On Thursday, June 5, 2025, at 10:00 a.m., the Subcommittee on Financial Institutions held a hearing in Room 2128 of the Rayburn House Office Building, entitled “***Framework for the Future: Reviewing Data Privacy in Today’s Financial System.***” The witnesses were:

* [**Mr. Scott Talbott,**](http://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-TalbottS-20250605.pdf)Executive Vice President, Electronic Transactions Association
* [**Mr. Andrew Morris,**](http://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-MorrisA-20250605.pdf)Director of Innovation and Technology, America's Credit Unions (ACU)
* [**Ms. Rebecca Kuehn,**](http://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-KuehnR-20250605.pdf)Partner, Hudson Cook, LLP
* [**Ms. Jennifer Huddleston**](http://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-HuddlestonJ-20250605.pdf)**,**Fellow in Technology Policy, Cato Institute
* [**Ms. Zoë Strickland,**](http://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-StricklandZ-20250605.pdf)Senior Fellow, Future of Privacy Forum (FPF)

Hearing Report: HOUSE FINANCIAL SERVICES COMMITTEE, SUBCOMMITTEE ON FINANCIAL INSTITUTIONS. June 5, 2025.

2025

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1. **Information on Witnesses**
2. [Scott Talbott](https://www.linkedin.com/in/scott-talbott-eta-cpp-96411282/) is Executive Vice President at the Electronic Transactions Association (ETA), where he leads the organization’s federal, state, and Canadian advocacy efforts, as well as its industry affairs initiatives. With nearly 30 years of experience in financial services and fintech policy, Talbott has been named a top lobbyist by The Hill for 14 consecutive years and was featured in the Oscar-winning documentary Inside Job. He frequently testifies before Congress and international bodies on issues related to digital payments and financial innovation.
3. [Andrew Morris](https://www.nafcu.org/andrew-morris) serves as Director of Innovation and Technology at America’s Credit Unions, the national trade association representing the credit union movement. In this role, he leads policy efforts on fintech, data privacy, cybersecurity, and emerging technology. He has testified before Congress on the importance of federal privacy standards and is actively engaged in the national dialogue on open banking and the CFPB’s implementation of Section 1033 of the Dodd-Frank Act.
4. [Rebecca Kuehn](https://www.hudsoncook.com/attorney/rebecca-kuehn/) is a partner at Hudson Cook, LLP, where she chairs the firm’s Credit Reporting, Privacy, and Data Security Practice Group. Based in Washington, D.C., she advises clients on compliance with federal consumer protection laws, including the Fair Credit Reporting Act and the Gramm-Leach-Bliley Act. A former Assistant Director at the FTC’s Division of Privacy and Identity Protection, Kuehn represents clients in investigations and regulatory matters before the FTC, CFPB, and state attorneys general.
5. [Jennifer Huddleston](https://www.cato.org/people/jennifer-huddleston) is a Senior Fellow in Technology Policy at the Cato Institute. Her research explores the intersection of emerging technologies and law, focusing on issues such as antitrust, content moderation, data privacy, and the regulatory landscape for innovation. In addition to her scholarly work, she is an adjunct professor at the Antonin Scalia Law School at George Mason University and frequently contributes commentary to academic journals and national media.
6. [Zoe Strickland](https://fpf.org/person/zoe-strickland/) is a Senior Fellow at the Future of Privacy Forum, where she brings more than two decades of leadership in global privacy and data governance. She has served as Chief Privacy Officer for major organizations including Cigna, Walmart, and the U.S. Postal Service. Her expertise spans sectors such as healthcare, retail, banking, and government, and she plays an active role in shaping public policy on consumer data, compliance, and open finance.
7. **Legislation Noticed**
8. [H.R. \_\_\_\_,](http://docs.house.gov/meetings/BA/BA20/20250605/118324/BILLS-119pih-Treasurytoestablishamentor-protgprogram.pdf) the Advancing the Mentor Protege Program for Small Financial Institutions Act
9. [H.R. \_\_\_\_,](http://docs.house.gov/meetings/BA/BA20/20250605/118324/BILLS-119pih-appropriateFederalbankingregulatorstoissuereports.pdf) the Systemic Risk Authority Transparency Act
10. **Context and Background**

Congress has enacted a variety of Federal laws designed to promote data privacy through various protections relating to individuals’ personal information, including provisions relating to the safeguarding, use, and sharing of such personal data.[[1]](#footnote-1) However, these Federal protections are not comprehensive and primarily regulate certain industries and subcategories of data. These laws differ based on their scope, which agencies enforce them, and their associated penalties.[[2]](#footnote-2) In the financial sector, relevant laws include Gramm-Leach-Bliley Act (GLBA) and the Fair Credit Reporting Act (FCRA). Another relevant law is the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank),[[3]](#footnote-3) which established the Consumer Financial Protection Bureau (CFPB) to administer GLBA, FCRA, and other consumer financial protection laws.[[4]](#footnote-4) Dodd-Frank also prohibited unfair, deceptive, or abusive acts or practices (UDAAP) in the consumer financial marketplace, and included other provisions to empower consumers to have more control over their own data, including Section 1033 to promote open banking and make it easier for consumers to switch financial providers as well as utilize their own data across several platforms.[[5]](#footnote-5)

Data privacy is an increasingly important issue given how the economy has evolved into a data-driven digital economy.[[6]](#footnote-6) Related, minimizing the use and sharing of data could help limit the damage that arise from cyberattacks, which have increased and become more elaborate. For example, in 2017, Equifax had one of the largest data breaches that exposed the personal information of approximately 147 million Americans.[[7]](#footnote-7) Analysis has shown the financial sector is one of the top ones to be targeted for cyberattacks, an issue the Financial Stability Oversight Council (FSOC) has routinely highlighted in their annual reports to Congress to be a perennial financial stability risk.[[8]](#footnote-8)

During the Biden Administration, the CFPB worked on several fronts to promote data privacy, including by finalizing a rule to implement Section 1033 that garnered praise from a variety of stakeholders, including former Chair Patrick McHenry (R-NC). The CFPB issued a report on how states could strengthen their data privacy frameworks, and it also proposed a FCRA rule to improve oversight of data brokers. In contrast, the Trump Administration and Congressional Republicans have prioritized efforts to undermine the CFPB, including by attempting to slash agency funding by 70%, fire 90% of the staff, and stop the routine supervision of large banks and big tech firms for consumer compliance given that they are subject to consumer financial protection laws, including the data privacy provisions mentioned above.

Furthermore, young and inexperienced employees tied to the Department of Government Efficiency (DOGE) were hastily granted sweeping access to a variety of sensitive government databases, including data held by the CFPB relating to confidential information about consumers and financial institutions, with apparently few if any restrictions and little to no training.[[9]](#footnote-9) Moreover, instead of addressing certain concerns with CFPB’s section 1033 open banking rule, Trump’s CFPB recently indicated that they plan to vacate the rule and start over from scratch, which would significantly delay the rule’s implementation despite being enacted into law 15 years ago. Below is more background on these issues.

1. ***Gramm-Leach-Bliley Act (GLBA) and Fair Credit Reporting Act (FCRA)***

Two major laws that govern data privacy are the Gramm-Leach-Bliley Act (GLBA) and Fair Credit Reporting Act (FCRA). CFPB’s section 1033 rulemaking is described further below. GLBA was enacted into law in 1999 and Title V of governs data privacy standards for financial institutions.[[10]](#footnote-10) These obligations focus on protecting nonpublic personal information (NPI), and generally relate to providing privacy notices to consumers, sharing NPI with third parties, and securing NPI from unauthorized access. Specifically, unless an exception applies, GLBA and its implementing regulations prohibit financial institutions from sharing NPI with non-affiliated third parties unless they first provide the consumers with notice and an opportunity to opt-out. Furthermore, financial firms are prohibited from sharing certain information, like account numbers, to third parties for use in direct marketing. Financial institutions must provide initial and annual notices to customers describing their privacy policies and practices. These notices include, among other things, the categories of NPI collected and disclosed, the categories of third parties with which the financial institution shares NPI, and policies and practices with respect to protecting the confidentiality and security of NPI. GLBA and its implementing regulations also require financial firms to maintain administrative, technical, and physical safeguards to protect their customers’ NPI, and to protect against unauthorized access to such information. Financial institutions regulated by federal banking agenciesare further required to implement a program for responding to the unauthorized access of customer NPI.[[11]](#footnote-11)

The CFPB, Federal Trade Commission (FTC), and federal banking agencies share civil enforcement authority for GLBA's privacy provisions. Under the data security provisions, federal banking regulators have exclusive enforcement authority for depository institutions, and the FTC has exclusive enforcement authority for all non-depository institutions. GLBA does not specify any civil remedies for violations of the Act, but agencies can seek remedies based on the authorities provided in their enabling statutes, as discussed below. Unlike some other consumer protection statutes, GLBA lacks a private right of action that would allow affected individuals to sue violators.[[12]](#footnote-12)

1. ***Reform Efforts to Strengthen Data Privacy Protections***

There have been a variety of efforts to strengthen data privacy protections, both in targeted ways and comprehensively in the U.S. and other jurisdictions. In recent years, foreign and state jurisdictions have advanced their own data privacy reforms. For example, the European Union's (EU) adopted the General Data Protection Regulation (GDPR). There have also been a variety of state laws that have been adopted, such as the California Consumer Privacy Act (CCPA).[[13]](#footnote-13) While the state laws arguably strengthened data protections, many of them exempted financial institutions and data that are governed by Federal law, such as GLBA, and the CFPB issued a report last year urging states to consider addressing these gaps in their state-level data privacy frameworks.[[14]](#footnote-14)

On more comprehensive efforts to strengthen data privacy at the Federal level, GLBA has been criticized for becoming outdated and not providing strong enough data privacy protection for consumers. While the House Energy and Commerce Committee considered a bipartisan, comprehensive data privacy bill last Congress to cover most of the U.S. marketplace,[[15]](#footnote-15) former House Financial Services Committee Chair Patrick McHenry (R-NC) prioritized the issue as well to strengthen data privacy in the financial sector by introducing and marking up H.R. 1165, the “Data Privacy Act of 2023,” last Congress. The bill would amend GLBA in several ways to expand privacy disclosures to consumers and allow consumers to request to have their data deleted in certain circumstances. However, the bill maintained GLBA’s current notice and opt-out regime, which has come under criticism by privacy experts as being ineffective. For example, in testimony before the Committee, Raúl Carrillo criticized the current opt-out framework of GLBA, stating “The current disclosures required by the GLBA, which are intended to give consumers the opportunity to opt-out of the sharing of nonpublic personal information with third parties and to outline the company’s data use practices, are so confusing that consumers are unlikely to exercise their rights.”[[16]](#footnote-16)

Moreover, stakeholders have urged Congress to apply similar privacy requirements to financial institutions that other industries must comply with, raising concerns that privacy standards should not be differentiated across industries.[[17]](#footnote-17) The Energy and Commerce Committee has renewed efforts to explore data privacy reforms,[[18]](#footnote-18) so advancing reforms for financial institutions independent from that effort may result in vastly different federal privacy standards, and even more confusion for consumers, based on company type.

1. ***CFPB’s Rule Implementing Section 1033 on Open Banking***

Section 1033 of the Dodd-Frank Act provides consumers with a right of access to their financial information. After an extensive rulemaking process, the CFPB issued a final rule last year implementing Section 1033 that includes online data interface requirements, the types of financial data covered, obligations for third-party financial institutions accessing consumer data, and data privacy safeguards. Former CFPB Director Rohit Chopra said that if consumers can more easily share their financial information in electronic formats, they will find it easier to switch financial institutions, access credit, and use innovative new financial products and services, increasing competition in consumer financial services.[[19]](#footnote-19)

For example, these open banking standards could allow a consumer to more easily share bill pay information with another financial institution to switch to another bank, bank account transaction information with a lender to qualify for a loan, or credit card transaction information with a financial technology provider that analyzes spending behavior to help spend less.[[20]](#footnote-20) The CFPB has estimated that, as of 2022, at least 100 million consumers had authorized a third party to access their account data. The number of individual instances in which third parties accessed or attempted to access consumer financial accounts is estimated to have exceeded 50 billion and may have been as high as 100 billion, figures that vastly exceed other jurisdictions’ open banking systems, and were expected to grow as consumer engagement continues and use cases expand.[[21]](#footnote-21)

Beginning in 2016, the CFPB would conduct an extensive process to gather stakeholder input and develop the rules to implement Section 1033. For example, the CFPB requested stakeholder feedback and information on consumer data sharing between financial institutions, which resulted in a report outlining nine principles, based in part on the feedback in 2017.[[22]](#footnote-22)

Under Trump-appointed former Director Kathy Kraninger’s leadership, the CFPB continued developing the rules by convening a symposium with experts and stakeholders and issuing an Advanced Notice of Proposed Rulemaking (ANPR) in 2020. On July 9, 2021, former President Biden signed Executive Order 14036, “Promoting Competition in the American Economy,” which, among other things, encouraged the CFPB to finalize the Section 1033 rules, which they did in 2024.[[23]](#footnote-23) Below is a full chronology of the rule’s development.

1. **Summary of Opening Statements**

* **Subcommittee Chair Andy Barr (R-KY)** [opens the hearing](https://financialservices.house.gov/news/documentsingle.aspx?DocumentID=409759), emphasizing the importance of data privacy in the financial system and the need to balance innovation with consumer protection. Barr highlights the technological advancements since the Gramm-Leach-Bliley Act (GLBA) was passed, such as mobile banking and peer-to-peer payment platforms. He discusses the rise of open banking and its benefits, but also raises concerns about data privacy, liability, and the applicability of GLBA in a modern context. Barr calls for a uniform national data privacy standard to replace the patchwork of state laws, which he argues creates a complex and costly compliance landscape.
* **Subcommittee Ranking Democrat Bill Foster (D-IL)** thanks the witnesses and provides an overview of the financial privacy framework, including the GLBA, NCRA Act, and Dodd-Frank Act. Foster discusses the recent updates to the financial privacy framework, particularly the CFPB's personal financial data rights rule, which aims to enhance consumer control over their financial data. He expresses concerns about the Trump Administration's actions regarding data privacy, including the potential misuse of sensitive data by companies like Elon Musk's Starlink. Foster emphasizes the need for accountability and transparency in data privacy practices.
* **Full Committee Chair French Hill (R-Ark)** in his opening statement highlighted the technological changes since the Gramm-Leach-Bliley Act was passed in 1999. He noted that back then, most Americans were still using VCRs and dial-up internet, and technology has advanced at an extraordinary pace. Hill emphasized that the amount and sensitivity of personal financial information being collected and shared has increased remarkably. While Hill acknowledged that GLBA has kept pace with many changes, he stressed the need to ensure Americans' privacy is protected while supporting the seamless delivery of financial services. He also mentioned that several Congresses have worked to craft narrowly tailored legislation to modernize financial data regulations, and he looks forward to continuing that work in the current Congress.
* **Full Committee Ranking Member Maxine Waters,** in a brief opening statement, focused on criticizing the Trump administration's handling of consumer data. She accused Trump of allowing Elon Musk and Stone to steal sensitive data from hundreds of millions of Americans, including consumer data, social security numbers, and tax data. Waters also mentioned that Trump had previously shuttered the CFPB and targeted predatory financial practices. She suggested that while there may be bipartisan support to protect America's data, the biggest threat today needs to be addressed first. Her statement was primarily a critique of the previous administration's approach to data privacy and consumer protection.

1. **Summary of Witness Oral Testimony**
2. [Witness Scott Talbott (Executive Vice President, Electronic Transactions Association)](https://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-TalbottS-20250605.pdf) discusses the importance of uniform national privacy standards and the need for technology-neutral and sector-neutral laws. Talbott highlights the challenges posed by state privacy laws, which create inconsistencies and compliance burdens for financial institutions.
3. [Witness Andrew Morris,](http://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-MorrisA-20250605.pdf)(Director of Innovation and Technology, America's Credit Unions (ACU)) emphasizes the importance of comprehensive federal data security and privacy laws, including robust security standards for sensitive personal data. Morris calls for entity-level exemptions for credit unions and other financial institutions that are already GLBA compliant, and for preserving the opt-out framework for data sharing.
4. [Ms. Rebecca Kuehn,](http://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-KuehnR-20250605.pdf) Partner, Hudson Cook, LLP, explains the balance between consumer rights, market innovation, and regulatory oversight under the GLBA. Kuehn discusses the CFPB's Data Broker rule and its potential impact on financial data privacy, emphasizing the need for a careful, fact-based approach to data privacy legislation.[[24]](#footnote-24)
5. [Ms. Jennifer Huddleston](https://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-HuddlestonJ-20250605.pdf), Fellow in Technology Policy, Cato Institute, highlights the importance of existing data privacy laws in the financial sector and the potential conflicts between state and federal privacy laws. Huddleston warns about the risks of private rights of action in data privacy laws, which could deter innovation and increase litigation costs for smaller financial institutions.
6. [Witness Zoë Strickland](https://docs.house.gov/meetings/BA/BA20/20250605/118324/HHRG-119-BA20-Wstate-StricklandZ-20250605.pdf) (Senior Fellow, Future of Privacy Forum) discusses the benefits of open banking and the CFPB's final rule, which aims to empower consumers to control their financial data.[[25]](#footnote-25) Strickland highlights the challenges posed by the current rule, including the need for better enforcement mechanisms and the potential impact of the Trump Administration's actions on data privacy. She emphasizes the importance of addressing the needs of smaller financial institutions and ensuring that open banking principles are applied consistently across the industry Strickland calls for continued collaboration between financial institutions, fintech companies, and regulators to ensure the success of open banking initiatives.
7. **Summary of Witness Questions and Answers**

**Discussions on Data Privacy Legislation**

* Andy Barr (R-KY) asks Scott Talbott about the potential need to modify or replace certain provisions of Section 1033 of Dodd-Frank to codify beneficial aspects of the rule. Talbott supports the idea of modifying the rule to address gaps and ensure that all participants in the financial ecosystem are covered by privacy laws.
* Bill Foster (D-IL) raises concerns about the impact of the Trump Administration's actions on the CFPB's rulemaking and the need for a bipartisan approach to data privacy legislation.
* Zoë Strickland and Rebecca Kuehn discuss the extensive process behind the CFPB's rulemaking and the importance of maintaining strong privacy protections for consumers.

**Challenges of State Privacy Laws and the Need for Federal Preemption**

* Roger Williams (R-TX) and David Scott (D-GA) discuss the challenges posed by state privacy laws and the need for federal preemption to ensure consistent consumer protection. Scott emphasizes the importance of the CFPB's rule in empowering consumers to control their financial data and the need to protect against potential rollbacks.
* Jennifer Huddleston and Scott Talbott highlight the compliance burdens faced by financial institutions due to the patchwork of state privacy laws and the need for a uniform federal standard.
* Zoë Strickland and Rebecca Kuehn discuss the importance of modern privacy rules for data recipients and the need for clear, consistent enforcement mechanisms.

**Impact of Data Privacy Legislation on Small Financial Institutions**

* Brad Sherman (D-CA) and Juan Vargas (D-CA) discuss the impact of data privacy legislation on small financial institutions, particularly in rural areas.
* Sherman emphasizes the need for data privacy legislation to protect consumers from misuse of their data and the importance of the CFPB's role in enforcement.
* Vargas highlighted the bipartisan support for the CFPB's rule and the need to maintain strong privacy protections for consumers.
* Scott Talbott and Andrew Morris discuss the importance of entity-level exemptions and the preservation of the opt-out framework for small financial institutions.

**Calls for Action**

* Andy Barr (R-KY) and Bill Foster (D-IL) emphasize the need for a balanced approach to data privacy legislation that protects consumers while promoting innovation and competition.
* Scott Talbott and Zoë Strickland call for continued collaboration between financial institutions, fintech companies, and regulators to ensure the success of open banking initiatives.
* Jennifer Huddleston and Rebecca Kuehn discuss the importance of federal preemption and the need for clear, consistent enforcement mechanisms to protect consumers.
* The witnesses and members of the Subcommittee agree on the need for a comprehensive, bipartisan approach to data privacy legislation that addresses the challenges posed by the current regulatory landscape.

**Open Banking and Data Sharing**

* Rep. Joyce Beatty questions the impact of section 1033 on consumers' ability to share financial data with third parties.
* Rep. Sean Casten emphasizes the benefits of open banking, allowing consumers to direct data sharing with vetted third parties. He highlights the unintended consequences of not enabling data sharing, such as third parties operating without regulatory oversight, and mentions the importance of restrictions on third parties' use of data, as outlined in the template free rule.

**Mentor-Protege Program for Small Financial Institutions**

* Rep. Joy Beatty (D- introduces a [bill](https://bankingjournal.aba.com/2025/06/house-bill-would-codify-bank-protege-program/) to codify the Treasury's financial agent mentor-protege program. The bill aims to encourage partnerships between large and small financial institutions, including credit unions.
* Andrew Morris, Director of Innovation and Technology at America's Credit Unions, discusses how the bill aligns with the cooperative nature of credit unions. He emphasizes the importance of mentorship in helping smaller institutions comply with complex data privacy regulations.

**Impact of Abandoning Section 1033**

1. Strickland explains that open banking would continue but without the same framework for data sharing and third-party vetting.
2. The discussion includes the phase-out of screen scraping and the benefits of compliant data sharing APIs.
3. Rep. John Rose (R-TX) supports the prohibition of screen scraping for consumer benefits and website security.

**State Privacy Laws and Dual Compliance**

1. Rep. Young Kim (R-CA) discusses the challenges of dual compliance with state and federal privacy laws in California.
2. Ms. Josh Talbot explains the complexity and costs of complying with conflicting state privacy laws.
3. The discussion includes the need for separate teams to handle compliance at the federal and state levels.
4. The opt-out versus opt-in debate is raised, with Ms. Josh Talbot explaining the intentional decision in the Gramm-Leach-Bliley Act.

**Annual Privacy Notices and Consumer Understanding**

* Rep. Young Kim (R-CA) asks about the annual privacy notice consumers receive and the research conducted to make it more consumer-friendly.
* Josh Talbot explains the current form of the privacy notice and the recent innovations to make it more understandable.
* The discussion includes the outdated nature of the annual privacy notice model form, and the importance of clear disclosure to consumers about data sharing is emphasized.

**Data Portability and Low-Income Families**

* Rep. Cleo Fields D-LA) asks about the impact of data portability restrictions on low-income families.
* Rep. Sean Casten (D-IL) explains the goal of section 1033 to encourage responsible data sharing with third parties.
* The discussion includes the need for data providers to avoid unnecessary hurdles to data portability requests.
* Jennifer Huddleston highlights the unfinished business of including all parts of consumers' financial data in data portability.

**Legislation and Privacy Protections**

* Rep. Al Green (D-TX) asks for opinions on a specific piece of legislation related to privacy protections. The witnesses express the need to take a closer look at the legislation and provide their opinions.
* The discussion includes the importance of updating GLBA to reflect technological advancements and the impact of the Patriot Act. The need for a comprehensive privacy law that recognizes individuals' property rights in their data is raised.

**Conflicting State Privacy Laws**

* Rep. Mike Flood discusses the challenges of conflicting state privacy laws, using the example of California's private right of action.
* The discussion includes the impact of state-specific privacy laws on financial transactions and the need for a federal financial data privacy law.
* Witness Huddleston provides examples of significant litigation resulting from conflicting state privacy laws.
* The importance of a national standard for data privacy is emphasized.

**Final Remarks and Discussion of Legislative Action**

* Rep. Mike Flood emphasizes the need for a federal financial data privacy law to ensure consumer data protection while allowing for data sharing.
* The discussion includes the importance of a national standard for data privacy to avoid the complexity of conflicting state laws.
* The witnesses are asked to respond to additional written questions from committee members within five legislative days.

**HFSC Republicans** [**On the importance of modernizing financial data privacy laws:**](https://financialservices.house.gov/news/documentsingle.aspx?DocumentID=409761)**[[26]](#footnote-26)**

* "Given the magnitude of today’s technological complexity and the increase in data availability, we must ensure Americans’ privacy is protected while continuing to support the seamless delivery of the financial services they rely on. ...Congress has a major role to play in crafting strong, modernized guardrails that keep pace with innovation, preserve consumer trust, and future proof our laws," **said Chairman Hill (AR-02).**
* "Since GLBA’s passage, technological advances have revolutionized how Americans access financial services. We’ve seen the rise of mobile banking apps, peer-to-peer payment platforms, and a shift away from cash toward digital transactions. ...As we consider modernization, we must proceed cautiously. Changes that are too restrictive risk choking off access to financial options on which consumers rely. Conversely, overly lax rules could leave Americans vulnerable to misuse of their sensitive data. Striking the right balance is critical," **said Subcommittee Chairman Andy Barr.**
* "Data sharing is at the center of financial interactions and transactions. In many cases, the consumer's data has to be shared between many parties in order to even fulfill a transaction. ...We live in a world today that is far more complex than it was 10, 20, 30 years ago, and we have relationships between financial institutions and third parties today that didn't exist when Gramm-Leach-Bliley was written," **said Rep. Mike Flood (NE-01).**
* "One of the most promising developments in financial services over the past decade has been the growing collaboration between banks and fintech companies. These partnerships allow smaller institutions to offer cutting edge digital tools... to compete with the largest national banks, and much of this innovation relies on responsible data sharing arrangements where consumers can securely grant access to their financial information and improve their banking services," **said Rep. Roger Williams (TX-25).**

1. **Appendix.** 
   1. ***Chart. CFPB’s Extensive Development of Section 1033 Rules***

|  |  |
| --- | --- |
| **CFPB’s Extensive Development of Section 1033 Rules** | |
| ***Date*** | ***Milestone*** |
| Jul. 21, 2010 | Congress enacts Dodd-Frank into law, including Section 1033 and creating the CFPB |
| Oct. 22, 2016 | CFPB released a [Request for Information](https://www.govinfo.gov/content/pkg/FR-2016-11-22/pdf/2016-28086.pdf) that was published in the Federal Register on November 22, 2016. |
| Oct. 18, 2017 | CFPB published a set of [Consumer Protection Principles for Consumer-Authorized Financial Data Sharing and Aggregation](https://files.consumerfinance.gov/f/documents/cfpb_consumer-protection-principles_data-aggregation.pdf), and a [summary of stakeholder insights](https://files.consumerfinance.gov/f/documents/cfpb_consumer-protection-principles_data-aggregation_stakeholder-insights.pdf) that informed the Principles. |
| Feb. 26, 2020 | CFPB held a symposium titled “[Consumer Access to Financial Records](https://www.consumerfinance.gov/about-us/events/archive-past-events/cfpb-symposium-consumer-access-financial-records/).” A [summary of those proceedings](https://www.consumerfinance.gov/data-research/research-reports/bureau-symposium-consumer-access-financial-records-summary-proceedings/) was released on July 24, 2020. |
| Oct. 22, 2020 | CFPB released an [Advance Notice of Proposed Rulemaking](https://www.federalregister.gov/documents/2020/11/06/2020-23723/consumer-access-to-financial-records) that was published in the Federal Register on November 6, 2020. |
| Oct. 27, 2022 | CFPB released an [Outline of Proposals and Alternatives Under Consideration for the Personal Financial Data Rights Rulemaking](https://files.consumerfinance.gov/f/documents/cfpb_data-rights-rulemaking-1033-SBREFA_outline_2022-10.pdf) , along with a [High-Level Summary and Discussion Guide of Outline of Proposals and Alternatives Under Consideration for SBREFA: Required Rulemaking on Personal Financial Data Rights](https://files.consumerfinance.gov/f/documents/cfpb_data-rights-rulemaking-1033-SBREFA-high-level-summary-discussion-guide_2022-10.pdf). Learn more in the [press release](https://www.consumerfinance.gov/about-us/newsroom/cfpb-kicks-off-personal-financial-data-rights-rulemaking/). |
| Jan. 19 & 25, 2023 | CFPB issued two sets of market monitoring orders to collect information related to personal financial data rights. The [first set of orders went to a group of “data aggregators;”](https://files.consumerfinance.gov/f/documents/cfpb_generic-1022-order-data-aggregator_2023-01.pdf) [the second set of orders went to a group of larger “data providers.”](https://files.consumerfinance.gov/f/documents/cfpb_generic-1022-order-data-provider_2023-01.pdf) |
| Apr. 3, 2023 | CFPB released the [Final Report of the Small Business Review Panel on the CFPB’s Proposals and Alternatives Under Consideration for the Required Rulemaking on Personal Financial Data Rights](https://files.consumerfinance.gov/f/documents/cfpb_1033-data-rights-rule-sbrefa-panel-report_2023-03.pdf). |
| Oct. 19, 2023 | CFPB released the [Notice of Proposed Rulemaking for the Required Rulemaking on Personal Financial Data Rights](https://files.consumerfinance.gov/f/documents/cfpb-1033-nprm-fr-notice_2023-10.pdf) that was published in the Federal Register on October 31, 2023. |
| June 5, 2024 | CFPB released a Final Rule titled [Required Rulemaking on Personal Financial Data Rights; Industry Standard-Setting](https://www.consumerfinance.gov/rules-policy/final-rules/required-rulemaking-on-personal-financial-data-rights-industry-standard-setting/). |
| Sept. 24, 2024 | CFPB released the first [standard setter recognition application for public comment](https://www.consumerfinance.gov/personal-financial-data-rights/applications-for-open-banking-standard-setter-recognition/). |
| Oct. 22, 2024 | CFPB released a [Final Rule for the Required Rulemaking on Personal Financial Data Rights](https://www.consumerfinance.gov/rules-policy/final-rules/required-rulemaking-on-personal-financial-data-rights/). See [press release](https://www.consumerfinance.gov/about-us/newsroom/cfpb-finalizes-personal-financial-data-rights-rule-to-boost-competition-protect-privacy-and-give-families-more-choice-in-financial-services/). |
| Jan. 8, 2025 | CFPB [selects Financial Data Exchange (FDX)](https://www.consumerfinance.gov/about-us/newsroom/cfpb-approves-application-from-financial-data-exchange-to-issue-standards-for-open-banking/) as a standard setting body to help implement the rule. |

**Source**: CFPB, [*Required Rulemaking on Personal Financial Data Rights*](https://www.consumerfinance.gov/personal-financial-data-rights/) (accessed Jun. 2, 2025).

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1. **This section of our Report draws heavily from the 6/4 Democratic Staff Memo for the hearing prepared by the Financial Institutions team on the HFSC Dem Staff. We acknowledge the nice work Glenn Sears and his colleagues.** [↑](#footnote-ref-1)
2. Congressional Research Service (CRS), [*Data Protection and Privacy Law: An Introduction*](https://www.congress.gov/crs-product/IF11207)(Oct. 12, 2022). [↑](#footnote-ref-2)
3. CFPA is Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). [↑](#footnote-ref-3)
4. CRS, [*Data Protection and Privacy Law: An Introduction*](https://www.congress.gov/crs-product/IF11207)(10/12/22); CRS, [*Data Protection Law: An Overview*](https://www.congress.gov/crs-product/R45631) (Mar. 25, 2019). [↑](#footnote-ref-4)
5. *Id*. *See also*, CFPB, [*CFPB Finalizes Personal Financial Data Rights Rule to Boost Competition, Protect Privacy, and Give Families More Choice in Financial Services*](https://www.consumerfinance.gov/about-us/newsroom/cfpb-finalizes-personal-financial-data-rights-rule-to-boost-competition-protect-privacy-and-give-families-more-choice-in-financial-services/) (Oct. 22, 2024). [↑](#footnote-ref-5)
6. OECD, [*https://www.oecd.org/en/topics/policy-issues/privacy-and-data-protection.html*](https://www.oecd.org/en/topics/policy-issues/privacy-and-data-protection.html) (accessed Jun. 2, 2025). [↑](#footnote-ref-6)
7. FSC, [*Committee Democrats to Hold Hearing on Equifax and Credit Reporting Failures*](https://democrats-financialservices.house.gov/news/documentsingle.aspx?DocumentID=400865#:~:text=On%20Wednesday%2C%20October%2025%2C%202017,system%20and%20safeguarding%20consumer%20data.) (Oct. 25, 2017). [↑](#footnote-ref-7)
8. FSOC, [*FSOC Releases 2024 Annual Report*](https://home.treasury.gov/news/press-releases/jy2738) (Dec. 6, 2024); also see FSOC, [*Annual Reports*](https://home.treasury.gov/policy-issues/financial-markets-financial-institutions-and-fiscal-service/fsoc/studies-and-reports/annual-reports) (accessed Jun. 2, 2025). [↑](#footnote-ref-8)
9. Caroline Kraczon, [*Trump Administration’s Attacks on the CFPB Threaten Privacy, Data Security, and the Stability of the Financial Industry*](https://epic.org/trump-administrations-attacks-on-the-cfpb-threaten-privacy-data-security-and-the-stability-of-the-financial-industry/), Epic (Mar. 3, 2025); also see Center for Democracy & Technology and The Leadership Conference’s Center for Civil Rights and Technology, [*DOGE and Government Data Privacy*](https://civilrights.org/2025/03/20/doge-government-data-privacy/) (Mar. 20, 2025) [↑](#footnote-ref-9)
10. CRS, [*Introduction to Financial Services: Financial Cybersecurity*](https://crsreports.congress.gov/product/pdf/IF/IF11717) (Jan. 5, 2023); CRS, [*Data Protection and Privacy Law: An Introduction*](https://www.congress.gov/crs-product/IF11207)(Oct. 12, 2022); and CRS, [*Data Protection Law: An Overview*](https://www.congress.gov/crs-product/R45631) (Mar. 25, 2019) [↑](#footnote-ref-10)
11. *Id.* [↑](#footnote-ref-11)
12. *Id.* [↑](#footnote-ref-12)
13. CRS, [*Data Protection and Privacy Law: An Introduction*](https://www.congress.gov/crs-product/IF11207)(Oct. 12, 2022); *see also*, CRS, [*Data Protection Law: An Overview*](https://www.congress.gov/crs-product/R45631) (Mar. 25, 2019). [↑](#footnote-ref-13)
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16. HFSC, [Testimony of Raúl Carrillo, Esq.](https://www.congress.gov/117/meeting/house/114061/witnesses/HHRG-117-BA00-Wstate-CarrilloR-20210921.pdf) *Preserving the Right of Consumers to Access Personal Financial Data*,117th Cong. (Sept. 21, 2021). [↑](#footnote-ref-16)
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18. *See, e.g.*, E&C, [*Chairman Guthrie and Vice Chairman Joyce Announce Creation of Privacy Working Group*](https://energycommerce.house.gov/posts/chairman-guthrie-and-vice-chairman-joyce-announce-creation-of-privacy-working-group) (Feb. 12, 2025); and E&C, [*https://energycommerce.house.gov/posts/chairman-guthrie-and-vice-chairman-joyce-issue-request-for-information-to-explore-data-privacy-and-security-framework*](https://energycommerce.house.gov/posts/chairman-guthrie-and-vice-chairman-joyce-issue-request-for-information-to-explore-data-privacy-and-security-framework) (Feb. 21, 2025). [↑](#footnote-ref-18)
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21. CFPB, [*CFPB Finalizes Personal Financial Data Rights Rule to Boost Competition, Protect Privacy, and Give Families More Choice in Financial Services*](https://www.consumerfinance.gov/about-us/newsroom/cfpb-finalizes-personal-financial-data-rights-rule-to-boost-competition-protect-privacy-and-give-families-more-choice-in-financial-services/) (Oct. 22, 2024). [↑](#footnote-ref-21)
22. *See* CFPB, [Consumer-authorized financial data sharing and aggregation,](https://files.consumerfinance.gov/f/documents/cfpb_consumer-protection-principles_data-aggregation_stakeholder-insights.pdf) (Oct. 18, 2017); See also CFPB, [Consumer-](https://www.consumerfinance.gov/data-research/research-reports/consumer-protection-principles-consumer-authorized-financial-data-sharing-and-aggregation/) [Authorized Financial Data Sharing and Aggregation: Stakeholder Insights That Inform the Consumer Protection Principles](https://www.consumerfinance.gov/data-research/research-reports/consumer-protection-principles-consumer-authorized-financial-data-sharing-and-aggregation/) (Oct. 18, 2017). [↑](#footnote-ref-22)
23. CFPB, [*CFPB Finalizes Personal Financial Data Rights Rule to Boost Competition, Protect Privacy, and Give Families More Choice in Financial Services*](https://www.consumerfinance.gov/about-us/newsroom/cfpb-finalizes-personal-financial-data-rights-rule-to-boost-competition-protect-privacy-and-give-families-more-choice-in-financial-services/) (Oct. 22, 2024). [↑](#footnote-ref-23)
24. Rebecca Kuehn and Jennifer Huddleston focus on data privacy and enforcement [↑](#footnote-ref-24)
25. Zoë Strickland focuses specifically on open banking and CFPB rulemaking [↑](#footnote-ref-25)
26. This information comes from a [June 6, 2025 HFSC Majority Press Release](https://financialservices.house.gov/news/documentsingle.aspx?DocumentID=409761). [↑](#footnote-ref-26)