



# FAST FIVE

## Public Policy Insights

### North America

### March 26, 2021

#### Featured

1. **Mastercard and Industry Launch Data and Technology Forum.** On Monday, Mastercard led media and policy outreach on the Data and Technology Forum, a G7 digital governance initiative that calls on G7 governments to establish a formal mechanism to coordinate policy on critical issues for the digital economy (e.g. data flows, privacy, cybersecurity, and AI). This initiative has been a priority for the company, NAM Public Policy, governments, and industry, and it promotes private sector-led engagement on standard setting and regulatory coherence of digital issues. Please reach out if you'd like more information about the launch or the Data and Technology Forum's future activities.
2. **House Antitrust Submission Highlights Payments Industry.** In a recent submission to the House Antitrust Subcommittee, a witness criticized the payments industry specifically for market concentration and anticompetitive conduct. In the appendix of the submission, Mastercard was cited as having “colluded” with Visa to set interchange fees. It did note the suit was settled. Visa was mentioned on four occasions, including on collusion twice, debit routing practices in 2017, and its proposed Plaid acquisition; however, DOJ’s recent suit was omitted.
3. **Mastercard Participates at Code of Conduct Advisory Committee (CCAC) Meeting.** The Public Policy team represented Mastercard at the CCAC table this week. The CCAC is a group convened by the Department of Finance, composed of public servants, payment networks, issuers, acquirers, and merchant groups charged with reviewing the Code of Conduct for the Credit & Debit Industry in Canada to ensure it remains relevant. This meeting – the third in an ongoing series – focused on transparency around fee changes and disclosures, including notification to merchants. A key point was revising the length of the fee notification process downward, which would allow merchants to see the benefit of network interchange reductions more quickly – currently it can take between 180 – 270 days for a fee change to take effect – and make it easier for Mastercard to manage our voluntary interchange agreement commitments.

#### Future

1. **Senator Coons to Summon CEOs of Facebook and Twitter.** Senator Chris Coons (D-DE), who chairs a Senate Judiciary subcommittee, will soon ask Mark Zuckerberg and Jack Dorsey to testify about social media accountability. Senator Coons also said he plans to focus on how algorithms play into the spread of misinformation and combating extremism online. Senator Coons remarked, “I think we’ll look at the dynamics of social media and I think we’ll look at the intersection between

privacy, civil liberties and civil rights in the digital context.” This hearing won’t be *ad hoc*, but part of a broader platform to examine the role of social media and tech platforms this Congress. We can expect several more hearings in both House and Senate Judiciary calling these CEOs to testify on their business practices and content moderation protocols.

2. **Senate Amends PPP and Goes on Easter Recess.** This is the Senate’s last week in session before a two-week recess. It will return to business on April 12. The major focus on the floor this week was H.R. 1799, the Paycheck Protection Program (PPP) Extension Act, which would extend the program to May 31. Senate Majority Leader Chuck Schumer (D-NY) filed cloture on the motion to proceed on the bill last week. The PPP was set to expire at the end of March. The House easily passed the bill 415 to 3. Senate Democratic leaders hoped for a “clean” version of the legislation to pass without consuming valuable floor time. During the recess, hearings will still continue in Congress, as will direct engagements with staff and policymakers.
3. **Legislation Aimed at China on Tap Once Congress Returns.** During this recess, considerable work will continue on the development of a potential bipartisan legislative package to strengthen U.S. competitiveness against China. Senate Foreign Relations Committee Chair Bob Menendez (D-NJ) announced a markup on April 14 of his Committee’s portion of the bill. Other committees may convene markups around that time with the goal of having a consolidated package on the Senate floor in the second half of April. Chief among these legislative proposals is the Endless Frontiers Act, sponsored by Majority Leader Schumer and Senator Todd Young (R-IN). This legislation, backed by the tech industry, would create a new Technology Directorate within the National Science Foundation and authorize \$100 billion during the next five years to fund research into areas like AI and quantum computing. We also expect the STRATEGIC Act and the LEADS Act to receive consideration.
4. **Despite Business Opposition, Cybersecurity Disclosure Act Reintroduced.** Recently, Senator Jack Reed (D-RI) introduced S.808, the Cybersecurity Disclosure Act. This is the same bill that has been introduced in several previous sessions of Congress and would require companies to have a cybersecurity expert on their board. The bill, as in previous years, has plenty of opposition from the U.S. Chamber and Business Roundtable, as well as other business trade groups and companies. The legislation has been referred to the Senate Banking Committee, where its progress is uncertain, but we do expect widespread business opposition.