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May 19, 2026

Chief Counsel's Office  
Attention: Comment Processing  
Office of the Comptroller of the Currency  
400 7th Street SW  
Suite 3E-218  
Washington, DC 20219

Re:

Interim Final Rule: National Bank Non-Interest Charges and Fees  
RIN 1557-AF54; Docket ID OCC-2026-0430

Interim Final Order: Order Preempting the Illinois Interchange Fee Prohibition Act  
RIN 1557-ZA10; Docket ID OCC-2026-0431

Dear Madam or Sir:

The Association of Military Banks of America (AMBA) appreciates the opportunity to provide comments in support of the Office of the Comptroller of the Currency's (OCC) Interim Final Rule (IFR) regarding National Bank Non-Interest Charges and Fees and the OCC's Interim Final Order preempting the Illinois Interchange Fee Prohibition Act (IFPA).

AMBA represents banks serving military communities worldwide, including active-duty servicemembers, veterans, military families, and defense-related customers. Our member banks rely on a stable, efficient, and nationally consistent banking and payments framework to provide uninterrupted financial services to customers who frequently move across state and international boundaries. For these reasons, AMBA strongly supports the OCC's actions to preserve the integrity of the national banking system and maintain uniformity in the operation of the nation's payments infrastructure.

A strong national banking system depends on consistent federal standards that allow banks and payment systems to operate seamlessly across state lines. The IFPA threatens to undermine this framework by imposing state-specific transaction processing mandates that are operationally impracticable and incompatible with modern payment system architecture. National banks and payment networks depend on uniform rules to process transactions efficiently, manage fraud and cybersecurity risks, and ensure consumers have reliable access to payment services wherever they are located. A patchwork of differing state requirements would create significant operational complexity, legal uncertainty, and increased costs throughout the payments ecosystem.

The operational burdens imposed by the IFPA are substantial. Existing payment card systems were not designed to separate taxes and gratuities from transactions in real time or apply differing processing standards based on individual state requirements. Compliance would require extensive and costly system redesigns, additional staffing, and new operational controls across card issuers, processors, and networks. Even where technical workarounds may be



theoretically possible, implementing them at scale would introduce inefficiencies, increase operational risk, and ultimately raise costs for consumers and financial institutions alike.

These concerns are especially significant for military consumers and the banks that serve them. Servicemembers and military families frequently relocate across state lines and overseas, relying on consistent nationwide payment systems to access funds, pay bills, and manage household finances regardless of duty location. Financial readiness is a recognized component of military readiness, and uninterrupted access to secure and reliable electronic payment systems is essential for deployed servicemembers, military families, and veterans. A fragmented state-by-state transaction-processing framework could introduce unnecessary complexity, service disruptions, and increased operational risk for institutions supporting military communities worldwide.

Compliance costs associated with differing state transaction-processing mandates would place particular strain on banks serving military communities, many of which operate specialized programs and services tailored to the unique needs of servicemembers and veterans. Increased operational costs could reduce resources available for mission-focused customer support and financial education initiatives.

AMBA also agrees that the OCC's prompt action was necessary given the IFPA's July 1, 2026 effective date. Regulated entities were already facing immediate compliance pressures and incurring potentially irrecoverable implementation costs while litigation concerning the law remains unresolved. Without timely regulatory clarification, banks and payment system participants would have been forced to make difficult operational decisions, including potentially limiting services, declining transactions, or reassessing participation in affected markets. The OCC appropriately recognized that delaying action risked significant market disruption and uncertainty.

Importantly, the risks presented by the IFPA extend beyond Illinois. If other states adopt similar transaction-processing mandates with differing requirements, the result could be a fragmented and unworkable national payments environment. Such fragmentation would increase costs and complexity for financial institutions, merchants, and consumers while undermining the efficiency and reliability of the national banking system. AMBA therefore supports the OCC's efforts to reaffirm and clarify longstanding federal authority regarding national banks' ability to charge and receive non-interest fees, including interchange fees, under uniform federal standards.

The OCC's actions appropriately reinforce the principles underlying the National Bank Act and longstanding federal preemption doctrine. National payment card systems operate on nationwide infrastructure that depends on consistent legal and operational standards. The OCC's clarification provides necessary certainty for financial institutions and helps preserve the safety, soundness, and efficiency of the banking system.

AMBA appreciates the OCC's prompt action to preserve regulatory clarity, protect the integrity of the national banking system, and prevent harmful fragmentation of the payments ecosystem. We encourage the OCC to continue monitoring similar state legislative efforts and to take appropriate action where necessary to preserve uniform national banking standards.

Thank you for your consideration of these comments.

Sincerely,

Omuso D. George  
Brigadier General, USA (Ret.)  
President & CEO