

Senator Heather Sanborn
Representative Denise Tepler
Committee on Health Coverage, Insurance and Financial Services
100 State House Station
Augusta, ME 04333

May 3, 2021

Chairwoman Sanborn, Chairwoman Tepler, members of the HCIFS Committee, my name is Hilary Rapkin and I am the Chief Legal Officer for WEX Inc. WEX Inc. is based in Portland, Maine where we employ approximately 1240 people among our 5200 global employees. I am writing today in strong opposition to **LD 1544, An Act Regarding Credit and Debit Card Merchant Fees.**

For those on the committee who are not aware, WEX is a global leader in financial technology solutions. We simplify the complexities of Business to Business payment systems across continents and industries—including Fleet, Corporate Payments, Travel Payments and Employee Benefits. We've grown from a startup into a publicly traded financial technology solutions provider that now serves millions of companies worldwide. And it all started here in Portland, Maine.

LD 1544 would require an exclusion of the amount of state and local taxes and fees from the amount on which an interchange fee is charged for an electronic payment transaction such as a credit card or debit card transaction. This would create a difficult, if not impossible process for retailers, card users and payment systems like WEX to meet. Retailers would need to need to overhaul and update existing systems and terminals, and processors like WEX would need to undertake extensive changes to our transactions technology process in order to be within compliance. Even after such work, our ability to deliver swiftly on transactions and rebates would be significantly slowed and at higher risk of error given the complexity of tax law, damaging our competitive advantage and relationships with our customers.

This concept has been introduced in a number of states over the years and Legislatures have uniformly rejected similar proposals due to the harm to consumers, loss of sales tax revenue, legal deficiencies, and operational hurdles. LD 1544 would create an untenable operational hurdle for WEX and our customers.

For the above reasons, and on behalf of a successful, growing, Maine based business, I hope the committee will vote Ought Not to Pass on LD 1544. If you have any questions, please do not hesitate to contact me at 207-329-0436.

Sincerely,



Hilary A. Rapkin