

115TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

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.

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IN THE SENATE OF THE UNITED STATES

Mr. SCOTT (for himself, Ms. CORTEZ MASTO, and Mr. PERDUE) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**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. MAKING ONLINE BANKING INITIATION LEGAL**

4 **AND EASY.**

5 (a) DEFINITIONS.—In this section:

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

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

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

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

9                   (B) section 123 of Public Law 91–508 (84  
10                  Stat. 1116); and

11                  (C) subchapter II of chapter 53 of title 31,  
12                  United States Code.

13           (4) FEDERALLY RECOGNIZED INDIAN TRIBE.—  
14           The term “federally recognized Indian Tribe” has  
15           the meaning given the term by the Secretary of the  
16           Interior under section 104(a) of the Federally Rec-  
17           ognized Indian Tribe List Act of 1994 (25 U.S.C.  
18           5131(a)).

19           (5) FINANCIAL INSTITUTION.—The term “fi-  
20           nancial institution” means—

21                   (A) an insured depository institution;

22                   (B) an insured credit union; or

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

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

6           (7) INSURED CREDIT UNION.—The term “in-  
7 sured credit union” has the meaning given the term  
8 in section 101 of the Federal Credit Union Act (12  
9 U.S.C. 1752).

10          (8) INSURED DEPOSITORY INSTITUTION.—The  
11 term “insured depository institution” has the mean-  
12 ing given the term in section 3 of the Federal De-  
13 posit Insurance Act (12 U.S.C. 1813).

14          (9) ONLINE SERVICE.—The term “online serv-  
15 ice” means any Internet-based service, such as a  
16 Web site or mobile application.

17          (10) PERSONAL IDENTIFICATION CARD.—The  
18 term “personal identification card” means an identi-  
19 fication document issued by a State, local govern-  
20 ment, or federally recognized Indian Tribe to an in-  
21 dividual solely for the purpose of identification of  
22 that individual.

23          (11) PERSONAL INFORMATION.—The term  
24 “personal information” means the information dis-  
25 played on or electronically encoded on a driver’s li-

1       cense or personal identification card that is reason-  
2       ably necessary to fulfill the purpose and uses per-  
3       mitted by subsection (b).

4           (12) STATE.—The term “State” means any  
5       State, commonwealth, territory, or possession of the  
6       United States, the District of Columbia, the Com-  
7       monwealth of Puerto Rico, the Commonwealth of the  
8       Northern Mariana Islands, American Samoa, Guam,  
9       or the United States Virgin Islands.

10          (13) SCAN.—The term “scan” means the act of  
11       using a device or software to decipher, in an elec-  
12       tronically readable format, personal information dis-  
13       played on or electronically encoded on a driver’s li-  
14       cense or personal identification card.

15       (b) USE OF A DRIVER’S LICENSE OR PERSONAL  
16 IDENTIFICATION CARD.—

17           (1) IN GENERAL.—When an individual initiates  
18       a request through an online service to open an ac-  
19       count with a financial institution or obtain a finan-  
20       cial product or service from a financial institution,  
21       the financial institution may record personal infor-  
22       mation from a scan of the driver’s license or per-  
23       sonal identification card of the individual, or make  
24       a copy or receive an image of the driver’s license or  
25       personal identification card of the individual, and

1 store or retain such information in any electronic  
2 format for the purposes described in paragraph (2).

3 (2) USES OF INFORMATION.—Except as re-  
4 quired to comply with Federal bank secrecy laws, a  
5 financial institution may only use the information  
6 obtained under paragraph (1)—

7 (A) to verify the authenticity of the driv-  
8 er’s license or personal identification card;

9 (B) to verify the identity of the individual;  
10 and

11 (C) to comply with a legal requirement to  
12 record, retain, or transmit the personal infor-  
13 mation in connection with opening an account  
14 or obtaining a financial product or service.

15 (3) DELETION OF IMAGE.—A financial institu-  
16 tion that makes a copy or receives an image of a  
17 driver’s license or personal identification card of an  
18 individual in accordance with paragraph (1) shall,  
19 after using the image for the purposes described in  
20 paragraph (2), permanently delete, within a reason-  
21 able amount of time—

22 (A) any image of the driver’s license or  
23 personal identification card, as applicable; and

24 (B) any copy of any such image.

1 (c) DISCLOSURE OF PERSONAL INFORMATION.—

2 Nothing in this section shall be construed to amend, mod-  
3 ify, or otherwise affect any State or Federal laws that gov-  
4 ern a financial institution's disclosure and security of per-  
5 sonal information that is not publicly available.

6 (d) REPORT.—Not later than 1 year after the date  
7 of enactment of this Act, the Secretary of the Treasury  
8 shall submit to Congress a report on—

9 (1) the decrease in the unbanked or under-  
10 banked populations through the use of the tech-  
11 nology described in this Act in rural communities  
12 and underserved populations; and

13 (2) the increased incidence of violations of Fed-  
14 eral or State laws described in subsection (c).

15 (e) RELATION TO STATE LAW.—The provisions of  
16 this section shall preempt and supersede any State law  
17 that conflicts with a provision of this section, but only to  
18 the extent of such conflict.