



U. S. Department of Justice

Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

NOV 16 2011

The Honorable Peter Welch
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Welch:

This responds to your letter dated October 13, 2011 to the Attorney General, regarding whether bank trade associations and individual banks have violated antitrust laws through concerted action to raise debit card consumer fees in response to recent Congressional reform of debit card interchange fees. The Department appreciates having the benefit of your perspective. An identical response is being sent to each of your colleagues who joined in your letter.

The Department of Justice has a strong interest in ensuring vigorous competition among banks in the debit card services they provide to consumers, and in recent years, it has vigorously pursued both criminal and civil cases in this industry. For example, the Department criminally prosecuted a conspiracy to rig bids in the municipal bond derivatives market, which has thus far resulted in numerous executives being charged and hundreds of millions of dollars in criminal fines from banks, including JP Morgan Chase and Bank of America. In addition, last year the Department filed civil antitrust enforcement actions against Visa, MasterCard, and American Express to enjoin rules by those networks that prevent merchants from offering consumer discounts, rewards, and information about card costs that ultimately resulted in consumers paying more for their purchases. We reached a successful settlement with Visa and MasterCard, and continue to actively prosecute the case against American Express.

The Department of Justice is reviewing the statements and actions by banks and their trade associations regarding possible increases in consumer fees for using debit cards. Please be assured that if it finds that individuals, banks, or other parties may have violated the antitrust laws, the Department will take appropriate action.

We hope this information is helpful. Please do not hesitate to contact this office if we may provide additional assistance regarding this or any other matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Weich".

Ronald Weich
Assistant Attorney General