

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021

SR 33

4
5 By: Senators B. Johnson, Hill

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7 **SENATE RESOLUTION**

8 TO SUPPORT CONSUMER PRIVACY; AND FOR OTHER PURPOSES.

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11 **Subtitle**

12 TO SUPPORT CONSUMER PRIVACY.

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15 WHEREAS, the General Assembly is alarmed about a recent proposal
16 requiring financial institutions to significantly increase the amount of
17 American taxpayers' data reported to the Internal Revenue Service; and

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19 WHEREAS, the General Assembly does not believe this is necessary and
20 may, in fact, have unintended consequences; and

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22 WHEREAS, specifically, this proposal would require financial
23 institutions and other financial services providers to report certain
24 transaction-level data as well as information about the outflows and inflows
25 on accounts over six hundred dollars (\$600) to the Internal Revenue Service
26 every year; and

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28 WHEREAS, this proposal will impose significant compliance costs on our
29 banks that have served as the backbone of the economy these past eighteen
30 (18) months; and

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32 WHEREAS, this proposal would not only impose significant compliance
33 costs on our banks but also infringe on the privacy of millions of Americans;
34 and

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36 WHEREAS, Americans feel strongly about our right to privacy; and



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2 WHEREAS, the government and the public should not know every private
3 aspect of Americans' income and assets; and
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5 WHEREAS, requiring reporting for all customer accounts, regardless of
6 the likelihood of unreported income, is an abuse of Americans' rights and
7 privacy; and
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9 WHEREAS, this proposal allows the Internal Revenue Service to monitor
10 the financial dealings of every American consumer and business with a
11 depository account without cause; and
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13 WHEREAS, the Internal Revenue Service should not be allowed to use the
14 budget reconciliation process to unnecessarily intrude into consumers'
15 financial lives; and
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17 WHEREAS, additionally, this proposal creates new barriers for the
18 unbanked or underbanked; and
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20 WHEREAS, privacy is cited as one of the primary reasons individuals
21 choose not to open bank accounts; and
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23 WHEREAS, many Americans opt out of the financial system because they
24 distrust the government; and
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26 WHEREAS, for those that have recently started an account, this new
27 reporting could actually push them back out of the system, and instead turn
28 to nonbank lenders with exorbitant fees; and
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30 WHEREAS, instead of focusing on raising revenue at the expense of our
31 taxpayers and financial institutions, the General Assembly ask that the
32 federal government focus on protecting Americans and the current financial
33 system,
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35 NOW THEREFORE,

36 BE IT RESOLVED BY THE SENATE OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE

1 STATE OF ARKANSAS:

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3 THAT the Senate supports consumer privacy.

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5 BE IT FURTHER RESOLVED THAT upon adoption of this resolution, a copy be
6 provided to Nancy Pelosi, Speaker of the House, Janet Yellen, Secretary,
7 United States Department of Treasury, Charles P. Rettig, Commissioner,
8 Internal Revenue Service, and Jim McGovern, Chairman, House Committee on
9 Rules, United States House of Representatives by the Secretary of the Senate.

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