

115TH CONGRESS
1ST SESSION

H. R. 1457

To establish requirements for use of a driver's license or personal identification card by certain financial institutions for opening an account or obtaining a financial product or service, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2017

Mr. TIPTON (for himself, Mr. HULTGREN, Mr. MCHENRY, Ms. SEWELL of Alabama, Ms. SINEMA, and Mr. DAVID SCOTT of Georgia) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To establish requirements for use of a driver's license or personal identification card by certain financial institutions for opening an account or obtaining a financial product or service, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Making Online Bank-
5 ing Initiation Legal and Easy Act of 2017” or the “MO-
6 BILE Act of 2017”.

7 **SEC. 2. DEFINITIONS.**

8 In this Act:

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

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

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

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

12 (B) section 123 of Public Law 91–508;
13 and

14 (C) subchapter II of chapter 53 of title 31,
15 United States Code.

16 (4) FINANCIAL INSTITUTION.—The term “fi-
17 nancial institution” means—

18 (A) an insured depository institution, as
19 defined in section 3 of the Federal Deposit In-
20 surance Act (12 U.S.C. 1813);

21 (B) an insured credit union, as defined in
22 section 101 of the Federal Credit Union Act
23 (12 U.S.C. 1752); or

24 (C) any affiliate of an insured depository
25 institution or insured credit union.

1 (5) FINANCIAL PRODUCT OR SERVICE.—The
 2 term “financial product or service” has the meaning
 3 given such term in section 1002(15) of the Con-
 4 sumer Financial Protection Act of 2010 (12 U.S.C.
 5 5481(15)).

6 (6) PERSONAL IDENTIFICATION CARD.—The
 7 term “personal identification card” means an identi-
 8 fication document issued by a State or local govern-
 9 ment to an individual solely for the purpose of iden-
 10 tification of such individual.

11 (7) STATE.—The term “State” means any
 12 State of the United States, the District of Columbia,
 13 the Commonwealth of Puerto Rico, and any other
 14 commonwealth, possession, or territory of the United
 15 States.

16 (8) SWIPE.—The term “swipe” means the act
 17 of using a device on a driver’s license or personal
 18 identification card to decipher, in an electronically
 19 readable format, personal information displayed on
 20 or electronically encoded on the driver’s license or
 21 personal identification card.

22 **SEC. 3. USE OF A DRIVER’S LICENSE OR PERSONAL IDENTI-**
 23 **FICATION CARD.**

24 (a) IN GENERAL.—With the consent of an individual,
 25 a financial institution may record personal information

1 from a swipe of the individual's driver's license or personal
2 identification card, or make a copy or receive an image
3 of the individual's driver's license or personal identifica-
4 tion card, and store or retain such information in any elec-
5 tronic format for purposes of opening an account with the
6 financial institution or obtaining a financial product or
7 service from the financial institution. Except as required
8 to comply with Federal bank secrecy laws, the financial
9 institution may only use the personal information—

10 (1) to verify the authenticity of the driver's li-
11 cense or personal identification card with the State
12 that issued the driver's license or personal identifica-
13 tion card;

14 (2) to verify the identity of the individual; and

15 (3) to comply with a legal requirement to
16 record, retain, or transmit the personal information
17 in connection with opening the account or obtaining
18 the financial product or service.

19 (b) NOTICE TO CONSUMER.—A financial institution
20 that swipes or copies an individual's driver's license or per-
21 sonal identification card in accordance with subsection (a)
22 shall inform the individual about the type of information
23 collected.

24 (c) RESTRICTIONS ON USE OF INFORMATION.—Ex-
25 cept as otherwise provided by law, a financial institution

1 that obtains information from a swipe or a copy of a driv-
2 er's license or personal identification card as described in
3 subsection (a) may not sell, rent, transfer, or make the
4 personal information available to another person (other
5 than an affiliate).

6 **SEC. 4. RELATION TO STATE LAW.**

7 The provisions of this Act shall preempt and super-
8 sede any State law that conflicts with a provision of this
9 Act, but only to the extent of such conflict.

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