

September 17, 2021

The Honorable James McGovern
Chairman
Rules Committee
House of Representatives
Washington, DC 20515

The Honorable Tom Cole
Ranking Member
Rules Committee
House of Representatives
Washington, DC 20515

Dear Chairman McGovern and Ranking Member Cole:

As the House Committee on Rules meets to debate H.R. 4350 - National Defense Authorization Act for Fiscal Year 2022 (NDAA), I write to you to share the American Financial Services Association's (AFSA) perspectives on several amendments under consideration before the Committee.

***Amendment #389:** Submitted by Representative Linda Sánchez (D-CA), to extend consumer credit protections to active duty armed and uniformed consumers to dispute adverse actions or inaction on their credit report that occurred while they were in a combat zone, aboard a U.S. vessel, or away from their usual duty stations.*

AFSA has supported members of the military and their families by providing affordable financial services and access to responsible credit products, including vehicle financing and other consumer lending needs, for over 100 years. Undoubtedly, AFSA supports the desire of servicemembers, their spouses, and all Americans to build credit histories that provide individuals financial choice and the chance of economic mobility. However, amendment #389 as drafted would restrict servicemembers and their spouses from reaching their full creditworthiness by incorporating unnecessary risk associated with less accurate credit data. Moreover, servicemembers and their spouses would be negatively impacted and forced to borrow at higher costs with less financial flexibility under regulations that alter accurate credit information. Historically, an accurate credit reporting system lowers borrowing costs and facilitates appropriate underwriting safeguards, including the ability to repay standards afforded to all consumers.

AFSA Opposes the Sanchez #389 Amendment

***Amendment #445:** Submitted by Representative Madeleine Dean (D-PA), authorizes every notary to use remote online notarization (RON) and creates national standards and protections on its use.*

This amendment would expand the usage of RON technology nationally and enable the notarization process to be completed with the notary and signer in different physical locations, using two-way audiovisual communication. The immediate nationwide use of RON will create more access to notarization, allow for flexible accommodation, and afford consumers time to review documents.

AFSA Supports the Dean #445 Amendment

Amendment #559: Submitted by Representative Ed Perlmutter (D-CO), adds the bipartisan SAFE Banking Act which allows state-legal cannabis businesses to access the banking system and ends Operation Choke Point.

The amendment would unequivocally prohibit a federal banking agency from terminating a banking relationship with a legal business unless there is a valid reason that is not based solely on reputational risk. No highly regulated business, such as state licensed consumer finance companies, should be unfairly targeted solely based on the political bias of a particular administration.

AFSA Supports the Perlmutter #559 Amendment

Thank you for the opportunity to comment on legislation before the Rules Committee. AFSA hopes to continue to work with the Rules Committee on policies to help ensure servicemembers, their spouses, and all consumers are able to access financial services and credit products to meet their household needs.

Sincerely,



Celia Winslow
Senior Vice President
American Financial Services Association