

MEMORANDUM

To: Members of the Committee on Financial Services

From: Financial Services Republican Staff

Date: March 4, 2024

Re: March 7, 2024, Financial Institutions and Monetary Policy Subcommittee Hearing

On Thursday, March 7, 2024, the Subcommittee on Financial Institutions and Monetary Policy will hold a hearing titled “Politicized Financial Regulation and its Impact on Consumer Credit and Community Development.”

Witnesses:

- Nicholas Anthony, Policy Analyst, Center for Monetary and Financial Alternatives, Cato Institute
- Lindsey Johnson, President and CEO, Consumer Bankers Association
- Karen Harbin, President/CEO of Commonwealth Credit Union, on behalf of America’s Credit Unions
- Santiago Sueiro, Senior Policy Analyst, Unidos US

Background:

This hearing will explore recent actions and proposals by federal financial regulatory agencies that will limit financial options and restrict access to financial services for consumers, particularly through mandated fee caps and government price fixing. The Biden Administration is using independent regulators as political agents to circumvent Congress and force “politically popular” changes to financial regulations that are ultimately harmful to consumers and communities.

Legislative Proposals:

H.R. 3161, the *CDFI Fund Transparency Act* (Rose)

H.R. 3161 requires annual congressional testimony from the Department of the Treasury regarding the operations of the Community Development Financial Institutions (CDFI) Fund.

H.R. 6789, the *Rectifying UDAAP Act* (Barr)

H.R. 6789 amends the Consumer Financial Protection Act of 2010 to clarify standards for UDAAP enforcement actions brought by the Bureau of Consumer Financial Protection, and for other purposes.

H.R. ___, the *Secure Payments Act* (Luetkemeyer)

H.R. ___ requires the Board of Governors of the Federal Reserve System to study the impacts of the interchange transaction fee requirements under the Electronic Fund Transfer Act, to complete a quantitative impact analysis of the Board's Reg II proposed rule, and to consider the results of such study and analysis before finalizing such rule, and for other purposes.

H.R. ___ (Kim)

H.R. ___ amends the Truth in Lending Act to allow covered entities to offer small dollar credit products.