



**DCUC**  
DEFENSE CREDIT UNION COUNCIL

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**Jason Stverak**  
*Chief Advocacy Officer*

October 3, 2024

Chairman Todd M. Harper  
National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314

Dear Chairman Harper,

On behalf of America's Defense and Veterans Credit Unions and their almost 40 million members, we are writing to urge the National Credit Union Administration (NCUA) to support the credit union industry in opposing the recently passed Illinois law regarding interchange fees on taxes and tips. This law, which prohibits credit card companies from charging swipe fees on these transactions, has the potential to significantly disrupt credit unions' operations and the financial ecosystem at large. We would strongly encourage the NCUA to consider the position taken by the Office of the Comptroller of the Currency (OCC), which has firmly opposed the law and recognized the broader, adverse implications it could have on the nation's banking system.

The OCC, in its court filing, described the Illinois law as an "ill-conceived, highly unusual, and largely unworkable" piece of legislation that could fragment the regulatory environment for financial institutions. This fragmentation poses a risk not only to banks but also to credit unions, which play a crucial role in providing financial services to millions of Americans. The law threatens the established framework for interchange fees, which are vital to covering the costs of maintaining secure, reliable payment networks. Without these fees, the sustainability of services provided by credit unions could be jeopardized.

Moreover, the state-level attempt to regulate interchange fees contradicts federal banking laws and could lead to a patchwork of inconsistent regulations across the country. Such a development would place undue compliance burdens on credit unions and restrict their ability to serve their members effectively. Like the OCC, we believe that federal preemption should be enforced to ensure uniformity in regulation of these fees.

We respectfully request that the NCUA consider these concerns and align with the OCC's position. The Illinois law sets a dangerous precedent for other states to impose similarly fragmented and disruptive regulations on interchange fees, which could harm credit unions and the broader financial system.

*Serving Those Who Serve Our Country*

Thank you for the opportunity to bring these matters to your attention. Should you have any questions or desire additional information, please do not hesitate to contact me at 202.557.8528 or by email at [jstverak@dcuc.org](mailto:jstverak@dcuc.org).

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason Stverak", with a long horizontal flourish extending to the right.

Jason Stverak  
Chief Advocacy Officer  
DCUC

CC: The Honorable Todd Hauptman  
The Honorable Tanya Otsuka  
Frank Kressman

