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## Testimony of

Christopher Carlozzi, NFIB State Director  
In Support of Senate Bill No. 2344, 2522  
Relating to Commercial Law – Interchange Fees  
Relating to Commercial Law – Interchange Fee Restriction Act  
Before the Senate Committee on Commerce  
March 24, 2026

Chairman Britto and Members of the House Committee on Commerce:

My name is Christopher Carlozzi. I am the Rhode Island State Director for NFIB. A non-profit, non-partisan organization, NFIB is the nation's and our state's largest small business advocacy group. In Rhode Island, NFIB represents hundreds of small and independent business owners involved in all types of industry, including manufacturing, retail, wholesale, service, and agriculture. The average NFIB member has five employees and annual gross revenues of about \$450,000. NFIB represents the small Main Street business owners from throughout Rhode Island. On behalf of those small and independent business employers, I urge you to support Senate Bill Nos. 2344 and 2522, relating to credit card swipe fees.

Small businesses operate on razor-thin margins. Unfortunately, those margins are even narrower in the wake of prolonged inflation, supply chain disruptions, and labor shortages. At a time when fewer consumers opt to use cash, credit card companies have exponentially increased "swipe fees" on businesses. In fact, reports show that "swipe fees" have more than doubled since 2012. Employers note that processing fees are now a growing portion of a business' operating budget. As credit card companies incentivize consumers to utilize their cards more frequently to obtain rewards points and cash back, small businesses end up subsidizing the cost through unreasonable "swipe fees."

While Senate Bill Nos. 2344 and 2522 will not reduce the growing expense of swipe fees for small businesses, these pieces of legislation would provide a slight reprieve regarding fees on taxes and tips. The fees being charged by credit card companies are not being levied on the goods and services offered by a business in this instance, but rather the taxes they are collecting and remitting for the state of Rhode Island and municipalities. Credit card companies, that are already charging small businesses exorbitant fees, should not gain additional profit from a business because they are obligated by law to collect taxes for the state and municipalities. Senate Bill No. 2344 would remedy this scenario. Similarly, it will also provide relief to the hospitality industry, by prohibiting credit card companies from collecting swipe fees on worker tips.

I strongly urge this Committee to support Senate Bill Nos. 2344 and 2522, that will help provide financial relief for Rhode Island small businesses. Credit card companies should not be allowed to profit off the taxes that small businesses are required by law to collect, as well as tips for their workforce. Thank you.