



Wednesday, March 13, 2024

HFSC GOP Slams CFPB Nonbank Payment Company Proposal

As anticipated, today's HFSC Digital Assets Subcommittee hearing on the CFPB's proposed standards for certain nonbank payment companies featured a strong GOP attack premised as much on the Bureau's work to date as on this proposal ([see FSM Report PAYMENT27](#)). Republicans led by Subcommittee Chair Hill (R-AR) blasted the proposal's sweep and structure, also asserting that it violates the Bureau's statutory authority. In sharp contrast, Subcommittee Ranking Member Lynch (D-MA) called the proposed rule timely, supporting it for "holding big tech companies accountable" and protecting consumer privacy, a concern also raised by other Democrats. Full Committee Ranking Member Waters (D-CA) praised the CFPB for taking action to oversee fintechs, noting her longstanding concerns with fintech expansion into financial services. However, Rep. Nickel (D-NC) opposed the CFPB's action, saying the rule is "overly broad and lacks clarity."

Recent Files Available for Downloading

The following reports and analyses have been sent to retainer clients recently. Copies are also available to retainer clients on the Archives section of Federal Financial Analytics' website: www.fedfin.com or clients may obtain the reports/analyses by e-mailing info@fedfin.com giving the requested item name, firm, and e-mail address. To learn more about *GSE Activity Reports*, click [here](#).

- [GSE-031224](#): The President's [FY25 budget](#) picks up FHFA's [recommendations](#), calling for statutory change to double the System's affordable-housing commitment.
- [FEDERALRESERVE75](#): As [expected](#), Republicans took turns grilling Chair Powell on the Basel III endgame proposal and calling for its withdrawal, and were likely pleased with the results.
- [CONSUMER56](#): The CFPB has issued a circular essentially banning digital and perhaps all other consumer-finance comparison-shopping and lead-generation tools for credit cards and other products not covered by prior orders.
- [GSE-021624](#): In this report, we build on our in-depth analysis yesterday of the Fed's new stress-test scenarios to focus on their mortgage-market impact.
- [STRESS32](#): In this report, we assess the strategic and policy implications of the Fed's new [stress-test regime](#).
- [LIQUIDITY34](#): Today's HFSC Financial Institutions hearing on emergency liquidity featured much discussion of reform, but few indications of any action Congress will take to advance it apart from support for pending agency efforts to enhance discount-window [readiness](#).