

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 1457  
OFFERED BY MR. TIPTON OF COLORADO**

Strike all after the enacting clause and insert the following:

1 **SECTION 1. MAKING ONLINE BANKING INITIATION LEGAL**  
2 **AND EASY.**

3 (a) DEFINITIONS.—In this section:

4 (1) AFFILIATE.—The term “affiliate” has the  
5 meaning given the term in section 2 of the Bank  
6 Holding Company Act of 1956 (12 U.S.C. 1841).

7 (2) DRIVER’S LICENSE.—The term “driver’s li-  
8 cense” means a license issued by a State to an indi-  
9 vidual that authorizes the individual to operate a  
10 motor vehicle on public streets, roads, or highways.

11 (3) FEDERAL BANK SECRECY LAWS.—The term  
12 “Federal bank secrecy laws” means—

13 (A) section 21 of the Federal Deposit In-  
14 surance Act (12 U.S.C. 1829b);

15 (B) section 123 of Public Law 91–508 (84  
16 Stat. 1116); and

17 (C) subchapter II of chapter 53 of title 31,  
18 United States Code.

1           (4) **FEDERALLY RECOGNIZED INDIAN TRIBE.**—  
2           The term “federally recognized Indian Tribe” has  
3           the meaning given the term by the Secretary of the  
4           Interior under section 104(a) of the Federally Rec-  
5           ognized Indian Tribe List Act of 1994 (25 U.S.C.  
6           5131(a)).

7           (5) **FINANCIAL INSTITUTION.**—The term “fi-  
8           nancial institution” means—

- 9                       (A) an insured depository institution;  
10                      (B) an insured credit union; or  
11                      (C) any affiliate of an insured depository  
12           institution or insured credit union.

13           (6) **FINANCIAL PRODUCT OR SERVICE.**—The  
14           term “financial product or service” has the meaning  
15           given the term in section 1002(15) of the Consumer  
16           Financial Protection Act of 2010 (12 U.S.C.  
17           5481(15)).

18           (7) **INSURED CREDIT UNION.**—The term “in-  
19           sured credit union” has the meaning given the term  
20           in section 101 of the Federal Credit Union Act (12  
21           U.S.C. 1752).

22           (8) **INSURED DEPOSITORY INSTITUTION.**—The  
23           term “insured depository institution” has the mean-  
24           ing given the term in section 3 of the Federal De-  
25           posit Insurance Act (12 U.S.C. 1813).

1           (9) ONLINE SERVICE.—The term “online serv-  
2           ice” means any Internet-based service, such as a  
3           Web site or mobile application.

4           (10) PERSONAL IDENTIFICATION CARD.—The  
5           term “personal identification card” means an identi-  
6           fication document issued by a State, local govern-  
7           ment, or federally recognized Indian Tribe to an in-  
8           dividual solely for the purpose of identification of  
9           that individual.

10          (11) PERSONAL INFORMATION.—The term  
11          “personal information” means the information dis-  
12          played on or electronically encoded on a driver’s li-  
13          cense or personal identification card that is reason-  
14          ably necessary to fulfill the purpose and uses per-  
15          mitted by subsection (b).

16          (12) STATE.—The term “State” means any  
17          State, commonwealth, territory, or possession of the  
18          United States, the District of Columbia, the Com-  
19          monwealth of Puerto Rico, the Commonwealth of the  
20          Northern Mariana Islands, American Samoa, Guam,  
21          or the United States Virgin Islands.

22          (13) SCAN.—The term “scan” means the act of  
23          using a device or software to decipher, in an elec-  
24          tronically readable format, personal information dis-

1       played on or electronically encoded on a driver's li-  
2       cense or personal identification card.

3       (b) USE OF A DRIVER'S LICENSE OR PERSONAL  
4 IDENTIFICATION CARD.—

5           (1) IN GENERAL.—When an individual initiates  
6       a request through an online service to open an ac-  
7       count with a financial institution or obtain a finan-  
8       cial product or service from a financial institution,  
9       the financial institution may record personal infor-  
10      mation from a scan of the driver's license or per-  
11      sonal identification card of the individual, or make  
12      a copy or receive an image of the driver's license or  
13      personal identification card of the individual, and  
14      store or retain such information in any electronic  
15      format for the purposes described in paragraph (2).

16           (2) USES OF INFORMATION.—Except as re-  
17      quired to comply with Federal bank secrecy laws, a  
18      financial institution may only use the information  
19      obtained under paragraph (1)—

20           (A) to verify the authenticity of the driv-  
21      er's license or personal identification card;

22           (B) to verify the identity of the individual;

23           and

24           (C) to comply with a legal requirement to  
25      record, retain, or transmit the personal infor-

1           mation in connection with opening an account  
2           or obtaining a financial product or service.

3           (3) DELETION OF IMAGE.—A financial institu-  
4           tion that makes a copy or receives an image of a  
5           driver’s license or personal identification card of an  
6           individual in accordance with paragraph (1) shall,  
7           after using the image for the purposes described in  
8           paragraph (2), permanently delete, within a reason-  
9           able amount of time—

10                   (A) any image of the driver’s license or  
11                   personal identification card, as applicable; and

12                   (B) any copy of any such image.

13           (c) DISCLOSURE OF PERSONAL INFORMATION.—  
14           Nothing in this section shall be construed to amend, mod-  
15           ify, or otherwise affect any State or Federal laws that gov-  
16           ern a financial institution’s disclosure and security of per-  
17           sonal information that is not publicly available.

18           (d) RELATION TO STATE LAW.—The provisions of  
19           this section shall preempt and supersede any State law  
20           that conflicts with a provision of this section, but only to  
21           the extent of such conflict.

