

**Congress of the United States**  
**Washington, DC 20515**

April 24, 2018

Maureen K. Ohlhausen  
Commissioner  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Terrell McSweeney  
Commissioner  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Dear Commissioners Ohlhausen and McSweeney:

Technological change is revolutionizing many areas of life and business in the United States and around the world. Our mobile devices have changed the way in which we communicate, shop, and do business. These new technologies are also changing the way we pay for goods and services.

Mobile payments and mobile commerce are making a range of transactions more convenient and efficient. However, this technology is still relatively new here in the United States. Many other parts of the world are ahead of us when it comes to mobile transactions. We need to ensure new mobile payment technologies take root and flourish here.

One key to these technologies taking off is ensuring the incumbent players in the payments industry do not use their market positions to block the development of these technologies. The development of standards is one means by which incumbent businesses might try to protect their market share from the competition of new innovations. The risk of that happening in payments is acute because the largest card networks control standard-setting and other stakeholders (consumers, merchants, and financial institutions) do not have a vote in how those standards are made.

We have already seen evidence of that happening with payments. As security standards have been developed over the past couple of decades, we have seen favored, proprietary technologies given a leg up – and open platforms pushed out. With respect to card security, some industry sectors have been allowed to deploy state-of-the-art technology, such as the use of personal identification numbers (PINs) at automated teller machines, while other parts of industry, such as merchant points-of-sale, have been prevented from fully deploying that same technology.

We cannot afford to let payments innovations be stifled through standard-setting that favors proprietary technology over open platforms or holds back innovative approaches – including security innovations that will protect all of us – in any way. Innovations that drive efficiency in the marketplace are one of the primary underpinnings of the growth of the U.S. economy for generations. We need it now.


With that in mind, we urge you to closely review the standard-setting processes for payments and payment security, and take decisive action to ensure that those processes are changed in any way necessary to make those processes open and consistent with U.S. standard-setting guidelines that protect against domination of standard-setting by any one industry sector and ensure standards are not used to anti-competitive ends.

Thank you for your attention and vigilance in protecting payments and security innovation.

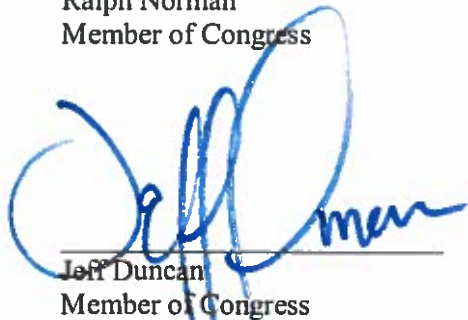
Sincerely,

  
David Young  
Member of Congress


  
Peter Welch  
Member of Congress

  
Ralph Norman  
Member of Congress


  
Jaime Herrera Beutler  
Member of Congress

  
Jeff Duncan  
Member of Congress

  
Sanford Bishop  
Member of Congress

  
Judy Chu  
Member of Congress

  
Glenn Grothman  
Member of Congress

  
Brian Fitzpatrick  
Member of Congress