

Press Coverage | April 21, 2025

Overdraft Fees and Payment App Rule Rollbacks Head to Trump's Desk

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Virginia Bell Flynn

Virginia Bell Flynn, a partner in Troutman Pepper Locke's Consumer Financial Services Practice Group, was quoted in the *AccountsRecovery.net Compliance Digest* article, "[Overdraft Fees and Payment App Rule Rollbacks Head to Trump's Desk](#)."

The House of Representatives voted Wednesday to overturn two significant rules finalized by the Consumer Financial Protection Bureau during the final days of the Biden administration. [More details here](#).

WHAT THIS MEANS, FROM VIRGINIA BELL FLYNN OF TROUTMAN PEPPER LOCKE: On April 9, the House of Representatives passed two Congressional Review Act (CRA) joint resolutions aimed at nullifying certain Consumer Financial Protection Bureau (CFPB) rules finalized in the final days of the Biden-Harris Administration. The two final rules targeted (1) a cap on overdraft fees and (2) oversight over digital payment apps.

For overdraft fees, the CFPB proposed a rule aimed at financial institutions with over \$10 billion in assets. The rule would cap overdraft fees at \$5 unless the bank could demonstrate higher costs. The CFPB estimated that the rule would save consumers \$5 billion by cutting the average \$35 overdraft fee to \$5. In total, 22 attorneys general and the District of Columbia opposed overturning the rule because it would prioritize bank profits over consumer protection.

For oversight of digital payment apps, the CFPB proposed a rule which would have subjected companies processing more than \$50 million transactions annually to agency supervision. The rule would have affected companies such as Venmo, Cash App, Google Pay, and Apple Pay. Proponents of the rule warned that eliminating oversight would leave consumers open to fraud and privacy risks.

The passage of these two CRA resolutions to overturn the CFPB final rules highlights the continuing efforts of the current Administration to roll back regulations enacted in the final days of the Biden-Harris Administration. The CRA process allows Congress to reject recent federal regulations within 60 legislative days by a simple majority vote in both chambers. If signed by the President, these final rules would be rescinded, and the CFPB would be prohibited from issuing substantially similar rules without explicit legislative authorization.

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