

118TH CONGRESS
2D SESSION

S. 4570

To require the Board of Governors of the Federal Reserve System to study the impacts of the proposed rule on debit card interchange fees and routing, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 18, 2024

Mr. BUDD (for himself, Mr. HAGERTY, Mr. DAINES, Mr. TILLIS, and Mrs. BRITT) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the Board of Governors of the Federal Reserve System to study the impacts of the proposed rule on debit card interchange fees and routing, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Secure Payments Act
5 of 2024”.

6 **SEC. 2. DEFINITION.**

7 In this Act, the term “Reg II proposed rule” means
8 the notice of proposed rulemaking entitled “Debit Card

1 Interchange Fees and Routing” (88 Fed. Reg. 78100 (No-
2 vember 14, 2023)).

3 **SEC. 3. STUDY AND QUANTITATIVE IMPACT ANALYSIS RE-**
4 **LATED TO INTERCHANGE TRANSACTION FEE**
5 **REQUIREMENTS.**

6 (a) IN GENERAL.—The Board of Governors of the
7 Federal Reserve System shall conduct—

8 (1) a study of—

9 (A) the impacts of the Reg II proposed
10 rule on—

11 (i) consumers, including access to free
12 or low- and no-cost deposit accounts;

13 (ii) the costs to merchants of accept-
14 ing debit cards; and

15 (iii) efforts of financial institutions to
16 mitigate fraud; and

17 (B) the cumulative impacts of all proposed
18 rules of Federal agencies issued between Janu-
19 ary 1, 2023, and the date of enactment of this
20 Act that affect deposit accounts; and

21 (2) a quantitative impact analysis of the Reg II
22 proposed rule to study—

23 (A) the potential impact of the rule on con-
24 sumers, including the affordability of debit
25 products and availability of low- or no-fee bank-

1 ing products serving low- and moderate-income
2 communities; and

3 (B) the impact of the changes made by the
4 rule on small insured depository institutions.

5 (b) REPORT.—The Board of Governors of the Fed-
6 eral Reserve System shall submit to Congress a report
7 that contains all findings and determinations made in car-
8 rying out the study and the quantitative impact analysis
9 required under subsection (a).

10 (c) REQUIREMENT TO CONSIDER RESULTS OF RE-
11 PORT BEFORE FINALIZING REG II PROPOSED RULE.—
12 The Board of Governors of the Federal Reserve System
13 may not finalize the Reg II proposed rule until—

14 (1) the date on which the report required under
15 subsection (b) is issued; and

16 (2) considering the results contained in the re-
17 port required under subsection (b); and

18 (3) taking into account—

19 (A) the effect of the Reg II proposed rule
20 on the capital and earnings of depository insti-
21 tutions; and

22 (B) whether the Board of Governors can
23 determine that interchange fee caps provide net

- 1 benefits to low- and moderate-income and un-
- 2 derserved customers.

