



June 28, 2021

The Honorable Rosa L. DeLauro
Chair
House Committee on Appropriations
2000 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Kay Granger
Ranking Member
House Committee on Appropriations
2000 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Mike Quigley
Chair
Sub. Financial Services and General Government
House Committee on Appropriations
2000 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Steve Womack
Ranking Member
Sub. Financial Services and General Government
House Committee on Appropriations
2000 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairs DeLauro and Quigley and Ranking Members Granger and Womack:

On behalf of the Consumer Bankers Association (CBA), I write in opposition to the "Postal Non-Banking Financial Services Modernization Pilot Program" included in the fiscal year 2022 Appropriations Act for Financial Services and General Government. CBA is the voice of the retail banking industry whose products and services provide access to credit for millions of consumers and small businesses. Our members operate in all 50 states, serve more than 150 million Americans and collectively hold two-thirds of the country's total depository assets.

CBA strongly opposes allowing the U.S. Post Office to offer consumer banking services. The American financial system is a well-regulated, highly complex marketplace that operates under free market principles. CBA members have the expertise and capacity to serve customers' needs in a way the post office would find difficult. Effectively and safely providing these services requires an institution to have decades of experience in risk management, regulatory compliance, consumer protection, and privacy protection – areas the U.S. Postal Service has little to no knowledge. Additionally, the entrance of a government-subsidized entity into the consumer financial market would not only affect the competitiveness of the nation's thousands of financial institutions currently serving consumers and small businesses but would also expose American taxpayers to financial risk.

A more effective and efficient approach to help expand consumer access to traditional banking services is to enhance the ability of banks to innovate. Every day banks continue to develop and leverage the latest technologies to provide products and services that meet the diverse needs of the U.S. consumer. Improvement in the delivery of safe and innovative products and services has the potential to serve many Americans that are underserved. Advances in innovation of financial services will drive financial access and promote inclusion for those who struggle finding mainstream financial services.

On behalf of CBA's members, I strongly urge you to reject any postal banking proposal to the FY 2022 Financial Services and General Government appropriations bill.



Sincerely,

A handwritten signature in dark ink, appearing to read "Richard Hunt", is written over a light gray, semi-transparent rectangular background.

Richard Hunt
President and CEO
Consumer Bankers Association