studies have found. So they pretend these studies never happened and call for new ones where they are guaranteed a more industry-friendly outcome. It is obvious that their calls for more study are an effort to delay reform indefinitely. The big banks will do anything to prolong the status quo and to keep collecting $1.3 billion per month in excessive debit swipe fees.

I want to further address another argument that has been raised recently.

Some have argued that we should not follow through with interchange reform because it will only benefit big box retailers. Of course, this is not true. Swipe fees impact retailers of all sizes, from the smallest mom-and-pop stores to the largest retail chains. They also affect universities, charities, government agencies—everyone who accepts plastic as a form of payment. And they affect all consumers, who pay higher prices at retail because of the cost that swipe fees add to every transaction.

But many still like to portray this debate as a struggle between the banks and card companies versus the big box retailers. Well, let's look at those big box retailers and compare them to the big banks and credit card companies. Some of my colleagues may be surprised to learn that the big banks and card companies are significantly more profitable than the big retailers.

According to Forbes.com, in 2010, Wal-Mart, the largest retailer in the country, had $17 billion in profits and a 4 percent profit margin.

Sounds like a lot, right? Well, not compared to the big banks. Last year, according to Forbes.com, JP Morgan Chase, one of the largest issuers of debit cards, had $17.4 billion in profits—more than Wal-Mart. And Chase's profit margin was a robust 15 percent.

This is the same Chase that has said that any regulation of interchange fees will force them to jack up fees on consumers. Chase has more profits than Wal-Mart and a 15 percent profit margin. Why are they pleading poverty and threatening their customers with higher fees?

Well, what about other giant retailers? How are they doing? Target, the well-known retail chain, had profits of $2.9 billion and a 4.3 percent profit margin last year. Let's compare that to Wells Fargo, another giant debit card-issuing bank. Wells Fargo last year had $12.4 billion in profits and a 13.3 percent profit margin.

Large retailers would love to have the profit margins of the big banks. But they don't. Last year the largest drug store chain, CVS Caremark, had profits of $3.4 billion and a 3.6 percent profit margin. The largest grocery store company, Kroger, had profits of $1.1 billion and only a 1.4 percent profit margin.

Historically we have seen low profit margins and intense competition in the retail sector. According to a June 8, 2009, article in Fortune Magazine, Wal-Mart has only an 11 percent market share of the retail market, and Target has only a 2.3 percent market share. This shows that retail is an intensely competitive sector.

Let's compare that level of competition to the debit card industry. This past Monday, an article on CNBC.com reported that the Visa and MasterCard duopoly now control around 90 percent of the debit card market.

It is pretty profitable to be a duopoly. According to Forbes.com, in 2010: Visa had $3.1 billion in profits and a 37 percent profit margin, and MasterCard had $1.8 billion in profits and a 33 percent profit margin.

It must be nice to be a big bank or a credit card company these days. Big banks and their card network allies are making money hand-over-fist these days while retailers of all sizes are struggling to turn a profit. Rising interchange fees are a key part of this equation.

It doesn't have to be this way. If we can constrain Visa's and MasterCard's price-fixing on behalf of the 1 percent of biggest card-issuing banks, we will reduce the cost of interchange for every merchant and other entity that accepts debit cards. Competition in the retail sector will mean consumers will benefit through discounts and lower prices. Given the large profit margins at the nation's biggest banks, they will be able to stay in business once swipe reform is completed.

In fact, we know that banks and card companies can continue to offer debit cards profitably with lower interchange rates.

They did it before—up until the mid-1990s, banks used to offer debit cards with minimal or no interchange in the United States.

And they are doing it right now in other countries around the world, where there are thriving debit card industries with very low or nonexistent interchange rates.

I am going to reserve the remainder of my time and let my colleagues take the floor. I will return on the subject but I remind my colleagues, this amendment, this effort by the Wall Street banks and credit card companies to repeal interchange fee reform, is a $40 billion amendment—$40 billion that will be transferred to the biggest banks in America and credit card companies from consumers across America. We did the right thing with interchange fee reform. Let's stand by it and say to Wall Street, major card issuers, VISA and MasterCard, they have had enough. They can get a reasonable fee, but not an unreasonable amount out of our economy.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

Mr. McCONNELL. I will proceed on my leader time.

THE CONTINUING RESOLUTION

Mr. McCONNELL. Madam President, across the country this morning, Americans are wondering what is going on in Washington this week. They want to know why it is taking so long to fund the government. Americans want to know how we got to this point, and they deserve an answer, so here goes.

Each year, the majority party in Congress is responsible for coming up with a budget plan that explains how they are going to pay for all the things that government does. It is not just a good idea—it is the law. Congress has been required to do it since 1974.

Last year, Democrat leaders in Congress decided they didn't want to do it. They didn't want to have to publicly defend their bloated spending and the debt it is creating. So Republicans have had to come up with temporary spending bills to keep the government running in the absence of any alternatives—and leadership—from Democrats.

Republicans even passed a bill in the House that would keep the government funded through the rest of the current fiscal year, and which takes an important first step toward a smaller, more efficient government that helps improve the conditions for private sector job growth.

This House bill would save us billions of dollars on our way to a conversation about trillions. And Congressman RYAN has done a service this week by setting the terms of that larger debate—by outlining a plan that puts us back on a path to stability and prosperity.

Unfortunately, Democrats have made a calculated decision that they didn't want to have either debate—so they have taken a pass on both.

Frankly, it is hard not to be struck by the contrasting approaches to our Nation's fiscal problems that we have seen in Washington this week. On the one hand, you have a plan by Congressman RYAN that every serious person has described as honest and courageous. On the other hand, you have people like the new chairwoman of the Democratic National Committee and the previous Speaker of the House dismissing that plan in the most cartoonish language imaginable.

While thinking people have seen in the Ryan plan an honest attempt to tackle our problems head on, ideologues on the left have seen a target to distort while offering no vision of their own to prevent a fiscal nightmare that we all know is approaching.

And they still haven't come up with an alternative to the various Republican proposals we have seen to keep the government up and running in the current fiscal year. They have just sat on the sidelines taking potshots at everything Republicans have proposed while rooting for a shutdown.

That is why the Republicans in the House have now proposed another bill this week that will fund the military for the rest of the year, keep the government operating, and which gets us a