



**DCUC**  
DEFENSE CREDIT UNION COUNCIL

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**Jason Stverak**  
*Chief Advocacy Officer*

**June 3, 2026**

The Honorable French Hill  
Chairman  
House Committee on Financial Services

The Honorable Maxine Waters  
Ranking Member  
House Committee on Financial Services

Re: Request to Include Questions for NCUA Chairman Kyle Hauptman in the Record for the June 4, 2026 Hearing on Oversight of Prudential Regulators

Chairman Hill and Ranking Member Waters:

On behalf of the Defense Credit Union Council, I respectfully submit this letter for inclusion in the record of the House Financial Services Committee's June 4, 2026, full-committee hearing, "Oversight of Prudential Regulators." According to the Committee's hearing memorandum, the hearing will examine supervisory and regulatory developments, rulemakings, and activities of the prudential regulators, and Chairman Kyle Hauptman of the National Credit Union Administration is listed as a witness.

DCUC appreciates the Committee's continued oversight of the NCUA and the credit union system. For military-serving credit unions, prudential oversight is not abstract. It affects the availability of affordable credit, liquidity backstops in times of stress, operational flexibility for institutions serving geographically dispersed and mobile populations, and the ability of credit unions to participate in emerging markets and payment systems on fair terms. Recent public materials from the NCUA show that the agency is focused on risk-based supervision, Share Insurance Fund stability, responsible innovation, and a deregulatory review of outdated or unnecessarily burdensome rules. Those are consequential priorities for the institutions our members operate and for the servicemembers, veterans, and military families they serve.

DCUC has engaged actively with the NCUA over the last year on a range of issues that we believe are directly relevant to this hearing. Most recently, DCUC's June 1, 2026 regulatory review submission urged the agency to emphasize proportionate, principles-based regulation, modernize outdated thresholds, support statutory CLF enhancements, expand flexibility for affordable small-dollar lending, and provide more predictable timelines for pilot and innovation-related approvals. DCUC has also weighed in favorably on recent NCUA efforts to streamline records-retention requirements, modernize field-of-membership guidance, and replace rigid indirect-auto-lending limits with a more tailored supervisory approach. At the same time, DCUC has urged NCUA to review the capital framework so that credit unions are not placed at a competitive disadvantage as the broader prudential landscape evolves.

One issue especially warrants focused questioning at this hearing: public clarity regarding the NCUA's position on federal preemption or "national supremacy" for federal credit unions confronting state interchange mandates such as the Illinois Interchange Fee Prohibition Act.

*Serving Those Who Serve Our Country*

On April 16, 2026, DCUC wrote to Chairman Hauptman urging the NCUA to determine whether it has authority comparable to that asserted by the OCC and, if so, to exercise that authority promptly to reduce uncertainty before Illinois's July 1, 2026, effective date. OCC has since issued an interim final order concluding that federal law preempts the Illinois IFPA for OCC-regulated institutions, and public comments have been filed in support of that action, including by DCUC.

Accordingly, DCUC respectfully asks the Committee to request written responses from Chairman Hauptman to the following questions and to include both this letter and any responses in the hearing record.

### **Questions for Chairman Hauptman**

- 1. Based on your experience at the NCUA, what legislative changes should Congress make to strengthen the Central Liquidity Facility's ability to support credit unions during times of liquidity shortfalls? Why do you think these legislative changes have not been made yet? Is this a top priority for you?**
- 2. As the NCUA writes regulations to implement the GENIUS Act developing a regulatory framework for payment stablecoins, how will it ensure that credit unions have a meaningful opportunity to participate in this emerging market on a level playing field with banks and other companies?**
- 3. What are your top 3 regulatory priorities for the rest of the year, and how will these priorities reduce compliance burdens for credit unions? Do you think your successor will continue your efforts in these areas?**
- 4. During your time as Chair, how has the NCUA ensured that credit union examinations remain risk-focused and avoid imposing unnecessary burdens on credit unions? Have the CAMELs ratings improved or worsened during your time at NCUA?**
- 5. What does success for the credit union system look like at the end of your tenure as NCUA Chair?**
- 6. With respect to federal preemption or "national supremacy" for federal credit unions facing state interchange mandates such as the Illinois Interchange Fee Prohibition Act, what is the timeline for any proposed NCUA rule, interpretive ruling, legal opinion, or other formal action? If NCUA does not believe it has comparable authority, please explain the legal basis for that conclusion and identify what interim steps NCUA will take to provide clarity before additional states adopt similar laws.**

DCUC appreciates the Committee's attention to these matters and respectfully asks that this letter be included in the hearing record. The NCUA's current decisions on liquidity support, supervisory burden, innovation, and payment-system preemption will have real-world effects on credit unions that serve military communities worldwide. Congress's oversight role is therefore especially important at this moment, and we would welcome the opportunity to assist the Committee further with follow-up materials or issue-specific background.

Sincerely,



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