



August 5, 2022

The Honorable Robert J. Wittman  
2055 Rayburn House Office Building  
Washington, DC 20515

Dear Representative Wittman,

On behalf of Virginia's 107 credit unions their 15 million members, we are writing to express our strong opposition to any legislation that would place additional restrictions or mandates on credit card interchange or network routing requirements. The credit card payments industry is a thriving and competitive space, and further legislation in this area is both unnecessary and harmful to innovation and security. We urge you to oppose any expansion of legislation in this area.

During a Senate Judiciary Committee Hearing on credit card interchange fees earlier this year, Senator Durbin suggested actions that could be taken to regulate the credit card payments industry. The Credit Card Competition Act of 2022 (S.4674), which was introduced in the Senate last week, would mandate a minimum number of networks to be available for routing credit card transactions and places requirements on which networks are used.

Support for any further legislation on this topic would undermine the overall health and security of the U.S. payments ecosystem and have significant negative implications for consumers and small businesses. This effort by merchant groups to shift billions of dollars of consumer credit card spending to less secure, less innovative, and higher-risk transactions would make America's payment system less secure and put consumers in a vulnerable position. At a time when fraud prevention, cybersecurity, and digital innovation are more critical than ever, merchant groups are seeking to undermine the significant protections and security that exist today to protect credit card payments. Merchant groups want the ability to route credit transactions to the cheapest networks— regardless of their investment in network security -- leaving the burden on consumers, small businesses, and financial institutions the burden of cleaning up when things go wrong. Credit card fraud is already a significant issue, with over \$149 million in credit card fraud losses in 2020, according to the Federal Trade Commission.

Similar regulation on debit card networks has inflicted harm on consumers and small businesses over the last ten years. Extending highly unsuccessful regulation to a completely different form of payment serves no public policy goal and will irreparably harm consumers, small businesses, and small financial institutions, and create new and unpredictable risks to the safety and soundness of the U.S. payments ecosystem. We ask that you oppose legislation creating any additional credit card routing mandates.

If you have any questions regarding interchange, please use the Virginia Credit Union League as a resource. You can contact me directly at [chunt@vacul.org](mailto:chunt@vacul.org).

Sincerely,

Carrie R. Hunt  
President/CEO, Virginia Credit Union League

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