

Fintech Policy on the Horizon

This summer was a busy one for the fintech industry. If you missed the headlines while enjoying a vacation from Beltway news, here's what you need to know about significant developments facing the fintech industry.

On July 31, Treasury released its long-awaited [fintech report](#), a compilation of more than 80 recommendations intended to boost financial innovation. With recommendations ranging from the establishment of “regulatory sandboxes” to test new technologies, to a unified data security standard (which would require congressional action), to rescinding the CFPB payday lending rule, Treasury made several sweeping pronouncements about the regulatory future of the industry.

In one example of synchronicity, Treasury encouraged the Office of the Comptroller of the Currency (OCC) to begin accepting charter applications from fintech companies – a directive that was fulfilled the same day with the release of the OCC's [Policy Statement on Financial Technology Companies' Eligibility to Apply for National Bank Charters](#). While that was welcome news to the fintech industry – if not to state regulators – it's unclear if many companies will pursue the national charter, given the high bar set by OCC for fintech applicants.

Earlier in July, Sen. Mark Warner issued a thought-provoking [white paper](#) detailing 20 separate actions that could be taken by the government in order to “address the impacts of Big Tech on privacy, competition, and public discourse.” While Warner's policy paper does not go so far as to encourage “trust busting” in the tech industry, it does list “promoting competition in the tech space” as one of its primary goals. For fintech companies, the debate around privacy legislation will be an important topic to watch as Congress continues to face pressure from advocates to take action.

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