



November 4, 2016

The Honorable Scott Tipton
U.S. House of Representatives
218 Cannon House Office Building
Washington, DC 20515

The Honorable Terri Sewell
U.S. House of Representatives
1133 Longworth House Office Building
Washington, DC 20515

The Honorable Randy Hultgren
U.S. House of Representatives
2455 Rayburn House Office Building
Washington, DC 20515

Dear Representatives Tipton, Sewell and Hultgren:

On behalf of the Consumer Bankers Association (CBA), I would like to express our support of H.R. 6287, the Making Online Banking Initiation Legal and Easy Act of 2016 (MOBILE Act), which would simplify consumers' ability to open bank accounts online or on a mobile device from anywhere in the United States. CBA is the voice of the retail banking industry whose products and services provide access to credit for 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.

The Federal Deposit Insurance Corporation (FDIC) recently reported that 7 percent of the U.S. population is unbanked and 19.9 percent is underbanked.¹ The FDIC concluded previously that mobile banking is best positioned to "meet the day-to-day financial services needs of underbanked consumers as well as consumers at risk of account closure," and that mobile banking "has the potential to help the underserved gain access to the banking system and grow their financial capability."² CBA supports these conclusions and believes this common-sense, bipartisan legislation would provide consumers with improved access to safe and regulated financial services products and promote financial inclusiveness for unbanked and underbanked consumers.

Some CBA members have developed applications that allow consumers the ability to verify their identity and open a bank account online or on a mobile device without the inconvenience of visiting a branch. One method allows consumers to "swipe" their driver's license or other state-issued identification card to record their information. Another method requires consumers to take a photo of their identification card and face. Both methods simplify the account opening process and increase the number of financial institutions that consumers can access at their fingertips.

The MOBILE Act brings consistency to the various state laws that limit a bank's ability to implement the needed verification processes that would allow a consumer to swipe or copy a

¹ Federal Deposit Insurance Corporation (FDIC), 2015 FDIC National Survey of Unbanked and Underbanked Households, at 1 (Oct. 2016), available at <https://www.fdic.gov/householdsurvey/2015/2015report.pdf>.

² FDIC, Assessing the Economic Inclusion Potential of Mobile Financial Services (June 30, 2014), available at <https://www.fdic.gov/consumers/community/mobile/Mobile-Financial-Services.pdf>.

state-issued identification card for the purposes of opening an account. This bill will not reduce any financial institutions commitment to comply with federal laws aimed at preventing identity theft, financial fraud, money laundering, and terrorist financing, including the Bank Secrecy Act, its anti-money laundering rules, and Know Your Customer and Customer Identification Programs.

The MOBILE Act provides consumers easier access to the highly regulated banking industry by simplifying their ability to open an account through the process of swiping, scanning or copying their state issued identification card. Thank you for introducing legislation on this important issue.

Sincerely,

A handwritten signature in cursive script that reads "Richard Hunt".

Richard Hunt
President and CEO
Consumer Bankers Association