



# Government Relations Working Group Government Update

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## I. ASSOCIATION UPDATE

### *Innovative Payments Conference Coming Online in April 2021*

The IPA's Innovative Payments Conference is the must-attend annual event for the payments community. Take part in three days of cutting-edge content, discussions and enhanced networking as you engage directly with those leading the way in prepaid compliance, legislation, regulation and innovation.

Stay tuned as we build out the agenda and speaking faculty. We're looking forward to putting on another great event for you. And even better, if you already know you'd like to attend, [subscribe](#) to our updates today so you will be one of the first to hear when our Early Bird rate launches.

The IPC program is designed to keep you ahead of an ever-changing industry and position you to succeed in tomorrow's payments environment. Year after year, the event is an unqualified success, attracting hundreds of attendees from across the country. [Download the brochure](#) today to learn more about what to expect at IPC 2021!

Click [here](#) for additional information.

### *IPA Launches Safe Shopping Webpage*

This year has led to more online shopping than ever. Unfortunately, that means that scammers and fraudsters are also sneaking around cyberspace.

The Innovative Payments Association, the Retail Gift Card Association, and the Payments Fraud and Risk Consortium have brought together a dozen tips from our members' security teams to help you & your customers have a safe holiday shopping season.

Check out our newest page, [shoppingsafely.org](#), that teaches everyone how to protect themselves from fraud as we take everything virtual in 2020 and beyond!



## II. AGENCY AND REGULATORY NEWS

### FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

#### *FDIC Issues Brokered Deposits Final Rule*

This morning the Federal Deposit Insurance Corporation (FDIC) released its [Final Rule](#) on *Unsafe and Unsound Banking Practices: Brokered Deposits Restrictions* (Final Rule) related to the agency's Frequently Asked Questions ([FAQs](#)) and regulations on Brokered Deposits. Today's release follows the FDIC's [Notice of Proposed Rulemaking](#) (NPR) from December 2019. The Final Rule becomes effective April 1, 2021; with an extended compliance date of January 1, 2022.

Recommending changes to the FDIC's rules on Brokered Deposits has been a priority issue for the IPA since they were first released by the FDIC in 2015 (the most recent version was issued on [June 30, 2016](#)). The IPA extends our gratitude to the FDIC for their willingness to engage in constructive conversations and work with the Association over the past 5 years in our effort to ensure that the FDIC's rules create a level playing field and enable the payments industry to offer consumers the innovative, low-cost, safe, and convenient products they demand. The IPA applauds the FDIC for taking this step towards creating a brokered deposits regime that recognizes the innovation in the payments industry that has taken place in thirty-plus years since the brokered deposits rules were first established.

In brief, the Final Rule clarifies the definition of "Deposit Broker," what it means to be "engaged in the business of placing deposits, or facilitating the placement of deposits," and when an agent or nominee meets the "primary purpose" exception to this "Deposit Broker" definition.

Accordingly, under the Final Rule, a person is engaged in the business of facilitating the placement of deposits if that person is engaged in certain activities with respect to deposits placed at more than one insured depository institution (IDI). Specifically, the final rule provides that if a person engages in any one of the following activities, while engaged in business, the person will be a deposit broker and any deposits placed by the person will be brokered:

- The person has legal authority, contractual or otherwise, to close the account or move the third party's funds to another insured depository institution;

- The person is involved in negotiating or setting rates, fees, terms, or conditions for the deposit account; or
- The person engages in matchmaking, as defined in the rule.

Additionally, in an effort to clarify the types of persons that meet the “deposit broker” definition, the FDIC provides that under the Final Rule any person that has an exclusive deposit placement arrangement with one IDI, and is not placing or facilitating the placement of deposits at any other IDI, will not be “engaged in the business” of placing, or facilitating the placement of, deposits and therefore will not meet the “deposit broker” definition.

Most notably, the FDIC also recognizes a number of business relationships, which the FDIC calls “designated exceptions,” as meeting the primary purpose exception, including the “enabling transactions” exception. Under the final rule, if an agent or nominee places 100 percent of its customer funds that have been placed at depository institutions, with respect to a particular business line, into transaction accounts, and no fees, interest, or other remuneration is provided to the depositor, the agent or nominee will meet the designated exception of enabling transactions.

The FDIC clarifies that, in a change from the proposed rule, entities that wish to avail themselves of the designated exception for “enabling transactions” would not be subject to the application process, and may instead file a notice, as laid out in section I(C)(3) of the Final Rule. Agents or nominees that place customer deposits at depository institutions in transactional accounts in which the customer earns some amount of interest, fees, or other remuneration, may still qualify for the primary purpose exception, but will continue to be subject to an application process with the FDIC prior to taking advantage of the exception. The following criteria will be considered as part of the application process:

- The amount of interest, fees, or other remuneration;
- The amount of transactions that customers make, on average, on a month-to-month basis;
- The marketing materials provided by the agent or nominee indicate that funds placed into insured depository institutions are to enable transactions for depositors; and
- If any customer funds are placed in deposit accounts that are not transaction accounts, the percentage of customer funds placed in deposit accounts that are not transaction accounts.

As a reminder, in April the IPA filed our comment letter responding to the FDIC’s [proposed rulemaking](#) (“Proposed Rule”) on Brokered Deposits. In brief, the IPA’s comment thanks the FDIC for releasing their proposal and creating new exceptions to their current brokered deposit regulations. However, the IPA’s comment urges the FDIC to expand and modify their proposal by:

- Establishing a bright line test to determine who qualifies for the Enabling exception for transaction accounts without an application process.
- If the FDIC proceeds with an application process IPA requests that the FDIC:
  - create a transparent application process with an objective list of factors;
  - ensure that all decisions are put in writing; and
  - allow banks to appeal if they are denied
- Make it clear that the 2016 FAQs will no longer be in effect once the final rule is published.

A complete timeline of regulatory activity since 2015 and the IPA’s involvement is below:

**FDIC Brokered Deposits FAQ Timeline:**

- FDIC releases initial FAQ on [January 5, 2015](#)
- Revised FAQs released on [November 13, 2015](#)
- Second Revision released on [June 30, 2016](#)
- The IPA (NBPCA) unsolicited [comment letter](#) and white paper on Dec. 23, 2015
- U.S. Rep. Tipton (R-CO) [introduces](#) Protect Prepaid Accounts Act (2016)
- IPA meeting with FDIC Chair Jelena McWilliams (July 24, 2018)
- IPA Op-ed: Taking a [Second Look](#) at the FDIC’s Brokered Deposit Definition (Sept. 7, 2018)
- FDIC releases [ANPR](#) on Brokered Deposits in December 2018
- IPA [comment](#) responding to the ANPR on Brokered Deposits on April 18, 2019

- IPA meeting with FDIC General Counsel Nick Posiadly on July 24, 2019
- IPA Op-ed: For the Sake of [Payments Innovation](#), Deposit Insurance Must Enter the 21st Century (Nov. 11, 2019)
- FDIC releases [NPR](#) on Brokered Deposits in December 2019
- IPA [comment](#) responding to the NPR in April 2020
- IPA interviews FDIC General Counsel Nick Posiadly as part of IPA Summer of Learning Series on July 16, 2020
- FDIC releases [Final Rule](#) on Brokered Deposits in December 2020

The IPA will host a members-only call to discuss the Final Rule further and answer questions on **Thursday, December 17, 2020 at 3 PM ET (One Tap Dial-in: 425-535-9887,,728742176#)**. The IPA thanks all of our members for supporting the IPA's effort to modernize the FDIC's Brokered Deposit regulations. If you have any questions or concerns, please contact [Grant Hannah](#), [Eli Rosenberg](#) or [Brian Tate](#).

### ***IPA Drafting Comment in Response to Banking Regulators' Temporary Asset Thresholds Interim Final Rule***

On November 20, the FDIC, OCC, and Fed released an [Interim Final Rule on Temporary Asset Thresholds](#) that would allow banks with under \$10 billion in total assets as of December 31, 2019, to use asset data as of that date in order to determine the applicability of various regulatory asset thresholds during calendar years 2020 and 2021.

According to the regulators, the rule was released to provide relief to community banking organizations that have experienced rapid and unexpected increases in their sizes due to participation in coronavirus response programs, like PPP, and other lending that supports the U.S. economy.

There is a 60-day comment period that closes on February 1, 2020. The IPA will submit a comment in response. If you have any specific concerns you would like the IPA to address in the letter, please let Grant Hannah ([ghannah@ipa.org](mailto:ghannah@ipa.org)) know.

## **CONSUMER FINANCIAL PROTECTION BUREAU (CFPB)**

### ***CFPB Issues Advisory Opinion on Earned Wage Access***

On November 30, the Consumer Financial Protection Bureau (CFPB) issued an [advisory opinion regarding earned wage access \(EWA\) products](#). According to the CFPB, the advisory opinion aims to resolve regulatory uncertainty regarding the applicability of the definition of credit under Regulation Z and encourage further innovation in the EWA space. In brief, the advisory opinion concludes that Covered EWA Transactions, as defined in the advisory opinion, are not "credit" for purposes of Regulation Z.

This advisory opinion was issued under the CFPB's [Advisory Opinions Policy](#), which allows entities seeking to comply with regulatory requirements to submit a request to the CFPB where uncertainty exists.

Additional information can be found [here](#).

### ***CFPB Releases Fall 2020 Rulemaking Agenda***

On December 11, the Consumer Financial Protection Bureau (Bureau) published its Fall 2020 Agenda as part of the Fall 2020 Unified Agenda of Federal Regulatory and Deregulatory Actions. The agenda lists the regulatory matters that we expect to focus on between November 2020 and November 2021.

The Bureau has already completed some of the actions listed on the Fall 2020 Agenda:

- On September 15, 2020, the Bureau took a step towards implementing section 1071 of the Dodd-Frank Act, [releasing an outline of regulatory proposals under consideration and alternatives considered](#) in advance of convening a panel under the Small Business Regulatory Enforcement Fairness Act (SBREFA).
- On October 20, 2020, the Bureau issued the first of three final rules concerning amendments to the qualified mortgage (QM) provisions of Regulation Z, which implement provisions of the Truth in Lending Act (TILA).

- On October 22, 2020, the Bureau issued an [Advance Notice of Proposed Rulemaking concerning consumer data access to implement Section 1033 of the Dodd-Frank Act](#).
- On October 30, 2020, the Bureau issued a [final rule](#) to restate and clarify prohibitions on harassment and abuse, false or misleading representations, and unfair practices by debt collectors when collecting consumer debt.

In addition, the Bureau has several other regulatory activities planned for the remainder of 2020 through the spring of 2021. Key among these are the following:

- In addition to completing and publishing the October 30, 2020 final rule on debt collection, the Bureau has also engaged in testing of time-barred debt disclosures that were not the focus of the May 2019 proposal. In early 2020, after completing the testing, the Bureau published a supplemental NPRM related to time-barred debt disclosures. The Bureau expects to issue a final rule in December 2020 addressing, among other things, disclosures related to the validation notice and time-barred debt.
- The Bureau is continuing a rulemaking to address the anticipated expiration of the LIBOR index, which the UK Financial Conduct Authority has stated that it cannot guarantee the publication of beyond the end of 2021.
- The Bureau is participating in interagency rulemaking processes with the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Federal Housing Finance Agency to develop regulations to implement the amendments made by the Dodd-Frank Act to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) concerning appraisals.
- The Bureau anticipates issuing an NPRM in spring 2021 to consider possible amendments to the Bureau's mortgage servicing rules to address actions required of servicers working with borrowers affected by natural disasters or other emergencies.
- The Bureau anticipates publishing two NPRMs in early 2021 concerning possible revisions to the 2015 Home Mortgage Disclosure Act (HMDA).

Additional information can be found [here](#).

## **FINANCIAL CRIMES ENFORCEMENT NETWORK (FinCEN)**

### ***FinCEN Director Emphasizes Importance of Information Sharing Among Financial Institutions***

On December 10, FinCEN Director Kenneth A. Blanco discussed how information sharing is critical to identifying, reporting, and preventing financial crime. In his [remarks](#) at a virtual conference, Director Blanco provided clarification on FinCEN's information sharing program under Section 314(b) of the USA PATRIOT Act, and announced that FinCEN is issuing a new [314\(b\) Fact Sheet](#) and rescinding previously issued guidance (FIN-2009-G002) as well as a former administrative ruling (FIN-2012-R006) (parts of which are incorporated into the guidance in the new 314(b) Fact Sheet).

Section 314(b) of the USA PATRIOT Act is an important tool for combatting financial crime. It provides financial institutions with the ability to share information with one another, under a safe harbor provision that offers protections from civil liability, in order to better identify and report potential money laundering or terrorist financing. After carefully considering feedback from the financial industry, FinCEN is providing three main clarifications:

- A financial institution may share information relating to activities that it suspects may involve possible terrorist financing or money laundering. Although this may include circumstances in which a financial institution has information about activities it suspects involve the proceeds of a specified unlawful activity (SUA), financial institutions do *not* need to have specific information that these activities directly relate to proceeds of an SUA, or to have identified specific laundered proceeds of an SUA. Nor do financial institutions need to have made a conclusive determination that the activity is suspicious in order to benefit from the statutory safe harbor. Further, financial institutions may share information about activities as described, even if the activities do not constitute a "transaction." This can include an attempted transaction, or an attempt to induce others to engage in such a transaction. This allows financial institutions to avail themselves of Section 314(b) information sharing to address incidents of fraud or cybercrime, and other predicate offenses, where appropriate. In addition, there is no limitation



under Section 314(b) on the sharing of personally identifiable information, or the type or medium of information shared, to include sharing information verbally.

- An entity that is not itself a financial institution under the Bank Secrecy Act *may* form and operate an association of financial institutions whose members share information under Section 314(b). Notably, this includes compliance service providers.
- An unincorporated association governed by a contract among the group of financial institutions that constitutes its members *may* engage in information sharing under Section 314(b).

Additional information can be accessed [here](#).

## **FEDERAL RESERVE BOARD OF GOVERNORS (FED)**

### ***Federal Reserve Plans More Fintech Guidance for Banks***

In a speech on December 4, Federal Reserve Board Governor Michelle Bowman announced a couple of actions the Fed plans to take in the new year related to bank-fintech partnerships.

First, she indicated that the Fed plans to publish a white paper that documents examples of bank partnerships with fintech companies and outlines effective practices for managing those arrangements early next year. She further specified that the white paper would describe a range of distinct options for such partnerships and seek to identify benefits and challenges of the different approaches.

In addition, she said that she has “directed Federal Reserve staff to work with their interagency colleagues to develop a vendor due diligence guide, aligned with existing supervisory expectations, which would include sample questions for vendors and guidance on appropriate responses.”

Finally, she added that she expects Federal Reserve staff to work with the Office of the Comptroller of the Currency and Federal Deposit Insurance Corp. “to enhance and align interagency guidance for third-party risk management.”

A copy of the full speech can be accessed [here](#).

## **III. CONGRESSIONAL NEWS**

### ***Waters Provides Recommendations to President-Elect Biden on Trump Actions to Reverse***

On December 4, Congresswoman Maxine Waters (D-CA), Chairwoman of the House Committee on Financial Services, sent a [letter](#) to President-Elect Biden, providing recommendations on areas where the Biden Administration should immediately reverse the actions of the Trump Administration, and several actions that the Biden Administration can immediately take.

Included with the letter is a [list of regulations and other executive actions](#) taken by the Trump Administration over the past four years within the jurisdiction of the House Committee on Financial Services that the Biden Administration should reverse. Also included are recommendations to strengthen certain regulations after the damage the Trump Administration has caused is reversed.

Additional information and the corresponding documents can be accessed [here](#).

## **IV. MISC.**

None.

## **V. STATE NEWS**

***IPA Sending Letter in Support of New Jersey Earned Wage Access Bill***

The IPA will send a letter of support for New Jersey [A3450](#), which would establish a legal and consumer protection framework for earned wage access (EWA) in the State of New Jersey. In brief, the IPA’s letter discusses the need for EWA products, the benefits EWA products offer both employees and employers, and the positive impact A3450 would have for consumer protection and innovation in the State of New Jersey.

The measure is scheduled to come up for a floor vote in the Assembly on December 17<sup>th</sup>. The IPA thanks all who provided assistance and feedback throughout the drafting process.

The IPA’s letter can be accessed [here](#).

***California Attorney General’s Office Recently Releases Fourth Set of Proposed Regulatory Modifications to The California Consumer Privacy Act***

The fourth set of modifications are in response to the comments to the third set of modifications and are intended to clarify and conform the proposed regulations to existing law. The changes made include:

- Revisions to section 999.306, subd. (b)(3), which clarifies that a business selling personal information collected from consumers in the course of interacting with them offline shall inform consumers of their right to opt out of the sale of their personal information by an offline method.
- Proposed section 999.315, subd. (f), which reinstates the requirement for a uniform opt-out button to be used “in addition to . . . but not in lieu of . . . a ‘Do Not Sell My Personal Information link.’”

The Attorney General’s Office is accepting written comments regarding the fourth set of proposed modifications until December 28, 2020.

Additional information and the full text of the modifications can be found [here](#).

**VI. FEDERAL BILLS, AND LAWS**

**NEW FEDERAL LAWS**

None.

**PENDING FEDERAL BILLS**

**H.R. 189—Financial Institution Customer Protection Act of 2019**

**Summary:** This bill specifies that a federal banking agency cannot request or order a financial institution to close a customer account unless the agency has a valid reason for doing so, and that reason cannot be only reputational risk.

**Introduced:** Jan. 3, 2019

**Status:** The bill was referred to the House Committee on Financial Services on Jan. 3, 2019.

**Sponsor:** Rep. Blaine Luetkemeyer (R-MO); 0 co-sponsors. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/189/all-actions?q=%7B%22search%22%3A%5B%22hr+189%22%5D%7D&s=2&r=1>

### **H.R. 758—Cooperate with Law Enforcement Agencies and Watch Act of 2019**

**Summary:** The bill would protect institutions from regulatory action for keeping accounts open at the request of law enforcement.

**Introduced:** Jan. 24, 2019

**Status:** The bill was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs on March 12, 2019.

**Sponsor:** Rep. J. French Hill (R-AR); 2 co-sponsors. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/758/cosponsors?q=%7B%22search%22%3A%5B%22hr+758%22%5D%7D&r=1&s=1>

### **H.R. 907—To Clarify Exclusions from the Definition of a Deposit Broker**

**Summary:** The bill would amend the Federal Deposit Insurance Act (“FDIA”) to clarify the exemptions from the definition of a “deposit broker.” Specifically, the bill would amend FDIA Section 29(g)(2)(I) to provide that a deposit broker does not include an agent or nominee (i) whose primary business purpose is not the placement of deposits with an insured financial institution; or (ii) who is an exclusive agent of an insurance company or insured depository institution affiliated with an insurance company, provided that the agent or nominee is, among other things, contractually prohibited from placing funds with any other unaffiliated depository institution.

**Introduced:** Jan. 30, 2019

**Status:** The bill was referred to the House Committee on Financial Services on Jan. 30, 2019.

**Sponsor:** Rep. Darin LaHood (R-IL); 2 co-sponsors. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/907/text?r=55&s=1>

### **H.R. 1423—Forced Arbitration Injustice Repeal (FAIR) Act**

**Summary:** The bill would prohibit forced arbitration agreements and any agreements that would preclude class action lawsuits.

**Introduced:** Feb. 28, 2019

**Status:** Received in the Senate and Read twice and referred to the Committee on the Judiciary on September 24, 2019.

**Sponsor:** Rep. Johnson, Henry C. “Hank,” Jr. (D-GA); 222 cosponsors. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/1423>



### **H.R. 2514—COUNTER ACT OF 2019**

**Summary:** This bill would make changes to the Bank Secrecy Act and anti-money laundering laws. It would require the financial regulators and Financial Crimes Enforcement Network to each appoint a civil liberties and privacy officer who would need to consult on any new regulations. It would create a public-private information sharing program between FinCEN and the financial services industry, and it would require AML training for examiners.

**Introduced:** May 3, 2019

**Status:** The bill passed the House of Representatives on October 28, 2019 and was received in the Senate and referred to the Senate Banking Committee on October 29, 2019.

**Sponsor:** Rep. Emanuel Cleaver (D-MO); 2 co-sponsors, 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/2514?q=%7B%22search%22%3A%5B%22hr2514%22%5D%7D&r=1&s=2>

### **H.R. 2630—CASH ALWAYS SHOULD BE HONORED (CASH) ACT**

**Summary:** This bill would make it unlawful for any physical retail establishment to refuse to accept cash as payment.

**Introduced:** May 9, 2019

**Status:** The bill was referred to the House Committee on Energy and Commerce on May 9, 2019.

**Sponsor:** Rep. David Cicilline (D-RI); 10 co-sponsors. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/2630>

### **H.R. 4501— CONSUMER TRANSACTION ACCOUNT PROTECTION ACT OF 2019**

**Summary:** This bill would specify that consumer transaction account deposits of an insured depository institution shall not be considered to be funds obtained through a deposit broker.

**Introduced:** September 26, 2019

**Status:** The bill was referred to the House Committee on Financial Services on September 26, 2019.

**Sponsor:** Rep. Roger Williams (R-TX); 1 co-sponsor. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/4501?r=11&s=1>

### **H.R. 4767—FINANCIAL SERVICES INNOVATION ACT OF 2019**

**Summary:** The bill requires federal regulators to create Financial Services Innovation Offices (FSIOs) within their agencies to foster innovation in financial services. Companies would also be able to apply for an “enforceable compliance agreement” with the FSIOs that, if accepted, will allow them to provide an innovative product or service under an alternative compliance plan.

**Introduced:** Oct. 21, 2019

**Status:** The bill was referred to the House Financial Services Committee and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. On Nov. 11, 2019 it was referred to the Subcommittee on Commodity Exchanges, Energy, and Credit of the Committee on Agriculture.

**Sponsor:** Rep. Patrick McHenry (R-NC); 1 co-sponsor; 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/4767?q=%7B%22search%22%3A%5B%224767%22%5D%7D&s=1&r=1>

### **H.R. 6116— CONSUMER FINANCIAL PROTECTION COMMISSION ACT**

**Summary:** The bill would convert the leadership structure of the CFPB from a sole director to a commission. The commission would be made up of 5 members who are appointed by the president and approved by the Senate to serve 5-year terms. No more than 3 members of the commission would be allowed to be from the same political party. The name of the Bureau would also be changed to the Consumer Financial Protection Commission.

**Introduced:** March 5, 2020

**Status:** The bill was referred to the House Financial Services Committee.

**Sponsor:** Rep. Blaine Luetkemeyer (R-MO); 25 co-sponsors; 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/6116/cosponsors?r=4&s=1&searchResultViewType=expanded&KWICView=false>

### **H.R. 6241— TOUCHLESS TRANSACTIONS ACT OF 2020**

**Summary:** The bill would eliminate signatures for swipe, dip, or tap point-of-sale transactions.

**Introduced:** March 12, 2020

**Status:** The bill was referred to the House Financial Services Committee.

**Sponsor:** Rep. French Hill (R-AR); 10 co-sponsors; 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/6241?q=%7B%22search%22%3A%5B%22hr+6241%22%5D%7D&s=2&r=1>

### **H.R. 8721— PUBLIC BANKING ACT OF 2020**

**Summary:** The bill would allow for the creation of state and locally administered public banks by establishing the Public Bank Grant program administered by the Secretary of the Treasury and the Federal Reserve Board which would provide grants for the formation, chartering and capitalization of public banks. It also codifies that public banks may be members of the Federal Reserve. The legislation also creates a pathway for state-chartered banks to gain federal recognition and provides a framework for public banks to interact with Fed Accounts, postal banking, and Digital Dollar platforms.

**Introduced:** October 30, 2020

**Status:** Referred to the Committee on Financial Services, and in addition to the Committee on Oversight and Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

**Sponsor:** Reps. Rashida Tlaib (D-MI) and Alexandria Ocasio-Cortez (D-NY); 9 co-sponsors; 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/house-bill/8721?s=1&r=1>

### **S. 142—The American Data Dissemination Act**

**Summary:** The bill would impose privacy requirements on providers of internet services similar to the requirements imposed on federal agencies under the Privacy Act of 1974.

**Introduced:** Jan. 16, 2019

**Status:** The bill was referred to the Senate Commerce, Science, and Transportation Committee on Jan. 16, 2019.

**Sponsor:** Sen. Marco Rubio (R-FL), 0 co-sponsors, 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/senate-bill/142/text?q=%7B%22search%22%3A%5B%22S.142%22%5D%7D&r=1&s=3>

### **S. 149—Stop Senior Scams Act**

**Summary:** The bill would establish an advisory council made up of federal regulators and industry representatives from, among others, gift card and prepaid card companies, to collect and review information in the development of model materials to provide to retailers, financial services companies, and wire-transfer companies to be used to educate employees on how to identify and prevent scams affecting seniors.

**Introduced:** Jan. 16, 2019

**Status:** Passed the Senate on June 16, 2020 by unanimous consent and was sent to the House of Representatives for further consideration.

**Sponsor:** Sen. Robert Casey (D-PA); 2 co-sponsors, 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/senate-bill/149/text?q=%7B%22search%22%3A%5B%22S.149%22%5D%7D&r=1&s=2>

### **S. 189—The Social Media Privacy Protection and Consumer Rights Act of 2019**

**Summary:** This bill requires online platform operators to inform a user, prior to a user creating an account or otherwise using the platform, that the user's personal data produced during online behavior will be collected and used by the operator and third parties.

**Introduced:** Jan. 17, 2019

**Status:** Read twice and referred to the Committee on Commerce, Science, and Transportation on Jan. 17, 2019

**Sponsor:** Sen. Amy Klobuchar (D-MN); 3 co-sponsors, 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/senate-bill/189/text?q=%7B%22search%22%3A%5B%22S.189%22%5D%7D&r=1&s=1>

### **S. 453—A Bill to Amend the Consumer Financial Protection Act of 2010 to Subject the Bureau of Consumer Financial Protection to the Regular Appropriations Process**

**Summary:** The bill would amend the Consumer Financial Protection Act of 2010 to subject the Consumer Financial Protection Bureau to the regular appropriations process.

**Introduced:** Feb. 12, 2019

**Status:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs on Feb. 12, 2019.

**Sponsor:** Sen. David Perdue (R-GA); 18 cosponsors. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/senate-bill/453>

### **S. 3108— CONSUMER TRANSACTION ACCOUNT PROTECTION ACT OF 2019**

**Summary:** This bill would specify that consumer transaction account deposits of an insured depository institution shall not be considered to be funds obtained through a deposit broker.

**Introduced:** December 19, 2020

**Status:** The bill was referred to the Committee on Banking, Housing, and Urban Affairs on December 19, 2019.

**Sponsor:** Sen. Doug Jones (D-AL); 2 co-sponsors. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/senate-bill/3108?q=%7B%22search%22%3A%5B%22brokered+deposits%22%5D%7D&s=4&r=2>

### **S. 3962— ASSET GROWTH RESTRICTION ACT OF 2020**

**Summary:** The bill would strike the current legal framework for brokered deposits and replace it with an authorization for the FDIC to limit the asset growth of financially troubled banks by regulation, rule, or order.

**Introduced:** June 15, 2020

**Status:** The bill was referred to the Committee on Banking, Housing, and Urban Affairs on June 15, 2020.

**Sponsor:** Sen. Jerry Moran (R-KS); 0 co-sponsors. 1% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/senate-bill/3962?s=7&r=9>

### **S. 4159 — E-SIGN MODERNIZATION ACT OF 2020**

**Summary:** The bill would remove the requirement that consumers “reasonably demonstrate” that they can access the disclosures that are the subject of the consent, through a website or e-mail, for example, after they’ve specifically asked to go paperless.

**Introduced:** July 2, 2020

**Status:** The bill was marked-up and approved by the Commerce Committee on September 16, 2020.

**Sponsor:** Sen. John Thune (R-SD); 3 co-sponsors. 2% chance of enactment (according to [govtrack](#)).

**Details:** <https://www.congress.gov/bill/116th-congress/senate-bill/3962?s=7&r=9>

The *Government Update* is issued by the Innovative Payments Association twenty times a year as a service to members.

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