

United States Senate
Washington, DC 20510

March 5, 2025

Re: Oppose Congressional Review Act resolution to repeal CFPB Big Tech payment app oversight rule that protects personal data, reduces fraud, and protects users' accounts

Dear Senator:

The undersigned community, civil rights, consumer, civic and other organizations urge you to oppose the Congressional Review Act (CRA) resolution S.J. Res 28 — A joint resolution 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” to repeal the Consumer Financial Protection Bureau’s (CFPB) finalized payment app user protection rule, commonly called the “larger participant rule.” The rule merely provides oversight so that big tech companies comply with the law to make sure that the millions of users of digital payment apps and wallets are safe from fraud, safeguard people’s sensitive personal information, and do not engage in unfair, deceptive or abusive acts or practices such a widespread, prolonged freezes or deactivation of accounts that contain funds needed for food and other necessities. The CRA resolution would allow these Big Tech companies to evade the statutory protections that people deserve to be free from fraud, abuse, deception, or personal data harvesting.

The rule applies to the biggest non-bank companies such as PayPal, Venmo, Cash App, Apple Wallet, and Elon Musk’s X-Money, once its activities surpass the threshold to qualify as a larger participant. The rule does not adopt any new requirements; it simply requires that these large payment companies get the same oversight banks have so that they comply with consumer financial protection laws and avoid risky practices. This creates regulatory consistency across all firms.

The rule closes a loophole that permits non-bank payment app companies to operate without supervisory reviews, unlike bank app funds transfer services. Its provisions allow the CFPB to monitor payment app companies so that transactions are safe and that people receive remedies for errors and unauthorized charges, whether they are completed by a digital payment app or a bank. If the CRA resolution overturned the rule, it would create a blind spot for this important industry.

The millions of people who use digital payment apps are vulnerable to fraud, unauthorized transactions, commodification of their sensitive personal information, and having their accounts deactivated or frozen, often without notice or explanation. Servicemembers, especially those overseas, are more likely to use payment apps and have been particularly harmed, based on skyrocketing complaints to the CFPB.

The CFPB's payment app user protection rule requires the companies to follow federal laws that protect customers:

- **Enhances privacy and reduces surveillance:** The rule requires payment apps to follow federal law, allow users to opt-out of excessive data collection and sharing data with third parties, and prohibits the apps from misrepresenting their data protection policies.
- **Confronts errors and fraud:** The rule reinforces consumers' right to dispute transactions that are fraudulent or erroneous, requires that the platforms investigate these customer complaints, and prohibits payment apps from advertising their services as safe when they ignore signs of fraud or allow scammers to use the apps to steal from customers.
- **Addresses deactivation and cancellation:** The rule provides oversight to address the serious harm people face when their accounts are frozen or deactivated and they cannot access their own money to pay for the necessities of daily life.

The Big Tech companies want to be exempt from oversight. Elon Musk's DOGE attack on the CFPB — and on the payment app user protection rule in particular — will benefit Musk's personal financial interests as his social media platform X has launched its own payment app X-Money that the platform plans to expand to a one-stop everything financial app. Voting for this Congressional Review Act resolution prevents Musk's X Money from receiving the same oversight banks get to make sure that they comply with the law. We urge you to vote no on S.J. Res 28.

Sincerely,

20/20 Vision

Accountable.US

Action Center on Race and the Economy

Alaska Public Interest Research Group

American Economic Liberties Project

American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)

American Federation of Teachers

Americans for Financial Reform

Americans for Tax Fairness

Anderson Solutions, PLLC

Arkansas Community Organizations

Blue Future

Brazos Valley Financial Fitness Center

CASA of Oregon

CASH Campaign of Maryland

Center for Economic Integrity

Center for Economic Justice

Center for Fair Housing, Inc

Center for LGBTQ Economic Advancement & Research (CLEAR)

Centre for Homeownership & Economic Development

Charlotte Center for Legal Advocacy

Church Women United in New York State

Citizen Action/Illinois

Citizens Action Coalition of Indiana

Coalition on Human Needs

Coastal Enterprises, Inc.

Columbia Consumer Education Council

Committee for Better Banks

Communications Workers of America (CWA)

Community Economic Development Assoc. of MI (CEDAM)

Community Legal Services

Community Service Society of New York

Consumer Action

Consumer Federation of America

Consumer Reports
Consumers for Auto Reliability and Safety
Contra Costa Senior Legal Services
Demand Progress
Economic Empowerment Center DBA Lending
Link
Electronic Frontier Foundation
Electronic Privacy Information Center (EPIC)
Faith in Action Network
Fifth Avenue Committee
Fight for the Future
Florida Alliance for Retired Americans (FLARA)
Florida Silver Haired Legislature Inc
Genesee Co-op Federal Credit Union
Georgia Watch
Government Information Watch
Hawaiian Community Assets
HEAL (Health, Environment, Agriculture, Labor)
Food Alliance
Housing and Economic Rights Advocates
Illinois People's Action
Lawyers for Good Government
Lutherans Engaging in Advocacy
Maine Center for Economic Policy
Maine People's Alliance
Massachusetts Action for Justice
Media Alliance
Michigan Poverty Law Program
Mid-Pinellas Coalition of Neighborhood Assn's.
Minnesota Second Chance Coalition
Mountain State Justice, Inc.
National Association of Consumer Advocates
National Center for Law and Economic Justice
National Community Reinvestment Coalition
(NCRC)
National Consumer Law Center (on behalf of its
low-income clients)
National Consumers League
National Disability Institute
National Women's Law Center
Neighborhood Allies
New Economy Project
New Jersey Appleseed Public Interest Law Center
New Jersey Citizen Action
New Jersey Tenants Organization
New Mexico Fair Lending Coalition
New Yorkers for Responsible Lending
Northern NJ NOW
NYS Community Equity Agenda
Oakland Privacy
Open Markets Institute
Oregon Consumer Justice
Oregon Consumer League
Partners for Dignity & Rights
People Power United
Privacy Rights Clearinghouse
Private Equity Stakeholder Project
Prosperity Works
Public Advocacy for Kids (PAK)
Public Citizen
Public Justice
RAISE Texas
Ray Kim Law, APC
REBOUND, Inc.
Rise Economy
Rockland Housing Action Coalition, Inc.
South Carolina Appleseed Legal Justice Center
South Dallas Fair Park ICDC
Take on Wall Street
Teske Law, PLLC
Texas Appleseed
The Sturdevant Law firm
The Tech Oversight Project
TURN-The Utility Reform Network
Tzedek DC
United for Respect
Virginia Citizens Consumer Council
Virginia Organizing
VOICES for Alabama's Children
Westchester Residential Opportunities
Wildfire: Igniting Community Action to End
Poverty in AZ
William E. Morris Institute for Justice
Working Credit, a nonprofit