



February 3, 2026

The Honorable Joseph J. Solomon, Jr., Chairman
House Corporations Committee
State House
Providence, RI 02903

Dear Chairman Solomon,

The undersigned members of the Rhode Island Business Coalition are writing in opposition to House bill 7409. This bill would prohibit businesses from being able to pass on the cost of credit card transaction fees.

While the Coalition supports transparency and fairness in consumer transactions, we are concerned that H7409, as drafted, would create unintended economic consequences for Rhode Island businesses, particularly small and medium-sized employers that operate on narrow margins. According to Forbes, credit card processing fees typically range from 1.5% to more than 3.5% per transaction. It is important to note that these fees are imposed by card networks and processors, not retail establishments.

Small retailers continue to see increasing utility costs, health insurance premium increases and increases to the minimum wage, among others. As customers continue to use credit cards on a more frequent basis, this legislation would place another cost of doing business in Rhode Island that their counterparts in most other states don't face.

For these reasons, we respectfully urge the committee to oppose House bill 7409 as currently drafted. The legislation risks increasing prices for consumers, harming small businesses, and reducing pricing transparency while continuing to place Rhode Island as an outlier when it comes to business competitiveness.

Sincerely,

East Greenwich Chamber of Commerce

Greater Newport Chamber of Commerce

National Federation of Independent Business

Northern Rhode Island Chamber of Commerce

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

Propane Gas Association of New England
Rhode Island Hospitality Association
Rhode Island Lumber and Building Materials Dealers Association
Rhode Island Marine Trades Association
Rhode Island Staffing Association
Small Business Economic Summit Regulations Committee
Small Business Economic Summit Tax and Budget Committee

cc. House Corporations Committee members