



PRESS STATEMENT
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Portman: stand up for consumers, not Wall Street

Senator opposes regulations of prepaid debit cards

Nearly 10 percent of Ohioans are unbanked and do not have bank accounts. Many of them have their wages deposited on prepaid debit cards so they can buy groceries, fill-up their gas tanks and pay other bills. People without bank accounts use prepaid debit cards like checking accounts, but they are unregulated and users have very few protections.

Prepaid debit card use is on the rise. According to [Pew Charitable Trusts](#), 12 million people use a prepaid debit card at least once a month. The Consumer Financial Protection Bureau - or CFPB - [estimates](#) nearly \$112 billion will be spent using prepaid debit cards by 2018.

After four years of research and public comment, The CFPB, led by former Ohio Attorney General Richard Cordray, issued new consumer protections for prepaid debit cards -- similar to rules for most consumer checking accounts and credit cards. Unfortunately, Senator Rob Portman wants to unravel the rule before it's enacted in October.

The rule is badly needed. Imagine not being able to pay bills or make necessary purchases because you cannot get to your money. That's what happened to customers of the RushCard in 2015. They were unable to access to their money for nearly two weeks. The RushCard is a prepaid debit card issued by UniRush LLC, based in Cincinnati. The CFPB forced UniRush to return \$10 million to tens of thousands of customers and the proposed regulations that would ensure this does not happen again. Consumers with traditional bank accounts and credit cards have safeguards from these situations. The CFPB rules will ensure prepaid debit cardholders do, too.

But Senator Rob Portman is impeding the work of the CFPB and putting financially vulnerable families at risk. Earlier this year, he co-sponsored a resolution that would kill these important computer protections. We call on Senator Portman to rescind his sponsorship of the resolution and support the CFPB safeguards that protect Ohio families from risky financial products.

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