

118th CONGRESS

2d Session

H.R. _____

To establish the American Prosperity Card Program, enable citizens to earn the full Treasury yield on their deposits, cap excessive debit-card interchange fees, permanently protect financial privacy, and dedicate all resulting savings to working families and reduction of the national debt.

IN THE HOUSE OF REPRESENTATIVES

[Date]

Mr./Mrs./Ms. _____ introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Ways and Means, Oversight and Accountability, and the Judiciary, for a period to be subsequently determined by the Speaker.

A BILL

To establish the American Prosperity Card Program, enable citizens to earn the full Treasury yield on their deposits, cap excessive debit-card interchange fees, permanently protect financial privacy, and dedicate all resulting savings to working families and reduction of the national debt.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “American Prosperity Card Act of 2026”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings and purpose.

Sec. 3. Definitions.

Sec. 4. American Prosperity Card Program.

Sec. 5. American Prosperity Fund—permanent dedication and protection.

Sec. 6. Privacy and data protections.

Sec. 6A. Prohibition on central bank digital currency and discriminatory restrictions.

Sec. 7. Implementation, outreach, and administration.

Sec. 8. Partnership with depository institutions; protection of community banks and credit unions.

Sec. 9. Unified accounts and full yield accrual.

Sec. 10. Citizen priority on new Treasury issuance.

Sec. 11. Reclamation of full faith and credit.

Sec. 12. Renaming and mission of the Congressional Budget Office.

Sec. 13. Severability.

Sec. 14. Effective date.

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds the following:

- (1) American households currently forfeit more than \$600,000,000,000 annually in interest-rate spreads and credit/debit-card interchange fees to private financial institutions and payment networks.
- (2) Commercial banks and credit unions hold approximately \$13,800,000,000,000 in household deposits while paying savers an average of only 0.61 percent, yet invest those same deposits in short-term Treasury instruments yielding approximately 3.8 percent.
- (3) This spread constitutes a hidden subsidy from the American people to private financial institutions, distorting markets and suppressing productivity.
- (4) Credit- and debit-card interchange fees exceed \$187,000,000,000 annually, the majority of which is captured by the largest banks and payment networks, with credit cards unregulated under the Durbin Amendment and prepaid cards exempt, burdening unbanked households.
- (5) ATM surcharges and related fees add \$7–8,000,000,000 annually, disproportionately affecting low-income individuals.
- (6) Direct Treasury-backed accounts and capped interchange fees can return these sums to citizens without raising taxes, fostering unified balances where all deposits earn full yields, eliminating artificial separations that discourage savings.
- (7) Such reclamation will increase the marginal propensity to consume among lower- and middle-income households, thereby raising economic velocity, taxable activity, and long-term productivity.
- (8) Past generations incurred the national debt through necessary expenditures, but allowed private entities and foreign holders to capture the interest; this Act reclaims the full faith and credit of the United States for its citizens, evolving toward a system where debt service benefits citizens directly.
- (9) Strong privacy protections, permanent lockboxes, and citizen ownership of debt will restore trust in government and banking, reducing corporate and foreign dominance to ensure fair trade, lower borrowing rates, and deflationary pressures through opportunity-cost incentives.
- (10) This Act represents an evolution of American capitalism, aligning incentives for healthier workforces, reduced crime, and sustainable growth.

(b) Purpose.—The purpose of this Act is to establish a voluntary program empowering American citizens to reclaim banking subsidies, own their national debt, and promote greater economic security and prosperity, where the full faith and credit of the United States serves the people who provide it.

SEC. 3. DEFINITIONS.

In this Act:

(1) PROSPERITY CARD.—The term “Prosperity Card” means the no-fee debit card and linked unified TreasuryDirect account issued under section 4.

(2) AMERICAN PROSPERITY FUND.—The term “American Prosperity Fund” means the fund established under section 5.

(3) ELIGIBLE INDIVIDUAL.—The term “eligible individual” means any United States citizen or lawful permanent resident who is 18 years of age or older and either (A) files a Federal income tax return (including Form 1040, 1040-SR, or equivalent), or (B) receives any Federal benefit payment (including Social Security, SSI, SNAP, unemployment insurance, or tax refunds).

(4) UNIFIED ACCOUNT.—The term “unified account” means a single TreasuryDirect account in which all balances, without artificial separation between checking and savings functions, accrue interest at the full prevailing Treasury yield proportionally on a daily basis.

(5) TREASURY YIELD.—The term “Treasury yield” means the most recent daily rate published by the Department of the Treasury for short-term Treasury securities of comparable maturity (currently the 4-week, 8-week, or 13-week Treasury bill rate, as determined by the Secretary).

(6) PARTICIPATION.—The term “participation” means the percentage of eligible individuals who have enrolled and received a Prosperity Card, determined solely by the number of eligible individuals, without regard to account balances or transaction volume.

SEC. 4. AMERICAN PROSPERITY CARD PROGRAM.

(a) Establishment.—Not later than October 1, 2026, the Secretary of the Treasury shall establish the American Prosperity Card Program.

(b) Unified TreasuryDirect-Backed Account.—Each Prosperity Card shall be linked to a unified individual account at the Department of the Treasury, invested exclusively in short-term Treasury securities. All balances shall earn the full Treasury yield on such securities with no intermediary spread and without artificial separation between checking and savings functions.

(c) Debit Card Issuance.—The Secretary shall issue a Prosperity Card to every eligible individual upon request or automatically with the delivery of any Federal tax refund or benefit payment.

(d) Interchange Fee Cap and Sweep to Fund.—

(1) Effective October 1, 2026, interchange fees on any debit transaction using a Prosperity Card are permanently capped at the lesser of—

(A) 0.05 percent of the transaction amount plus \$0.21, or

(B) the amount permitted under the Durbin Amendment for debit transactions on large issuers.

(2) All interchange fees collected on Prosperity Card transactions (including amounts up to the cap) shall be remitted daily by the applicable payment network or processor to the American Prosperity Fund.

(e) Zero Fees for Cardholders.—No monthly fees, overdraft fees, insufficient-fund fees, ATM fees, or other charges may be imposed on Prosperity Card accounts. ATM withdrawals shall be surcharge-free nationwide through Treasury-reimbursed networks.

(f) Implementation.—The program shall utilize existing United States Postal Service locations, SNAP/EBT infrastructure, and TreasuryDirect systems for distribution, enrollment, and settlement. Administrative costs shall not exceed 5 percent of annual Fund receipts in any fiscal year.

SEC. 5. AMERICAN PROSPERITY FUND—PERMANENT DEDICATION AND PROTECTION.

(a) Establishment.—There is established in the Treasury of the United States a fund to be known as the “American Prosperity Fund”.

(b) Exclusive Uses.—Amounts in the American Prosperity Fund shall be available exclusively and in the following order of priority:

(1) 50 percent—to increase the refundable portion of the Earned Income Tax Credit and Child Tax Credit for households with adjusted gross income below \$150,000;

(2) 30 percent—to the retirement of publicly held debt of the United States, with priority given to securities held by foreign official institutions and non-citizen entities;

(3) 20 percent—program administration and outreach to unbanked and underbanked households.

(c) Automatic Reduction of Administrative Share.—

(1) When participation reaches 50 percent of eligible individuals, the allocation under subsection (b)(3) shall be permanently reduced to 10 percent.

(2) When participation reaches 75 percent, the allocation under subsection (b)(3) shall be permanently reduced to 5 percent.

(3) When participation reaches 90 percent or higher, the allocation under subsection (b)(3) shall be permanently reduced to 2 percent.

(4) All amounts freed by reductions in paragraphs (1)–(3) shall be reallocated 70 percent to paragraph (1) and 30 percent to paragraph (2).

(d) Protection of Fund.—It is the policy of the United States that amounts in the American Prosperity Fund should be used solely for the purposes specified in subsection (b). Any legislation that would redirect such amounts for other purposes shall include a separate title and be subject to a point of order in each House unless waived by a vote of three-fifths of the Members duly chosen and sworn.

SEC. 6. PRIVACY AND DATA PROTECTIONS.

(a) Strict Purpose Limitation.—Data collected through the Prosperity Card program may be used solely for payment processing, fraud prevention, account maintenance, and issuance of required tax forms (including Form 1099-INT).

(b) Prohibition on Surveillance and Credit Reporting.—No transaction history, balance information, or other account data may be disclosed to any law-enforcement, immigration-enforcement, or credit-reporting entity without a judicial warrant or court order specific to the individual account.

(c) No Sale or Unauthorized Sharing.—The Secretary is permanently prohibited from selling, leasing, sharing, or otherwise disclosing personally identifiable information or transaction data to any third party except as strictly required for payment settlement or by court order.

(d) Annual Independent Privacy Audit.—The Secretary shall contract annually for an independent third-party audit of compliance with this section. The unclassified summary of the audit report shall be posted publicly on the Treasury website within 90 days of completion.

(e) Private Right of Action.—Any violation of this section shall create a private cause of action for the affected individual, with statutory damages of not less than \$10,000 per violation plus reasonable attorney fees and costs.

SEC. 6A. PROHIBITION ON CENTRAL BANK DIGITAL CURRENCY AND DISCRIMINATORY RESTRICTIONS.

(a) No Central Bank Digital Currency.—The Prosperity Card and any account established under this Act shall never constitute, be converted into, or function as a central bank digital currency (CBDC). No retail or wholesale digital dollar issued by the Federal Reserve or the Department of the Treasury may be linked to, substituted for, or integrated with the Prosperity Card system.

(b) Prohibition on Behavior-Based Restrictions.—No federal agency, contractor, payment processor, or participating financial institution may ever deny, limit, delay, or penalize a transaction, reduce interest or benefits, or impose any restriction on a Prosperity Card account based in whole or in part on an individual's lawful speech, political contributions or activity, religious practice, firearm ownership or purchases, or any other non-financial personal characteristic or lawful activity.

(c) Enforcement.—Any violation of this section shall (1) create a private right of action with statutory damages of not less than \$50,000 per violation plus attorney fees, and (2) subject the responsible official or contractor to potential disqualification from future federal contracts.

(d) Amendment Requirement.—This section may not be waived, suspended, or materially amended by regulation, executive order, or subsequent legislation unless explicitly approved by a recorded vote of three-fifths of both Houses of Congress.

SEC. 7. IMPLEMENTATION, OUTREACH, AND ADMINISTRATION.

(a) Partnerships.—The Secretary shall partner with the United States Postal Service, utilizing its approximately 31,000 locations, to provide in-person enrollment, card issuance, and customer support services.

(b) Enrollment.—

(1) Automatic enrollment.—Eligible individuals receiving federal benefit payments or tax refunds shall be automatically enrolled in the program unless they opt out in writing or electronically.

(2) Opt-out and opt-in.—Any eligible individual may opt out or opt in at any time without penalty.

(c) Administrative Costs.—Total administrative and outreach costs shall not exceed 5 percent of annual receipts into the American Prosperity Fund.

SEC. 8. PARTNERSHIP WITH DEPOSITORY INSTITUTIONS; PROTECTION OF COMMUNITY BANKS AND CREDIT UNIONS.

(a) Voluntary Partnership Program.—The Secretary shall establish a voluntary program under which any insured depository institution or federally insured credit union may apply to serve as an issuing, servicing, enrollment, fraud-prevention, and customer-support agent for Prosperity Card accounts.

(b) Compensation.—Participating institutions shall be reimbursed for actual, documented costs of issuance, servicing, fraud prevention, and customer support, plus a reasonable profit margin not to exceed 0.10 percent per annum of the average daily balance of Prosperity Card funds held on their books. No other compensation, fee, or interest spread shall be permitted.

(c) No Exclusive Rights; Termination at Will.—Participation shall be non-exclusive and may be terminated by either party on 90 days' notice without penalty. The Secretary may revoke participation for noncompliance with the requirements of this Act.

(d) Protection of Community Banks and Credit Unions.—

(1) Nothing in this Act shall prohibit any community bank or credit union from continuing to offer existing accounts or from receiving Prosperity Card deposits voluntarily transferred by customers.

(2) Such institutions shall be given priority in partnership agreements and shall be encouraged to compete through local lending and relationship banking to retain and attract deposits.

(e) Card Design and Branding.—All Prosperity Cards shall bear the official seal of the Department of the Treasury. No private payment network logo (including Visa, Mastercard, or any successor) may appear on the face of the card.

SEC. 9. UNIFIED ACCOUNTS AND FULL YIELD ACCRUAL.

(a) Unified Structure.—Prosperity Card accounts shall be unified, with no artificial separation between checking and savings functions. All balances shall accrue the full Treasury yield proportionally on a daily basis.

(b) Yield Calculation.—Interest shall be computed as $(\text{Total Balance} \times \text{Applicable Treasury Yield} \div 365)$, credited monthly, without regard to transaction volume or frequency.

SEC. 10. CITIZEN PRIORITY ON NEW TREASURY ISSUANCE.

(a) Reservation for Citizens.—Beginning January 1, 2027, whenever the Secretary conducts an auction of new marketable Treasury securities, up to 50 percent of each issuance (or the full amount, whichever is less) shall be made available on a non-competitive basis for purchase by United States citizens and lawful permanent residents through their Prosperity Card TreasuryDirect accounts or other direct Treasury channels before being offered to other bidders.

(b) Subscription Window.—The reserved portion shall be offered to eligible citizens for a period of not less than 48 hours prior to the close of the general auction.

(c) Release of Unsubscribed Portion.—Any portion of the reserved amount not subscribed by eligible citizens within the subscription window may be released to institutional and foreign bidders.

(d) Transparency and Reporting.—

(1) The Secretary shall publish, on the Treasury website and in each auction announcement, the percentage of the previous month's issuances purchased by American citizens and lawful permanent residents through direct channels.

(2) No additional disclosure or statement regarding foreign or institutional purchases shall be required beyond standard Treasury reporting practices.

SEC. 11. RECLAMATION OF FULL FAITH AND CREDIT.

The Congress reaffirms that the full faith and credit of the United States, as pledged under 31 U.S.C. 3101, ultimately belongs to the American people. By expanding direct citizen ownership of Treasury obligations through the American Prosperity Card Program, this Act enables citizens to benefit more directly from the interest on the national debt that past and present generations have incurred.

SEC. 12. RENAMING AND MISSION OF THE CONGRESSIONAL BUDGET OFFICE.

(a) Contingent Renaming.—Effective on January 1 of the first fiscal year in which American citizens and lawful permanent residents directly own, through Prosperity Card accounts and other TreasuryDirect channels, more than 50 percent of the outstanding publicly held debt of the United States, the Congressional Budget Office shall be renamed the Congressional Prosperity Office.

(b) Additional Reporting Requirement.—Beginning in the fiscal year described in subsection (a), the Congressional Prosperity Office shall include in every cost estimate for reported legislation a concise, one-page Citizen Prosperity Impact Statement that shows the estimated change in average monthly interest earnings per adult Prosperity Card holder resulting from the legislation.

(c) Existing Functions Preserved.—Nothing in this section shall diminish the existing analytical responsibilities of the Office.

SEC. 13. SEVERABILITY.

If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, this Act shall take effect on October 1, 2026.