

COMMUNICATION FROM THE
CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 9, 2025.

Hon. MIKE JOHNSON,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on April 9, 2025, at 11:08 a.m.:

That the Senate passed S. 160.

That the Senate passed S. 423.

With best wishes, I am,

Sincerely,

KEVIN F. MCCUMBER,
Clerk.

DISAPPROVING THE RULE SUBMITTED BY THE BUREAU OF CONSUMER FINANCIAL PROTECTION RELATING TO "DEFINING LARGER PARTICIPANTS OF A MARKET FOR GENERAL-USE DIGITAL CONSUMER PAYMENT APPLICATIONS"

Mr. HILL of Arkansas. Mr. Speaker, pursuant to House Resolution 284, I call up the joint resolution (S.J. Res. 28) disapproving the rule submitted by the Bureau of Consumer Financial Protection relating to "Defining Larger Participants of a Market for General-Use Digital Consumer Payment Applications," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Pursuant to House Resolution 294, the joint resolution is considered read.

The text of the joint resolution is as follows:

S.J. RES. 28

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress disapproves the final rule submitted by the Bureau of Consumer Financial Protection relating to "Defining Larger Participants of a Market for General-Use Digital Consumer Payment Applications" (89 Fed. Reg. 99582 (December 10, 2024)), and such rule shall have no force or effect.

The SPEAKER pro tempore. The joint resolution shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services or their respective designees.

The gentleman from Arkansas (Mr. HILL) and the gentlewoman from California (Ms. WATERS) each will control 30 minutes.

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. HILL of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of this resolution to overturn the Consumer Financial Protection Bureau's deeply flawed final rule on larger participants in general-use digital payment applications.

It sounds complicated, Mr. Speaker, but it is not. This is a midnight rule created by the Consumer Financial Protection Bureau. It is overly broad, and it is imprecise. It treats a wide variety of digital payment applications, peer-to-peer apps, digital wallets, and e-commerce tools, as though they are identical simply because they facilitate payments and serve a large number of users.

However, these products are not the same. They serve different models, operate under different rules, and pose different kinds of consumer risks.

This kind of regulatory overreach is bad enough on its own, but what makes this rule especially concerning is the process by which it was created. The CFPB's approach to carry out this rulemaking is a clear example of undemocratic and unjustified action. The CFPB gave the public just 30 days to comment on this proposal. That is 30 days for businesses across the country, Members of Congress, State regulators, and the public to weigh in on a rule that has potentially profound consequences for digital commerce, one of the most rapidly growing portions of Financial Services and FinTech.

In addition, the Bureau rushed to finalize the rule in the waning days of the Biden administration, ignoring much of the stakeholder feedback and pushing it through to try and insulate it from future scrutiny or reconsideration.

Now, this is not the first time that the CFPB has issued rules without sufficient transparency or process. In fact, Members on both sides of the aisle during my years in Congress have routinely criticized the CFPB for rushing matters, not following the process, not giving the public sufficient time to criticize and critique its proposals. However, Mr. Speaker, this needs to be the last time that the CFPB does this.

In a post-Chevron deference world, Congress must step in and assert our Article I authority over independent agencies that stray beyond their statutory authority, bypass the legislative process, and undermine the public trust.

Let's be clear: There is no apparent evidence of widespread consumer harm that justifies this rule. There is no demonstrated market failure here. What we have instead is an agency stretching its mandate in a way Congress never intended.

By allowing this final rule to remain intact, we are affirming that scale

alone justifies the regulation, meaning size and scope alone justifies the regulation regardless of the conduct, the risk, or harm to a consumer.

This CFPB approach violates decades of balanced principles in assessing and implementing regulations in finance. It certainly is not the barometer that Congress intended for the CFPB to use when interpreting their authorities.

This is not responsible, risk-based regulation. It is a shortcut to control, applied without the justification that both consumers and innovators deserve.

Some may try to frame this argument as a gift to Big Tech. That is a distraction. This is not about defending large companies. This is about defending good governance, our legislative authority, and the public's right to be part of major and costly regulatory decisionmaking.

□ 1230

If we allow this rule to stand, we are setting a dangerous precedent, one where Federal agencies can bypass Congress, ignore public input, and rewrite rules largely behind closed doors. This is a precedent that we cannot afford to set, regardless of who is in the White House or who is in the crosshairs.

Mr. Speaker, the CFPB operated without accountability or transparency. It has undermined consumer protections, stifled innovation, and eroded public trust.

I encourage my colleagues to support this resolution and reassert the proper role of Congress in setting the regulatory agenda and shaping sound financial policy.

Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong opposition to S.J. Res. 28, a partisan Congressional Review Act resolution that will block the Consumer Financial Protection Bureau from supervising payment apps offered by Big Tech firms like Apple and Google.

Before I explain why this resolution is bad, let us not ignore that President Trump and co-president Musk are tearing down key government agencies and programs as we speak, like the CFPB and Social Security.

Last week, the President launched a global trade war against the rest of the world, including our friends, resulting in a record 2-day loss of \$6.6 trillion in wealth. Fed Chair Powell warned that these tariffs will lead to higher inflation and job losses.

Later today, Republicans will try to pass the President's budget that is loaded with \$7 trillion in tax cuts for Musk and the other Big Tech billionaires, all while they are slashing Medicaid by \$880 billion and walking into our agencies and firing employees, some who have been working at these agencies for 10, 15, 20 years, telling them to get out by 5 o'clock.

I absolutely respect the chair of the Committee on Financial Services, Mr. HILL, and what he does, but to talk about good government, he is absolutely defending what nobody would consider good government. We are in a chaotic position in the government of the United States of America. This is the worst we have ever seen. We have never seen anything like this. As a matter of fact, I think it is a coup d'etat.

I am here today because instead of considering bills to lower costs for consumers, Republicans have called up yet another bill to help out the richest man on the planet, the richest man on the planet who is a friend of Mr. Trump's, who has not been elected by anybody and who is absolutely controlling our government now. He is controlling the firing of people and the destroying of agencies. All of that is being done by an unelected billionaire who is intent on changing this government in ways that make it look like a dictatorship.

Notably, this resolution will shield Elon Musk's X app, which will soon get into the payments business, from supervision and oversight by the CFPB.

The CFPB oversees the largest banks and the services they provide to consumers, including their payment apps. However, until the larger participant rule was issued, the CFPB did not have the authority to supervise and examine the payment platforms of Big Tech companies.

In 2024, the CFPB leveled the playing field between big banks and Big Tech. This rule was necessary because Big Tech and other nonbank firms have increasingly offered mobile wallets and payment apps for consumers to use.

While the same consumer protection laws that apply to the banks do not apply to these big Big Tech firms, it is critical that the Consumer Financial Protection Bureau examine them to ensure that they, too, are following the law. This will help the Consumer Financial Protection Bureau oversee these great Big Tech apps to protect the millions of consumers who use them and their digital wallets from fraud, to safeguard their sensitive personal data, and to prevent unfair, deceptive, or abusive practices.

Let's be clear. The Consumer Financial Protection Bureau's rule that Republicans want to repeal by passing S.J. Res. 28 imposes no new standards on these big, large payment apps. CFPB's rule simply allows the government to check these companies are following the law—the very law that Congress passed to give the Consumer Financial Protection Bureau the authority to examine the largest Big Tech participants.

Payment fraud is at an all-time high, and these payment apps play a big role in that increase. I have received more and more complaints from constituents who have been tricked, scammed, and defrauded out of their hard-earned money on these payment apps. Con-

sumer use of payment apps is only increasing, with lower income households experiencing a disproportionate share of complaints.

Between 2018 and 2021, fraud-related complaints involving Venmo, Cash App, and other payment apps surged by over 460 percent while financial losses skyrocketed by more than 360 percent.

Candidly, we should be working together across the aisle to tackle this rise in payment fraud, not undermining the authority of the agency that can enforce the law. This should not be a partisan issue.

Instead, Democrats have to fight back against both Trump's efforts to kill the Consumer Financial Protection Bureau and Republican efforts to gut the authorities of the Consumer Financial Protection Bureau. I am hopeful that we are making progress in stopping these efforts to protect big Big Tech and predatory lenders.

A district court judge blocked the Trump administration from dismantling the Consumer Financial Protection Bureau before the administration appealed the ruling, and even this terrible resolution before us received bipartisan opposition in the Senate.

Mr. Speaker, as we stand here and discuss these anticonsumer CRAs today, our constituents are deeply concerned about losing Social Security and Medicaid because of Elon Musk's reckless cuts to government. Families and businesses across America are struggling as Trump raises taxes on Americans nationwide through tariffs.

It makes no sense to pass legislation that eliminates oversight of these big Big Tech apps while millions of people are being defrauded, scammed, and basically ripped off.

We see this bill for what it is: a thank-you gift to Elon Musk and other Big Tech billionaires who came to Trump's rescue during the 2024 election. We all saw them front and center at Trump's inauguration. You saw those billionaires accompanying him. Why are all the billionaires getting together? They are getting together because they don't want to pay more taxes. They want to get rid of employees who are providing all kinds of services to the constituents of this country in order for the richest people in the country to pay less taxes. Well, all of them run companies that will directly benefit from passing this resolution.

Enough is enough.

I urge Members of this House to show some courage and stand up for consumers. Stand up for the rule of law and reject this harmful legislation.

Mr. Speaker, I have a lot more to say, but I reserve the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

I absolutely think Members of this House should stand up for the rule of law starting with Article I, the legislative authority that we draft the statutes here and direct the independent

agencies how to do their rulemakings, under what conditions to do their rulemakings, how to evaluate their rulemakings, and what is a reasonable amount of time to get public input.

We have the right, on behalf of the elected Representatives of the American people, to let our voices be known when a nonelected, to quote my good friend, the gentlewoman from California (Ms. WATERS), unelected bureaucrat chooses to step beyond the bounds of the statute and do something not in keeping with process.

Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska (Mr. FLOOD), my good friend, who serves as the subcommittee chair for the Housing and Insurance Subcommittee.

Mr. FLOOD. Mr. Speaker, I thank Chairman HILL for his attentiveness to this issue, and I thank my colleague in the Senate, my co-lead, Senator PETE RICKETTS from Nebraska, for championing this effort and getting the resolution through the U.S. Senate in record time, in less than a week. He beat us to it.

There are a lot of reasons to support this resolution eliminating the larger participant rulemaking from the CFPB.

Number one—think about this—the CFPB finalized this rule in the eleventh hour in January days before the transfer of power, well after other agencies stopped their rulemaking.

Number two, the rule itself is effectively a regulatory power grab by the CFPB's outgoing Biden nominee, Mr. Chopra. By designating companies engaged in payments activities as larger participants, the Bureau will get to expand their examination authority over an amorphous and ill-defined group of firms with payment tools. Given their track record, I think it is fair to say that we should not be supporting greater exam reach of the CFPB.

I don't want our concerns to remain abstract. Let's take a look at some of the practical effects that CFPB examination would have over these payment firms.

First, let's take a look at some of the problems with how the rule actually distinguishes who is and is not a larger participant in payments. The rule does not only apply to tools where consumers are using wallets to exchange funds on a peer-to-peer basis. It also applies to any number of payment intermediaries that assist small businesses and merchants.

For example, express checkout tools would be affected by this rulemaking. Let's say you want to buy an item on the website of a small retailer in Lincoln, Nebraska. If that website allows interfacing with express checkout tools, as many do, then you are going to see the effects from this rulemaking on their ability to easily accept payments from their customers.

Congress aside, everybody in this room should fear what happens at my house when my wife does not have access to express checkout.

According to a survey from the Small Business and Entrepreneurship Council, 53 percent of small business owners use express checkout tools. When asked whether express checkout services help their business succeed, 94 percent of small businesses agreed that the online payment tool is boosting their businesses' growth.

Yet, despite the obvious potential for Main Street and small business effects from this rulemaking, the CFPB failed to conduct any substantive analysis of the effects this rulemaking would have on small businesses or even conduct a sufficient cost-benefit analysis of the rulemaking more broadly.

The reason was the Bureau was less interested in the cost of the rule than in expanding their own regulatory reach. This rule is a perfect example of regulate first, ask questions later. That was the approach of Director Chopra.

Ultimately, this style of regulation is going to chill innovation and hurt the smallest players that depend on these technologies to compete with the big guys.

Mr. Speaker, I include in the RECORD a letter signed by myself and 19 Financial Services Committee Republicans to Director Chopra in 2023.

CONGRESS OF THE UNITED STATES,

Washington DC, December 18, 2023.

Hon. ROHIT CHOPRA,

Director, Bureau of Consumer Financial Protection, Washington, DC.

DEAR DIRECTOR CHOPRA: We write today to express our concern with the Consumer Financial Protection Bureau's (CFPB) proposed rule subjecting large participants within the general-use digital consumer payment application industry to CFPB supervision. Innovation is the driving engine of the American economy and the proposed rulemaking's broad scope will have significant consequences on the ability for nonbank firms to offer innovative products and services and for consumers to benefit from competition in the market.

SCOPE OF THE PROPOSAL

Under the proposed definition and criteria, the CFPB estimates that 17 market participants would be affected by this rule. However, the Bureau fails to identify which firms comprise that number, or to provide specific criteria that would enable market participants to determine the firms captured by the rule. It is essential that businesses and consumers understand the implications of this proposal to enable them to provide comprehensive feedback on its impact.

Further, it is important to clearly delineate the extent of the rulemaking's scope. In its current form, the proposal leaves open the possibility that entities far outside the market for general-use digital consumer payment applications will be captured. For example, the proposal specifies that the CFPB's supervisory authority "is not limited to the products or services that qualified the person for supervision." This suggests the rule will have no boundaries, which is unacceptable and will create significant uncertainty.

While the proposed rule contains certain exclusions, these exclusions further confuse the intended scope of the proposal. For example, the definition of a covered consumer payment transaction excludes "[a] payment transaction conducted by a person for the sale or lease of goods or services that a con-

sumer selected from an online or physical store or marketplace operated prominently in the name or such person or its affiliated company." While this exclusion seems to cover transactions between consumers and merchants using a merchant's own payment software, the proposal later states the exemption for merchants would not apply, "if a merchant or online marketplace's digital consumer application stores, transmits, or otherwise processes payments or financial data for any purpose other than initiating a payments transaction by the consumer." When combined, these two provisions within the rule create further ambiguity regarding the scope of the proposal for merchants. Without a meaningful exclusion for merchants, the Bureau's authority could extend from players in consumer payments directly to merchants across the country.

As you know, third party point of sale technology is used largely by small businesses, and the frequency with which small businesses are accepting digital payments is increasing. With this in mind, the CFPB should consider the impact this rule will have on the merchants that rely on electronic payment services to process payments. The rulemaking could have serious implications for small businesses and sole proprietors across the country, and we believe the CFPB should carefully assess the rule in this context.

Furthermore, we are concerned the CFPB neglected to fully consider the impact of increased compliance costs. The proposed rule states, "the CFPB lacks detailed information with which to predict the extent to which increased costs would be borne by providers or passed on to consumers, to predict how providers might respond to higher costs, or to predict how consumers might respond to increased prices." However, with no analysis conducted on the compliance costs of the proposal, the rule later certifies that the proposal "would not have a significant economic impact on a substantial number of small entities." The inability to track the costs of compliance of this proposal, and how it would be passed down to small entities, paired with an assurance that the rule will not have a significant effect on those same entities is alarming. If the Bureau believes small entities will not be significantly affected by the rule, it should provide the evidence it uses to support that claim.

DIGITAL ASSETS

Lastly, we also have concerns regarding the rule's applicability to digital assets and digital asset wallet providers. The proposed rule indicates that the purchase of a crypto asset using fiat currency would be exempted by the rule. However, the rule includes digital assets in its definition of "funds." Taken together, these two provisions raise many questions, including what crypto asset transactions would be included in the rule and whether the rule extends to certain wallet providers.

The CFPB's proposed rule also comes as other jurisdictions are pushing to promote both competition and innovation in payments. Given the CFPB's track record of overreach, we strongly urge the Bureau to refrain from exceeding its authority and instead, commit to clarifying and narrowing the scope of this rule. Given the breadth of the proposal and ambiguity regarding its applicability, we urge the Bureau to extend the comment period for an additional 30 days. This additional time will give market participants the opportunity to provide comprehensive feedback.

Sincerely,

Patrick McHenry, Chairman, House Committee on Financial Services; Mike Flood, Andy Barr, Tom Emmer, Dan

Meuser, Byron Donalds, Young Kim, Scott Fitzgerald, French Hill, Ann Wagner, Bryan Steil, William R. Timmons, IV, Erin Houchin, Michael V. Lawler, Alex X. Mooney, Andy Ogles, Andrew R. Garbarino, Zach Nunn, Barry Loudermilk, Ralph Norman, Members of Congress.

Mr. FLOOD. Mr. Speaker, in addition, the Bureau has consistently tried to imply their authority would not only apply to tech companies, but there is a chance they could bring merchants into their regulatory purview as well. The general counsel of the CFPB said in a speech during Director Chopra's tenure that merchants might be implicated as large payment players in the future if they aren't mom-and-pops.

Last year, in response to a question on the record from me on this topic, the Director made the case that a merchant that incorporates payment capabilities directly into a website could potentially blur the lines between banking and commerce and, therefore, be subject to the CFPB oversight in the future.

□ 1245

However, Dodd-Frank explicitly calls for an exclusion for the merchants from the CFPB's regulatory purview. That idea that a merchant engaging in a commercial financial activity due to payment activities in a merchant's own store or website is outright ridiculous, and it represents yet another expansion of the CFPB's rapidly growing authority.

Finally, I would like to highlight another major concern with CFPB examination authority of these firms and what it would bring. The firms within the scope of this rulemaking are payments firms, but some of these firms also have a social media element to their businesses.

If we fail to act here in Congress, there will be career bureaucrats from the CFPB with the authority to examine some of the most influential social media companies in the country behind the scenes.

Do any of us really think that a liberal CFPB examiner would restrict their comments to only a social media company's payment activities?

Are we sure that they wouldn't provide some "feedback" on the free speech policies of Meta or X?

Leaving this rulemaking in place could provide the next Democratic administration with the tools that they need to more directly influence even social media.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

It is interesting that my friend, Chairman HILL, raised process concerns over the CFPB, Consumer Financial Protection Bureau, rule that would include following the Administrative Procedure Act.

Mr. Speaker, really? This doesn't make good sense.

Shouldn't Trump, Elon Musk, and DOGE minions have to follow the law?

Let me be clear. It is unconstitutional for the President to delete the Consumer Financial Protection Bureau or any other agency without congressional approval.

Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. SHERMAN), who is also the ranking member of the Subcommittee on Capital Markets.

Mr. SHERMAN. Mr. Speaker, we are here to deal with two regulations, the first dealing with payment systems, and the second dealing with overdraft protection. In both cases, I came here for the entertainment value to watch Republican after Republican tell us how much the majority doesn't trust the Trump administration. It is as if Trump doesn't control the CFPB.

Mr. Speaker, the regulation we are considering now is just a regulation that says that this is an area we are going to look at. Republicans are afraid the Trump administration will look at it. It doesn't do anything except begin a process.

Mr. Speaker, as to both of these CRAs, the effect is not only to erase what was done under the Biden administration but prohibit the new administration from adopting any consumer protection. That is because my colleagues on the other side of the aisle want zero consumer protection and the Trump administration to have an excuse.

The excuse is: Congress passed the CRA. We are prohibited from writing a regulation in that area.

The Republican administration could rewrite these rules. Congress could overwrite these rules. Instead, we are erasing the rules and prohibiting other rules from being there.

Mr. Speaker, I spent this morning being told that we need to have cryptocurrency because it is going to be this great payment system and, for some reason, the payment systems that use U.S. dollars aren't good. Now I am here on the floor being told that Venmo and its competitors are so wonderful that there should be absolutely no regulation.

On the one hand, we have to create a new currency for drug dealers, and, on the other hand, the current system using the U.S. dollar shouldn't even be regulated because it is perfect.

Why do we need to regulate here? First, to prevent excessive fees; second, to prevent deception; but, third—and this is obvious—to prevent the loss of consumer money.

Venmo is holding \$7 billion of consumers' money. If you have a tiny bank that is one-tenth or one-hundredth the size of Venmo, you have to make sure that you have reserves. You can't take the money to the horse races. Yet, Venmo can do anything with the money. If they lose the \$7 billion, you as a consumer are out of luck, and Trump can say: It wasn't my fault because Congress prohibited us from having prudential regulations.

If an entity in the transactions business is going to hold \$7 billion of con-

sumers' money, shouldn't we at least make sure that the money is still there, and shouldn't we make sure that they don't engage in Botswana currency swaps and others with the highest risk transactions they can find to perhaps make a lot of money or lose all of the consumers' money. Heads, I win. Tails, the consumers lose.

Mr. Speaker, I will take 1 minute or 2 to talk about the other regulation because, after Members vote against the first of these resolutions, you are going to feel so good that you are going to want to vote against the second one.

This is the one that limits overdraft fees to \$5 for the big banks, the 175 biggest banks, or they can charge what their actual cost is if it is more than \$5. It requires disclosure of what these overdraft fees are going to be.

It will save American consumers \$6.1 billion every year. If we are concerned about inflation, why shouldn't we tell the banks that overdraft is not a profit center? They can recover their costs or maybe a little bit more, but they don't turn to the consumer and say: You were so dumb that you had an overdraft, so we are going to hit you with a wild fee.

The SPEAKER pro tempore (Mr. CRAWFORD). The time of the gentleman has expired.

Ms. WATERS. Mr. Speaker, I yield an additional 30 seconds to the gentleman from California.

Mr. SHERMAN. Mr. Speaker, do not vote to prohibit regulation of payment systems. Do not vote to prohibit limitations on overdraft protection. Do not vote to allow \$6.1 billion to be transferred from constituents to the biggest banks in the country. Vote "no," and then vote "no" again.

Mr. HILL of Arkansas. Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. GARCIA).

Ms. GARCIA of Texas. Mr. Speaker, I thank the ranking member for yielding me time.

Mr. Speaker, the Consumer Financial Protection Bureau, known as CFPB, was created for one reason: to protect everyday people from getting ripped off, especially when tech companies start acting like banks.

If a tech company wants to be trusted with your money, it should play by the same rules as any bank. That is what the CFPB was doing. It was making sure the rules apply to everyone.

Yet, Elon Musk doesn't want to follow the rules. He wants to turn X, formerly known as Twitter, into a payment platform without any accountability and no rules. If you get scammed, that is too bad. No refunds, nothing, nada.

The people who will get hurt are those people like in my district who I represent: young people, working families, and folks just starting to save for the future. We are fighting to protect them because the CFPB isn't just a watchdog. It is a lifeline.

We are not going to stand by while Donald Trump, Elon Musk, and their billionaire buddies try to kill it.

Mr. HILL of Arkansas. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. MOORE), the distinguished former speaker of the house of North Carolina, who is a new member of the House Committee on Financial Services.

Mr. MOORE of North Carolina. Mr. Speaker, I thank the chairman for yielding me time.

Mr. Speaker, I rise today in support of S.J. Res. 28, a joint resolution to overturn the CFPB's final rule targeting larger participants in general-use digital consumer payment applications.

This rule is a textbook case of regulatory overreach. It stems from a flawed process and applies an overly broad approach that blurs important distinctions between very different products and services in the digital economy.

Rather than taking a thoughtful and tailored approach, the CFPB opted for a sweeping rule that treats all digital payment services as if they are the same, ignoring critical differences that matter for both consumers as well as providers.

When regulators fail to distinguish fundamentally different products, they don't just risk getting it wrong, but they guarantee it. The digital economy is too important and evolving too quickly for blanket policies built on vague definitions and rushed processes. We need thoughtful, targeted oversight that reflects reality, not a one-size-fits-all mandate that will do more harm than good.

Mr. Speaker, I thank Congressman FLOOD and Chairman HILL for their work on this resolution, and I urge my colleagues to support this resolution.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, CFPB's larger participant rule does not apply any new consumer protection standards. It only helps the Consumer Financial Protection Bureau ensure that Big Tech companies comply with the laws they must already follow.

Both banks and nonbanks are already subject to Federal consumer financial protection laws, but Consumer Financial Protection Bureau supervision is a key tool to ensure that Big Tech follows the law and does not misuse consumer data and that consumers are not being scammed, defrauded, or unlawfully debanked.

This rule allows the Consumer Financial Protection Bureau to also conduct routine exams of the 17 largest nonbank payment apps that facilitated \$12.8 billion payment transactions in 2021 with a total dollar value of about \$1.7 trillion.

This is not the first time the Consumer Financial Protection Bureau has used this authority in this way. The Consumer Financial Protection Bureau previously issued five larger participant rules to examine the largest

nonbanks with respect to consumer reporting, consumer debt collection, student loan servicing, international money transfers, and automobile financing.

Why should Big Tech get special treatment? Why should they be treated any differently?

Our colleague, the gentleman from Nebraska (Mr. FLOOD), claimed that the Consumer Financial Protection Bureau did not conduct sufficient cost-benefit analysis for this rule, but that is not accurate. There are more than 30 pages of highly detailed cost-benefit analysis, and the gentleman just doesn't like it.

Mr. Speaker, we know that side of the aisle wishes to kill the Consumer Financial Protection Bureau. Republicans have tried in every way possible. Yet, this side of the aisle maintains that our constituents send us here to represent them. Consumers need somewhere to make complaints. Those complaints need to be investigated. Organizations need to be fined if those operations or organizations are abusing them or misusing them.

Mr. Speaker, as we debate this issue, I remind everyone what is truly happening. Through this CRA, Republicans are opening the door for President Trump and co-president Musk to further enrich themselves and all of their business ventures with their own digital payment systems, including X and Trump's new payment system, Stablecoin.

Mr. Speaker, this is a point that everybody should pay attention to: The President of the United States and his family have created their own crypto companies. In addition to that, in the middle of us trying to negotiate on Stablecoin to come to some agreement about guardrails to protect the average investor, he has now founded a new company where he is going to own Stablecoin.

As a matter of fact, Republican efforts to dismantle and weaken the CFPB's authority allows Trump and Musk's companies to conveniently avoid the CFPB's oversight and supervision.

When I was chair of the Committee on Financial Services, Democrats held Big Tech companies to account, including convening a hearing with Facebook CEO Mark Zuckerberg over his plans to develop cryptocurrency called Libra.

Moreover, when Democrats led passage of the Dodd-Frank Act, we empowered the CFPB to supervise any large nonbank, including Big Tech, when they facilitate payments or offer financial products to consumers to ensure that consumers are always protected, no matter who they are dealing with.

Mr. Speaker, what we are dealing with now through Trump's and Musk's unapologetic conflicts of interest and self-profiteering poses far greater risks.

□ 1300

The Consumer Financial Protection Bureau is extraordinarily important.

We worked hard for consumers to have somewhere to go when they have complaints about being ripped off. Why is it that we would have any Member of Congress in any way oppose protecting our consumers? I can't answer that. I don't know why.

Mr. Speaker, I reserve the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I am prepared to close, and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, Seth Frotman, CFPB's former general counsel and student loan ombudsman summed up our current situation well. He testified: "You, your family, your neighbors, and your community are at risk today because President Trump, Elon Musk, and Russell Vought have corruptly handed over the keys of our Nation's consumer watchdog to the largest banks and tech companies in the world. What is happening at the Consumer Financial Protection Bureau is an insult—to Congress, to the rule of law—to all of us."

"When you look past the rhetoric—the deceptively labeled bills touting through-the-looking-glass 'reform'—what is going on in the executive branch, alongside what is being talked about here in Congress, really boils down to the one time-tested proposition: Which side are you on?"

"If you are going to stand idly by when the Nation's consumer watchdog is decimated—if you push a legislative agenda of more junk fees, abusive medical debt collection practices, Big Tech domination, and predatory lending—then the answer is pretty clear."

Mr. Speaker, S.J. Res. 28 is opposed by nearly 200 consumer, civil rights, religious, and good governance organizations. It was also opposed by a bipartisan group of Senators. I urge my colleagues to vote for American consumers, not the unelected Elon Musk and other Big Tech oligarchs and billionaires that are just waiting to take over this country. Vote "no" on this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, let me say that, again, we are talking about unelected bureaucrats in an agency that is not following the strict direction of Congress and have overreached in how they have proposed this rule at the last minute at the end of the Biden administration. It is truly a midnight rule with limited comment period.

Mr. Speaker, 30 days is the minimum under anybody's consideration of a fair-minded Administrative Procedure Act comment period. Yet, everything you read says that it should be extended if market participants feel like they haven't been heard, and 30 days at the end of an administration over the holiday period at the end of the year is not sufficient time for Members of Congress, market participants, consumers,

and others to weigh in. I do have process concerns about how the former director of the CFPB carried on this particular proposal.

Secondly, my colleagues have talked about the substance of it and how it is confusing and steps beyond, again, the mission and the direction by Congress to the CFPB.

My good friend from California (Ms. WATERS), the ranking member of the full committee, referenced several other large participant-type rules that had been proposed by the CFPB, but they were in discrete market segments.

Mr. Speaker, this is actually one of the biggest concerns about this proposal. It is a wide variety of digital payment services from peer-to-peer apps, to a digital wallet, to e-commerce tools, like the gentleman from Nebraska talked about, as if they are identical simply because they facilitate a certain number of payments, but they are not substantively the same. They can't be treated identically. That is a huge flaw in this rule.

Mr. Speaker, I reiterate my support for Mr. FLOOD's support of S.J. Res. 28. He has worked hard on this with Senator RICKETTS from his home State of Nebraska. They stand on the facts that a vote for this resolution is a vote to prevent the CFPB from stifling financial innovation with its one-size-fits-all approach and limiting customers' access to increased access to financial payments.

Nonbank providers of digital payments are already being regulated at both the State and the Federal levels. American consumers did not petition us, Mr. Speaker, to intervene in this way at the last minute in the waning days of the Biden administration. Of all the CFPB's annual complaints that they collect year in and year out, less than 1 percent even touch on this market.

This Congressional Review Act will overturn last-minute rulemaking from the Biden-Harris administration and ensure that consumers have access to innovative financial products.

Mr. Speaker, I urge all my colleagues on both sides of the aisle to support S.J. Res. 28, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KNOTT). All time for debate has expired.

Pursuant to House Resolution 294, the previous question is ordered on the joint resolution.

The question is on third reading of the bill.

The joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HILL of Arkansas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

DISAPPROVING THE RULE SUBMITTED BY THE BUREAU OF CONSUMER FINANCIAL PROTECTION RELATING TO "OVERDRAFT LENDING: VERY LARGE FINANCIAL INSTITUTIONS"

Mr. HILL of Arkansas. Mr. Speaker, pursuant to House Resolution 294, I call up the joint resolution (S.J. Res. 18) disapproving the rule submitted by the Bureau of Consumer Financial Protection relating to "Overdraft Lending: Very Large Financial Institutions," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Pursuant to House Resolution 294, the joint resolution is considered read.

The text of the joint resolution is as follows:

S.J. RES. 18

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress disapproves the final rule submitted by the Bureau of Consumer Financial Protection relating to "Overdraft Lending: Very Large Financial Institutions" (89 Fed. Reg. 106768 (December 30, 2024)), and such rule shall have no force or effect.

The SPEAKER pro tempore. The joint resolution shall be debatable for 1 hour, equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services or their respective designees.

The gentleman from Arkansas (Mr. HILL) and the gentlewoman from California (Ms. WATERS) each will control 30 minutes.

The Chair now recognizes the gentleman from Arkansas (Mr. HILL).

GENERAL LEAVE

Mr. HILL of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this joint resolution of disapproval.

Today, we can protect consumers and ensure continued access to financial services by voting to nullify the Consumer Financial Protection Bureau's disastrous rule on overdraft fees.

In a time burdened by the 40-year-high inflation, when many middle- and low-income households are living paycheck to paycheck, ensuring Americans have access to affordable credit has never been more important.

Overdraft protection is an optional service that financial institutions pro-

vide to help consumers avoid having purchases declined. Instead of the transaction being denied, the bank or credit union charges a flat fee to cover the check on behalf of that consumer. It lets that purchase proceed. It lets that payment to a utility company proceed. It lets that payment for an important rent or mortgage company to proceed, thereby allowing American families to take care of essential needs like that mortgage payment, rent payment, groceries, or gas before their next paycheck arrives.

Over the last decade, competition has driven financial institutions to lower their overdraft privilege fees to retain customers. Innovation has made accidental overdrafts less likely as many financial institutions now offer low balance alerts, automatic transfers from savings, and other tools to help consumers avoid being in overdraft and better manage their financial cash flow.

Competition and innovation, not government-mandated price caps, remain the best way to ensure consumers have access to affordable financial products and services.

Unfortunately, this CFPB rule undermines this very approach and threatens to restrict access to credit and overdraft privileges, which all of us should be concerned about.

The CFPB's rushed and haphazard approach to the rule is a clear example of how not to regulate. The CFPB made this decision before conducting meaningful research or considering the real-world consequences of its actions.

The CFPB's rule imposes a government-mandated price cap on what financial institutions may charge in the way of a fee for an overdraft privilege.

Like all price caps, this would reduce the availability of these very overdraft services, especially, Mr. Speaker, for consumers who have lower credit scores or are considered high risk.

By doing so, it effectively limits access to credit and that overdraft privilege for those who need it the most at the time they need it the most.

The CFPB's failure to consider the cost associated with this regulation, especially the real-world impact on consumers, their local community's financial institution, and the broader financial system only underscores the need to stop this price control before it is too late.

The CFPB also creates a false narrative of choice by suggesting that banks and credit unions can either offer an overdraft service at this federally mandated price fixed cost of \$5 or comply with extending that as credit and, therefore, complying with the Truth in Lending Act. In other words, actually underwriting a consumer loan instead of simply offering the overdraft—simple, straightforward, fast, overdraft fee.

This redefinition of what products and services constitute credit thus is problematic, especially since Congress has already defined credit for regulatory purposes.

Even more troubling is the way the CFPB oversimplifies the costs of providing overdraft protection.

The rule only considers the cost of operating a call center and ignores the many other expenses involved such as ratifying and dealing with consumer disputes, mailing and postage for overdraft notices, third-party collection expenses, technology costs, and cost of regulatory compliance.

The reality is that these additional costs make it increasingly difficult for banks to continue offering overdraft protection. Many will simply choose to stop providing the service altogether. Those who will suffer the most from this are the very people the rule is designed to protect.

Mr. Speaker, in 2023, a survey found that 92 percent of customers who were aware their balance wouldn't cover a transaction preferred paying the overdraft fee rather than having their transaction declined. Not only is it inconvenient or potentially embarrassing in a particular situation, but it is also fundamental to in-between paycheck cash flow. They are making the decision to go into overdraft so they make that mortgage payment on time, despite buying clothes for back to school and trying to do Christmas shopping.

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In my experience with my customers, over my many years of working with families, I never found one who was not a worthy steward of how to use these services.

Another survey found that 64 percent of customers think it is reasonable for a bank to charge an overdraft fee, and 72 percent feel these fees are justified, particularly when it helps them ensure timely payment of a much larger important bill, like a mortgage or rent.

In my experience of helping families across rural Arkansas for many years, as I said, managing their finances, they are pretty smart about how to do that, Mr. Speaker.

The truth is if the consumers lose access to overdraft protection, they will be forced to turn to alternative sources of credit that may be more expensive and riskier, have less consumer protection and documentation, and be less holistically handled than they would be at their home community financial institution or credit union.

I encourage all of my colleagues to support this resolution to restore common sense to our regulatory framework and ensure that consumers continue to have access to the financial services on which they rely.

Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in complete opposition to yet another harmful bill put forth by Republicans, S.J. Res. 18, a resolution to allow the biggest banks to increase fees on their customers. You heard me right. I said this resolution will increase bank fees, and it will