Main Street
PRIVACY COALITION

March 17, 2026

The Honorable French Hill
Chairman
U.S. House Committee on
Financial Services
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
U.S. House Committee on
Financial Services
Washington, DC 20515

RE: Full Committee Hearing on "Updating America's Financial Privacy Framework for the 21st Century"

Dear Chairman Hill and Ranking Member Waters:

The Main Street Privacy Coalition ("MSPC") has long advocated for national data privacy legislation and appreciates this opportunity to provide our views on the draft financial data privacy legislation being considered in the full committee hearing on March 17, 2026.

The MSPC member associations represent a broad array of companies that line America's Main Streets, from retailers to restaurants, grocery stores to convenience stores, hotels to resorts, and gas stations to a wide range of franchise establishments, which accept credit cards, debit cards and other forms of digital, check and cash payments from customers. MSPC members' companies interact with consumers on a daily basis and can be found in every town, city, and state, providing jobs, supporting our economy, and serving Americans as a vital part of their communities. Collectively, the industry sectors that MSPC trade groups represent directly employ approximately 34 million Americans and constitute one-fifth of the U.S. economy by contributing $4.5 trillion to the U.S. gross domestic product.[1]

Main Street businesses share payment information back-and-forth with businesses in the financial services sector millions of times each day. To make federal data privacy legislation work for both consumers and businesses, Main Street and financial sectors must have equivalent privacy rules that cover the same consumers engaged in the same financial transaction. If the same privacy standards do not apply to each entity, then one business may be statutorily required to take actions it cannot complete because another business that controls that data or process is not subject to the same requirement. This could leave some businesses liable for actions outside their control, while also leaving consumers' data privacy less protected than they expect.

With respect to privacy legislation that the Financial Services Committee considers, we believe it is imperative the Committee ensure that the privacy protections applicable within the financial services industry are also significantly updated from the statutory requirements of the Gramm-Leach-Bliley Act (GLBA), which was enacted in 1999 and has rules that fall below global best practices for financial institutions. Compared with contemporary U.S. privacy laws, such as those that have been enacted in approximately 40% of the U.S. states over the past seven and a half years – laws that apply to a broad range of industry sectors but exempt financial

[1] Information on the MSPC including a full list of its members can be found at https://mainstreetprivacy.com

institutions – GLBA has substandard and insufficient protections for consumers. GLBA is also far below the privacy standards that U.S.-based financial institutions have complied with since 2018 when serving EU customers under the General Data Protection Regulation (GDPR).

This Committee has an opportunity to update the privacy law and regulations applicable to U.S. financial institutions to rectify the counter-intuitive imbalance today across many of the U.S. states that results in Americans having much greater privacy protections when their *non-sensitive* personal information is processed by a Main Street business than when their *sensitive* financial data is collected and processed by their financial institutions, their affiliates, and their service providers. While we would recommend financial institutions be covered in a single, comprehensive federal privacy law applying equivalent privacy standards to all businesses handling the same customer data (e.g., payment card data in the payments system), at a minimum the Committee should amend GLBA to bring its standards forward to what constitutes global best practices for sensitive data (e.g., customer financial information) and require financial institutions to have privacy standards equivalent to other U.S. businesses handling sensitive data.

We would also note that with respect to the discussion draft under consideration at this hearing, the inclusion of commercial businesses in the bill's definition of "financial data aggregator" raises significant concerns. Millions of Main Street businesses accept "nonpublic personal information," such as credit and debit card account numbers, in order to get paid for their goods and services. The current definition risks sweeping all of those businesses into the term "financial data aggregator," subjecting those millions of businesses to regulation under the Gramm Leach Bliley Act, and potentially regulating those businesses outside the jurisdiction of the Energy & Commerce Committee. While we do not think this outcome was the intent of the draft, we urge the Committee to revise this definition prior to advancing the bill to ensure that Main Street businesses are not included within the bill's definition of financial data aggregator.

We are pleased that the Financial Services Committee and the Energy & Commerce Committee are making renewed efforts this Congress to work collaboratively on passing federal privacy legislation to establish uniform national standards for both the financial and commercial sectors of the U.S. economy that are partners in providing efficient payments transactions for consumers. As the process moves forward, we wish to work with both committees to ensure the bills are harmonized in a way that ensures they are consistent and do not cause unwarranted liability in any particular sector for data collection or processing that another sector controls.

We look forward to the opportunity to engage constructively with this Committee to address these issues so that the privacy legislation each committee approves will hold all industry sectors to equivalent standards based upon the sensitivity of the data they collect and process.

Sincerely,

Main Street Privacy Coalition

cc: Members of the Committee on Financial Services