I'm the owner of antique shop in Monson. It's a seasonal business with annual earnings comparable to your legislative salaries. I didn't get in this to be rich. I do it because I love it. Still, credit card fees eat away at a small profit margin.

So, let me ask you to put yourself in my shoes. Let's say the State of Maine decided that it would be more convenient to pay you by credit card instead of by check or direct deposit. Your pay would be cut by 3.5 percent, plus a swipe fee would be applied to every hour you work. Swipe fees range from 15 to 35 cents per transaction over and above the percentage. The state would pay you incrementally, causing you to incur multiple swipe fees. So, if you were paid with a separate transaction for each hour of a 40-hour week, for example, you would be paying as much as \$14 in swipe fees in addition to the 3.5 percent. These same terms would apply to all other sources of income you receive.

Now, and about those expenses -- mileage, hotel, meals and whatever else you need to buy for your job -- those would also be subject to fees. If you needed a hotel room for \$100 a night, you'd have to pay a 35-cent swipe fee and \$3.50 out of your own pocket for each night you stayed. Similar fees would be levied on your mileage, meals and each and every additional expense.

Incidentally, you would also need to pay for some kind of system to process your salary and expense payments. You might have to buy or rent equipment, pay a monthly service fee or a subscription service in order to receive your salary payments. These start at \$10 a month and go up from there. If your equipment dies or malfunctions, you can't collect your salary. In order to remedy this, you'd have to call a customer service line and speak to a representative, who may be based overseas and speaking English with an accent so thick it's hard to understand. Oh, and you'd need to make this call in the middle of a Legislative session while your colleagues stand and wait for you to finish in order to conduct the business at hand. You'd wind up dealing with background noise too.

I strongly support LD 151. The way things are set up now, the only ones benefitting are the banks. Customers are often unaware that businesses pay to process their cards. I had one woman try to tell me that using her debit card is free. Sure, it is -- for her. But, not for me.

When our credit card processing machine -- for which we paid a monthly fee -- died in the middle of a busy July day, I had to wait for a replacement to arrive after paying \$40 shipping for the new machine, which was about the size of a large calculator. In the meantime, I was unable to process credit card payments. One man spent 20 minutes trying to figure out how use PayPal before announcing, he would just pay cash. He did so, peeling off \$20 bills from a wad about an inch thick that he had in his pocket.

Last summer, a woman came in with a credit card and said we should charge her whatever we need to in order to cover the credit card fees. I said we're not allowed, according to Maine law. She didn't understand. She said, "No, charge me. Please!" She was from another state that allows this and was astounded to learn we could not do so in Maine. It's time for Maine to catch up with the rest of the country and allow businesses to recoup their credit card swipe fee expenses. Please take the steps necessary to make LD 151 law.

Thank you.
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