

June 23, 2026

The Honorable French Hill
The Honorable Maxine Waters
House Committee on Financial Services
Washington, DC

Dear Lawmakers,

On the occasion of [the June 24 hearing](#) entitled “Future of Payments: Promoting Innovation and Fair Markets,” before the House Financial Services Committee, we are writing to offer the views of consumer advocates, antimonopoly groups, labor unions, and small business on the matter of our dominant incumbent payment system built around payment cards.

A large collection of these organizations strongly supports the [Credit Card Competition Act](#), the bipartisan legislation that would smooth the way for more vibrant competition in the market for payment services. The record of their support for the bill can be found [here](#).

Any consideration of the payment system of the future must reckon with the structural problems in the current, card-based system. Merchants – and by extension, consumers – are trapped by the relentless market power of Visa and Mastercard. U.S. merchants paid a record \$198.25 billion in 2025 to process credit and debit transactions, up from \$187.2 billion in 2024. These transaction costs, known as interchange or swipe fees, have increased by 80% since the pandemic.

The CCCA would make a technical change that embodies a very American value: competition. Large banks, those with over \$100B in assets, would give merchants the choice of at least one additional payment network besides Visa or Mastercard for credit card transactions. Estimates suggest the legislation would knock over \$17 billion off costs for merchants, a savings they can pass on to consumers.

We should not assume that technological changes, be they cryptocurrencies, fintech-driven solutions, or mobile apps, will erode the dominance of payment cards, and by extension, Visa and Mastercard. Debit and credit cards account for the overwhelming majority of everyday transactions in the United States, so technology faces a very high bar for success.

Moreover, Visa in particular has proven adept that co-opting new payment methods and preserving its dominance. PayPal was once viewed as a potentially disruptive player in payments, but Visa's approach of "no competitors, only partners," eventually took the edge of that new entrant. In the past three decades, despite the full-blown arrival of the internet and other technological advances, the Visa-Mastercard duopoly remains as impervious as ever.

Technological change without pro-competitive structures and guardrails will not automatically lead to consumer-friendly improvements to our payments system. Congress needs to tackle the existing anticompetitive structures if the future of payments is to be bright.

Sincerely,

Demand Progress
American Economic Liberties Project
Americans for Financial Reform
Open Markets Institute
Institute for Local Self-Reliance