



The Electronic Transactions Association

2026 State Public Policy Priorities

The digital payments sector is among the most innovative, dynamic, and highly regulated industries, built on a sophisticated, interconnected infrastructure that delivers secure financial products and services to consumers, businesses, and the broader economy. These solutions enhance safety, security, and financial inclusion by enabling all consumers—including those from low- and moderate-income communities who have historically faced barriers to the financial system—to manage everyday transactions with confidence.

ETA advocates for a policy environment that safeguards consumers while fostering competition and innovation, expanding choice, and making financial inclusion a reality.

Competition and Interchange – The payments industry has remained on the forefront of developing innovative payment technology, providing merchants and consumers alike with safety, security, speed, and ease for transacting electronic payments. ETA supports this competitive environment and opposes government actions—such as prohibiting interchange on the sales tax portion of transactions—that could undermine system security and innovation, which rely in part on interchange funding.

Artificial Intelligence - AI, including generative AI and agentic AI, is rapidly becoming operational infrastructure across the U.S. payments system, powering fraud detection, dispute resolution, onboarding, customer service, and risk management. ETA believes policymakers should ensure that AI governance aligns with the existing federal financial regulatory framework rather than creating duplicative or conflicting requirements that hinder innovation or reduce consumer protection.

Remittance Tax – ETA opposes new taxes that unduly burden or restrict commerce. ETA opposes new or increased taxes including any potential state remittance tax.

Model Money Transmission Modernization Act – Uniform standards increase understanding and expectations for consumers and businesses. To this end, ETA supports enactment of the Conference of State Bank Supervisors' Model Money Transmission Modernization Act ("Money Transmitter Model Law") across the U.S. states and territories.

Digital Assets – Digital payments, stablecoins and tokenized deposits offer new opportunities for fast, programmable, and efficient payments. To ensure these innovations develop responsibly, ETA encourages policymakers to adhere to existing laws and policies, and, if necessary, adopt clear and consistent frameworks that integrate them into the regulated financial system without inhibiting technological progress.

True Lender/DIDMCA Opt Out – It is critical to have a uniform framework that promotes consumer access, innovation, and a stable financial ecosystem. ETA supports clear uniform standards which are essential to deliver innovative credit solutions, expand access, and maintain robust consumer protections.

Commercial Finance – ETA supports legislation to expand access to credit by encouraging the developing and deploying of new financing products tailored to the diverse needs of small businesses. Using sophisticated, data-driven algorithms to assess the creditworthiness of potential small businesses, online small business financiers use non-traditional underwriting data inputs to give a full picture of the credit



worthiness and assess the credit risks of small businesses to provide critical funding, and in some cases within minutes, to businesses.

Privacy – Protecting consumer privacy is a crucial element of maintaining trust in the payments industry. ETA supports privacy laws that are principles-based and harmonized to ensure predictability and consistency for consumers. ETA supports permissible use of data to fight fraud. ETA believes that enforcement should be assigned to state governments and not private rights of action.