

United States Senate

WASHINGTON, DC 20510

September 21, 2022

Mr. Greg Baer
President & CEO
Bank Policy Institute
1300 I Street NW
Suite 1100 West
Washington, D.C. 20005

Dear Mr. Baer,

We are writing regarding the concerning decision by three major credit card companies – Visa, Mastercard, and American Express – to implement a new merchant category code (MCC) for gun and ammunition stores. The move came after the International Organization for Standardization (ISO) decided to establish this controversial new MCC—which was proposed by a bank whose mission is to advance left-wing causes—against the recommendations of some ISO advisory council members. These decisions directly impact the Bank Policy Institute’s (BPI) members because, as issuing and acquiring banks, they play a major role in facilitating millions of debit and credit card transactions each day.

The creation of the new MCC was celebrated widely by liberal Democrats and gun-control advocates. They have made it clear this is just the beginning of their campaign to block legal purchases of firearms. Next, large retailers that do not fall under the new MCC will be pressured to adopt the MCC at specific registers within their stores or use unique codes for firearm purchases. Credit card companies will be pushed to develop algorithms that label legal gun purchases as suspicious activity based on such codes. Eventually, liberal activists and financial regulators will press banks to block these perfectly legal transactions.

In the face of this coming political pressure, we expect BPI’s members to demonstrate a commitment to process all transactions for the purchase of legal goods and services, including firearms and maintain the financial privacy of consumers. Unfortunately, some financial institutions have given us reason to doubt their commitment to legal commerce and consumer privacy. For example, in 2018, Citigroup, the third largest bank in the U.S., announced a new policy that requires its retail sector clients to ban the sale of firearms to individuals under 21 years of age, even though such sales are lawful in the vast majority of states. Further, payment services like Apple Pay and PayPal have banned all transactions involving firearms or ammunition from their services. These policies undeniably discriminate against a constitutionally-protected right.

Let us be clear: banks should not misuse their power to hinder the ability of law-abiding Americans to exercise a constitutional right by creating de-facto bans on legal firearm purchases. Addressing complex and contentious social and policy issues that involve balancing competing values is the job of democratically-elected leaders, not unelected bank executives. We urge BPI’s members to resist the political pressure to insert themselves into such issues, especially firearms. Instead, our nation’s largest financial institutions should focus on serving the needs of their customers without bias.

Sincerely,



Kevin Cramer
United States Senator



Pat Toomey
United States Senator



Richard Shelby
United States Senator



Mike Crapo
United States Senator



Tim Scott
United States Senator



Thom Tillis
United States Senator



John Kennedy
United States Senator



Bill Hagerty
United States Senator



Cynthia M. Lummis
United States Senator



Steve Daines
United States Senator