



**DCUC**  
DEFENSE CREDIT UNION COUNCIL

1627 Eye St, NW  
Suite 935  
Washington, DC 20006

202.734.5007  
www.d cuc.org

**Jason Stverak**  
Chief Advocacy Officer

August 6, 2024

The Honorable Jack Reed  
United States Senate  
Washington, DC 20510

The Honorable Roger Wicker  
United States Senate  
Washington, DC 20510

The Honorable Mike Rogers  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Adam Smith  
U.S. House of Representatives  
Washington, DC 20515

Dear Senator Reed, Senator Wicker, Representative Rogers and Representative Smith:

On behalf of the DCUC and over 40 million members of defense and veterans credit unions, we respectfully ask that as the House and Senate Armed Services Committees begin their work on the final version of the FY 2025 NDAA during the August recess you work towards a clean version of the bill. During these violent and troublesome times, now is not the time to get bogged down in financial services fights that will do nothing but delay timely passage of the bill.

We urge you to protect the credit union industry's tax exemption status by rejecting any attempt to insert language into the final version of the NDAA that would change the Federal Credit Union Act to allow for non-member deposits. There were attempts to add this language in the House of Representatives version of the NDAA. We wanted to once again alert you to our opposition in the chance your office is approached to considered similar language.

A 'clean' NDAA avoids adding in unnecessary policy provisions that distract from the focus on preserving a robust military and could upset the balance the DOD has found with on-base financial services for its servicemembers. We have always strongly supported credit unions on military bases, because we believe that they are the best source for safe, affordable financial services for our men and women in uniform.

We once again urge both chambers to reject including in the NDAA the Durbin-Marshall Credit Card Competition Act (CCCA) or a study proposal seeking to bolster support for the so-called CCCA. The proposed amendment exploits Medal of Honor recipients, Purple Heart recipients, former POWs, Disabled Veterans, and their caregivers to reignite calls by merchants for cheaper, unsecure networks with zero accountability. America cannot afford to endanger millions of military and veteran members while enriching big box lenders and e-commerce giants.

The proposed study on credit and debit card user fees imposed on certain veterans and caregivers at commissary stores and MWR facilities is misleading. First, the Defense Commissary Agency (DeCA) and or the US Treasury Service/FMS negotiated a special pricing on interchange with various brands/Networks. Thus, it is the federal government, not consumers themselves, who pays these fees at commissaries and MWR facilities. The federal government should continue to do so in recognition of these heroes. Second, apart from several privacy concerns, it is extremely difficult to obtain the required data. Under the Debit Networks Rules and industry PCI compliance, the credit/debit card front of card brands, retailers, processors, and networks are not permitted to have access to, or retain, consumer level data such as names, addresses, account numbers attached to the card. Only limited information is contained on the track of the card, or the chip, or in the on-line message. Third, the mere title of the study suggests a predetermined conclusion. However, the goal of conducting this study will do nothing to lower prices for hard-working Americans.

There is also a security concern. If the Federal Government imposes price controls on interchange, credit card transactions will likely go over less secure, less reliable networks that do not provide a suite of rewards and protections for consumers. Instead, commissaries and military exchanges will route transactions over the cheapest networks – many of which have underinvested in their platforms with little concern for security innovations or consumer benefits. Finally, the proposed study’s predetermined conclusion will not force defense commissaries or any of the military exchange services to reduce prices or remove credit and debit restrictions, even if interchange costs decreased. No one is monitoring compliance with the original 2010 Durbin Amendment with respect to debit cards. Consumers continue to lose as nothing in the proposed Credit Card Competition Act indicates things will be different for credit cards.

We doubt the American public wants to read that Congress voted to increase merchant profits by exploiting Medal of Honor recipients, Purple Heart recipients, former POWs, and Disabled Veterans. Our nation’s defense credit unions understand that now more than ever we need to put our nation’s servicemembers first and reject the hollow call for new laws that would make basic financial services even more expensive for working-class Americans. We urge you to stand with us and stand up to the powerful interests pushing this by rejecting this legislation and study proposal. It has no business in the NDAA or other must-pass legislation.

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,



Jason Stverak  
Chief Advocacy Officer