

## **Protect Big-Tech Payment App Rule and Vote NO on S.J.Res.28/ H.J.Res.64**

Dear Member of Congress:

Payment applications and digital wallets are on a rapid growth trajectory. They are increasingly popular among consumers and retailers. The [big-tech payment app oversight rule](#) will ensure that large nonbank payment app owners will follow laws that require protection from privacy violations and fraud.

**WHAT is this rule?** A recently issued rule gives the Consumer Financial Protection Bureau oversight (or supervisory authority) over large nonbanks in the market for big-tech payment applications and digital wallets. Under the rule, the CFPB can assess payment app providers' compliance with existing laws, including those relating to privacy and cybersecurity.

***For example, CFPB will oversee big payment app providers to ensure that privacy protections are followed.*** The business models of the big-tech companies that operate payment app and digital wallet providers are built on collecting, analyzing, and monetizing consumer data. Service members are especially prone to threats to their privacy. This rule gives the CFPB the ability to examine and ensure that the largest payment app providers are following laws that provide privacy protections.

***There are no new requirements under this rule.*** It simply announces CFPB oversight, allowing it to assess and ensure that nonbank payment application providers are following the law.

**WHO will it apply to?** The rule will apply to large nonbank providers that provide these payment apps with an annual volume of at least 50 million consumer payment transactions and are not a small business concern based on Small Business Administration (SBA) size standards.

The rule will ensure digital payment platforms like Paypal, Venmo, Google Pay, Apple Pay, and CashApp safeguard consumers' sensitive personal information, treat consumers fairly in cases of fraud, and follow the same consumer financial laws that apply to bank transactions.

**WHY does the consumer finance market need this rule?**

***The rule levels the playing field between banks and nonbanks*** -This rule makes regulation fairer and more balanced between banks and nonbanks. For example, safeguards already exist to ensure that banks protect consumer financial privacy and other rights. The rule levels the playing field to ensure that large non-bank payment app providers are also complying with existing laws.

***The rule will deter current user problems with big-tech payment apps:*** (1) Millions of people use payment apps and some struggle to get the platforms to address fraudulent or erroneous transactions. (2) Debanking – Some application providers may freeze or deactivate accounts without notice or explanation, depriving users of funds they need to pay bills. This rule would protect consumers from errors and fraud, and ensure that consumers can dispute charges or account closures that are incorrect or fraudulent under existing law.

**PLEASE KEEP AND PROTECT THIS RULE. Vote NO on the Congressional Review Act resolution, S.J.Res.28/H.J.Res.64, that would overturn it.**