



To: Members of the House Committee on Financial Services

From: National Taxpayers Union

Date: Mar 4, 2025

Subject: NTU's Views on March 5th Committee Markup

Introduction and Key Taxpayer Considerations

On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, we write to express our views on a critical Congressional Review Act measure slated for consideration before the House Committee on Financial Services. This resolution will nullify the damaging final rule on overdraft services for very large financial institutions, promulgated by the Consumer Financial Protection Bureau. This rule improperly reclassifies overdraft services as credit products under the Truth in Lending Act, and imposes sweeping and unauthorized restrictions on the fees they may charge for offering overdraft services. NTU strongly urges Committee members to support H. J. Res. 59.

Thank you for your consideration. Should you have any questions about the content in this memo, please do not hesitate to reach out to David Timmons at dtimmons@ntu.org.

H. J. Res. 59 - A Joint Resolution Providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Consumer Financial Protection Bureau (CFPB) relating to "Overdraft Lending: Very Large Financial Institutions". - **Support**

This resolution was introduced by Rep. French Hill (R-AR) and would block a rule that would harm Americans in need by significantly reducing the availability of overdraft services, finalized in the waning days of the Biden Administration by the domineering CFPB. [Studies](#) show that this regulation could reduce credit liquidity for vulnerable Americans by 25% - 100%, leading them to worse alternatives like payday loans and pawnshops to meet their emergency financial needs. The banking industry has enhanced their offering of consumer products to help limit costs and

increase service access, from instituting daily limits on the number of overdraft fees to grace periods and overdraft cushions. The CFPB chose to ignore the industry's efforts to help Americans in need, including the majority of NSF fees paid by Americans, and instead forced this harmful rule on the industry that would hurt the very community it is meant to help. Consumer [surveys](#) show that users of overdraft services mainly use them on important and necessary day-to-day purchases, with heavier users reporting that they lack credit alternatives. Conversely, consumers that viewed overdraft products negatively report that they have not actually used these products.

This rule will force all banks to offer overdraft products at government-imposed prices, hindering innovation, limiting competition, and hampering the industry's availability to provide these essential products in the future. When reviewing this rule proposal, the CFPB failed to meet statutory cost-benefit analysis requirements, relying on data that overlooked credit invisible consumers who lack traditional access to bank-offered credit products and would be completely de-banked by this rulemaking.