

1 **TITLE X—BUREAU OF CON-**  
2 **SUMER FINANCIAL PROTEC-**  
3 **TION**

4 **SEC. 1001. SHORT TITLE.**

5 This title may be cited as the “Consumer Financial  
6 Protection Act of 2010”.

7 **SEC. 1002. DEFINITIONS.**

8 Except as otherwise provided in this title, for pur-  
9 poses of this title, the following definitions shall apply:

10 (1) **AFFILIATE.**—The term “affiliate” means  
11 any person that controls, is controlled by, or is  
12 under common control with another person.

13 (2) **BUREAU.**—The term “Bureau” means the  
14 Bureau of Consumer Financial Protection.

15 (3) **BUSINESS OF INSURANCE.**—The term  
16 “business of insurance” means the writing of insur-  
17 ance or the reinsuring of risks by an insurer, includ-  
18 ing all acts necessary to such writing or reinsuring  
19 and the activities relating to the writing of insurance  
20 or the reinsuring of risks conducted by persons who  
21 act as, or are, officers, directors, agents, or employ-  
22 ees of insurers or who are other persons authorized  
23 to act on behalf of such persons.

1           (4) CONSUMER.—The term “consumer” means  
2           an individual or an agent, trustee, or representative  
3           acting on behalf of an individual.

4           (5) CONSUMER FINANCIAL PRODUCT OR SERV-  
5           ICE.—The term “consumer financial product or  
6           service” means any financial product or service that  
7           is described in one or more categories under—

8                   (A) paragraph (15) and is offered or pro-  
9                   vided for use by consumers primarily for per-  
10                  sonal, family, or household purposes; or

11                   (B) clause (i), (iii), (ix), or (x) of para-  
12                  graph (15)(A), and is delivered, offered, or pro-  
13                  vided in connection with a consumer financial  
14                  product or service referred to in subparagraph  
15                  (A).

16           (6) COVERED PERSON.—The term “covered  
17           person” means—

18                   (A) any person that engages in offering or  
19                   providing a consumer financial product or serv-  
20                   ice; and

21                   (B) any affiliate of a person described in  
22                  subparagraph (A) if such affiliate acts as a  
23                  service provider to such person.

24           (7) CREDIT.—The term “credit” means the  
25           right granted by a person to a consumer to defer

1 payment of a debt, incur debt and defer its payment,  
2 or purchase property or services and defer payment  
3 for such purchase.

4 (8) DEPOSIT-TAKING ACTIVITY.—The term “de-  
5 posit-taking activity” means—

6 (A) the acceptance of deposits, mainte-  
7 nance of deposit accounts, or the provision of  
8 services related to the acceptance of deposits or  
9 the maintenance of deposit accounts;

10 (B) the acceptance of funds, the provision  
11 of other services related to the acceptance of  
12 funds, or the maintenance of member share ac-  
13 counts by a credit union; or

14 (C) the receipt of funds or the equivalent  
15 thereof, as the Bureau may determine by rule  
16 or order, received or held by a covered person  
17 (or an agent for a covered person) for the pur-  
18 pose of facilitating a payment or transferring  
19 funds or value of funds between a consumer  
20 and a third party.

21 (9) DESIGNATED TRANSFER DATE.—The term  
22 “designated transfer date” means the date estab-  
23 lished under section 1062.

24 (10) DIRECTOR.—The term “Director” means  
25 the Director of the Bureau.

1           (11) ELECTRONIC CONDUIT SERVICES.—The  
2 term “electronic conduit services”—

3           (A) means the provision, by a person, of  
4 electronic data transmission, routing, inter-  
5 mediate or transient storage, or connections to  
6 a telecommunications system or network; and

7           (B) does not include a person that provides  
8 electronic conduit services if, when providing  
9 such services, the person—

10           (i) selects or modifies the content of  
11 the electronic data;

12           (ii) transmits, routes, stores, or pro-  
13 vides connections for electronic data, in-  
14 cluding financial data, in a manner that  
15 such financial data is differentiated from  
16 other types of data of the same form that  
17 such person transmits, routes, or stores, or  
18 with respect to which, provides connec-  
19 tions; or

20           (iii) is a payee, payor, correspondent,  
21 or similar party to a payment transaction  
22 with a consumer.

23           (12) ENUMERATED CONSUMER LAWS.—The  
24 term “enumerated consumer laws” means—

1 (A) the Alternative Mortgage Transaction  
2 Parity Act of 1982 (12 U.S.C. 3801 et seq.);

3 (B) the Consumer Leasing Act of 1976  
4 (15 U.S.C. 1667 et seq.);

5 (C) the Electronic Fund Transfer Act (15  
6 U.S.C. 1693 et seq.);

7 (D) the Equal Credit Opportunity Act (15  
8 U.S.C. 1691 et seq.);

9 (E) the Fair Credit Billing Act (15 U.S.C.  
10 1666 et seq.);

11 (F) the Fair Credit Reporting Act (15  
12 U.S.C. 1681 et seq.), except with respect to sec-  
13 tions 615(e) and 628 of that Act (15 U.S.C.  
14 1681m(e), 1681w);

15 (G) the Home Owners Protection Act of  
16 1998 (12 U.S.C. 4901 et seq.);

17 (H) the Fair Debt Collection Practices Act  
18 (15 U.S.C. 1692 et seq.);

19 (I) subsections (b) through (f) of section  
20 43 of the Federal Deposit Insurance Act (12  
21 U.S.C. 1831t(c)–(f));

22 (J) sections 502 through 509 of the  
23 Gramm-Leach-Bliley Act (15 U.S.C. 6802–  
24 6809) except for section 505 as it applies to  
25 section 501(b);

1 (K) the Home Mortgage Disclosure Act of  
2 1975 (12 U.S.C. 2801 et seq.);

3 (L) the Home Ownership and Equity Pro-  
4 tection Act of 1994 (15 U.S.C. 1601 note);

5 (M) the Real Estate Settlement Procedures  
6 Act of 1974 (12 U.S.C. 2601 et seq.);

7 (N) the S.A.F.E. Mortgage Licensing Act  
8 of 2008 (12 U.S.C. 5101 et seq.);

9 (O) the Truth in Lending Act (15 U.S.C.  
10 1601 et seq.);

11 (P) the Truth in Savings Act (12 U.S.C.  
12 4301 et seq.);

13 (Q) section 626 of the Omnibus Appropria-  
14 tions Act, 2009 (Public Law 111–8); and

15 (R) the Interstate Land Sales Full Dislo-  
16 sure Act (15 U.S.C. 1701).

17 (13) FAIR LENDING.—The term “fair lending”  
18 means fair, equitable, and nondiscriminatory access  
19 to credit for consumers.

20 (14) FEDERAL CONSUMER FINANCIAL LAW.—  
21 The term “Federal consumer financial law” means  
22 the provisions of this title, the enumerated consumer  
23 laws, the laws for which authorities are transferred  
24 under subtitles F and H, and any rule or order pre-  
25 scribed by the Bureau under this title, an enumer-

1       ated consumer law, or pursuant to the authorities  
2       transferred under subtitles F and H. The term does  
3       not include the Federal Trade Commission Act.

4           (15) FINANCIAL PRODUCT OR SERVICE.—

5           (A) IN GENERAL.—The term “financial  
6       product or service” means—

7           (i) extending credit and servicing  
8       loans, including acquiring, purchasing, sell-  
9       ing, brokering, or other extensions of credit  
10      (other than solely extending commercial  
11      credit to a person who originates consumer  
12      credit transactions);

13          (ii) extending or brokering leases of  
14      personal or real property that are the func-  
15      tional equivalent of purchase finance ar-  
16      rangements, if—

17           (I) the lease is on a non-oper-  
18      ating basis;

19           (II) the initial term of the lease  
20      is at least 90 days; and

21           (III) in the case of a lease involv-  
22      ing real property, at the inception of  
23      the initial lease, the transaction is in-  
24      tended to result in ownership of the  
25      leased property to be transferred to

1 the lessee, subject to standards pre-  
2 scribed by the Bureau;

3 (iii) providing real estate settlement  
4 services, except such services excluded  
5 under subparagraph (C), or performing ap-  
6 praisals of real estate or personal property;

7 (iv) engaging in deposit-taking activi-  
8 ties, transmitting or exchanging funds, or  
9 otherwise acting as a custodian of funds or  
10 any financial instrument for use by or on  
11 behalf of a consumer;

12 (v) selling, providing, or issuing stored  
13 value or payment instruments, except that,  
14 in the case of a sale of, or transaction to  
15 reload, stored value, only if the seller exer-  
16 cises substantial control over the terms or  
17 conditions of the stored value provided to  
18 the consumer where, for purposes of this  
19 clause—

20 (I) a seller shall not be found to  
21 exercise substantial control over the  
22 terms or conditions of the stored value  
23 if the seller is not a party to the con-  
24 tract with the consumer for the stored  
25 value product, and another person is



1 principally responsible for establishing  
2 the terms or conditions of the stored  
3 value; and

4 (II) advertising the nonfinancial  
5 goods or services of the seller on the  
6 stored value card or device is not in  
7 itself an exercise of substantial control  
8 over the terms or conditions;

9 (vi) providing check cashing, check  
10 collection, or check guaranty services;

11 (vii) providing payments or other fi-  
12 nancial data processing products or serv-  
13 ices to a consumer by any technological  
14 means, including processing or storing fi-  
15 nancial or banking data for any payment  
16 instrument, or through any payments sys-  
17 tems or network used for processing pay-  
18 ments data, including payments made  
19 through an online banking system or mo-  
20 bile telecommunications network, except  
21 that a person shall not be deemed to be a  
22 covered person with respect to financial  
23 data processing solely because the per-  
24 son—

1 (I) is a merchant, retailer, or  
2 seller of any nonfinancial good or  
3 service who engages in financial data  
4 processing by transmitting or storing  
5 payments data about a consumer ex-  
6 clusively for purpose of initiating pay-  
7 ments instructions by the consumer to  
8 pay such person for the purchase of,  
9 or to complete a commercial trans-  
10 action for, such nonfinancial good or  
11 service sold directly by such person to  
12 the consumer; or

13 (II) provides access to a host  
14 server to a person for purposes of en-  
15 abling that person to establish and  
16 maintain a website;

17 (viii) providing financial advisory serv-  
18 ices (other than services relating to securi-  
19 ties provided by a person regulated by the  
20 Commission or a person regulated by a  
21 State securities Commission, but only to  
22 the extent that such person acts in a regu-  
23 lated capacity) to consumers on individual  
24 financial matters or relating to proprietary  
25 financial products or services (other than

1 by publishing any bona fide newspaper,  
2 news magazine, or business or financial  
3 publication of general and regular circula-  
4 tion, including publishing market data,  
5 news, or data analytics or investment in-  
6 formation or recommendations that are not  
7 tailored to the individual needs of a par-  
8 ticular consumer), including—

9 (I) providing credit counseling to  
10 any consumer; and

11 (II) providing services to assist a  
12 consumer with debt management or  
13 debt settlement, modifying the terms  
14 of any extension of credit, or avoiding  
15 foreclosure;

16 (ix) collecting, analyzing, maintaining,  
17 or providing consumer report information  
18 or other account information, including in-  
19 formation relating to the credit history of  
20 consumers, used or expected to be used in  
21 connection with any decision regarding the  
22 offering or provision of a consumer finan-  
23 cial product or service, except to the extent  
24 that—

25 (I) a person—

1 (aa) collects, analyzes, or  
2 maintains information that re-  
3 lates solely to the transactions  
4 between a consumer and such  
5 person;

6 (bb) provides the informa-  
7 tion described in item (aa) to an  
8 affiliate of such person; or

9 (cc) provides information  
10 that is used or expected to be  
11 used solely in any decision re-  
12 garding the offering or provision  
13 of a product or service that is not  
14 a consumer financial product or  
15 service, including a decision for  
16 employment, government licens-  
17 ing, or a residential lease or ten-  
18 ancy involving a consumer; and

19 (II) the information described in  
20 subclause (I)(aa) is not used by such  
21 person or affiliate in connection with  
22 any decision regarding the offering or  
23 provision of a consumer financial  
24 product or service to the consumer,

1 other than credit described in section  
2 1027(a)(2)(A);

3 (x) collecting debt related to any con-  
4 sumer financial product or service; and

5 (xi) such other financial product or  
6 service as may be defined by the Bureau,  
7 by regulation, for purposes of this title, if  
8 the Bureau finds that such financial prod-  
9 uct or service is—

10 (I) entered into or conducted as  
11 a subterfuge or with a purpose to  
12 evade any Federal consumer financial  
13 law; or

14 (II) permissible for a bank or for  
15 a financial holding company to offer  
16 or to provide under any provision of a  
17 Federal law or regulation applicable  
18 to a bank or a financial holding com-  
19 pany, and has, or likely will have, a  
20 material impact on consumers.

21 (B) RULE OF CONSTRUCTION.—

22 (i) IN GENERAL.—For purposes of  
23 subparagraph (A)(xi)(II), and subject to  
24 clause (ii) of this subparagraph, the fol-  
25 lowing activities provided to a covered per-

1 son shall not, for purposes of this title, be  
2 considered incidental or complementary to  
3 a financial activity permissible for a finan-  
4 cial holding company to engage in under  
5 any provision of a Federal law or regula-  
6 tion applicable to a financial holding com-  
7 pany:

8 (I) Providing information prod-  
9 ucts or services to a covered person  
10 for identity authentication.

11 (II) Providing information prod-  
12 ucts or services for fraud or identify  
13 theft detection, prevention, or inves-  
14 tigation.

15 (III) Providing document re-  
16 trieval or delivery services.

17 (IV) Providing public records in-  
18 formation retrieval.

19 (V) Providing information prod-  
20 ucts or services for anti-money laun-  
21 dering activities.

22 (ii) LIMITATION.—Nothing in clause  
23 (i) may be construed as modifying or lim-  
24 iting the authority of the Bureau to exer-  
25 cise any—

1 (I) examination or enforcement  
2 powers authority under this title with  
3 respect to a covered person or service  
4 provider engaging in an activity de-  
5 scribed in subparagraph (A)(ix); or

6 (II) powers authorized by this  
7 title to prescribe rules, issue orders,  
8 or take other actions under any enu-  
9 merated consumer law or law for  
10 which the authorities are transferred  
11 under subtitle F or H.

12 (C) EXCLUSIONS.—The term “financial  
13 product or service” does not include—

14 (i) the business of insurance; or

15 (ii) electronic conduit services.

16 (16) FOREIGN EXCHANGE.—The term “foreign  
17 exchange” means the exchange, for compensation, of  
18 currency of the United States or of a foreign govern-  
19 ment for currency of another government.

20 (17) INSURED CREDIT UNION.—The term “in-  
21 sured credit union” has the same meaning as in sec-  
22 tion 101 of the Federal Credit Union Act (12 U.S.C.  
23 1752).

24 (18) PAYMENT INSTRUMENT.—The term “pay-  
25 ment instrument” means a check, draft, warrant,

1 money order, traveler's check, electronic instrument,  
2 or other instrument, payment of funds, or monetary  
3 value (other than currency).

4 (19) PERSON.—The term “person” means an  
5 individual, partnership, company, corporation, asso-  
6 ciation (incorporated or unincorporated), trust, es-  
7 tate, cooperative organization, or other entity.

8 (20) PERSON REGULATED BY THE COMMODITY  
9 FUTURES TRADING COMMISSION.—The term “person  
10 regulated by the Commodity Futures Trading Com-  
11 mission” means any person that is registered, or re-  
12 quired by statute or regulation to be registered, with  
13 the Commodity Futures Trading Commission, but  
14 only to the extent that the activities of such person  
15 are subject to the jurisdiction of the Commodity Fu-  
16 tures Trading Commission under the Commodity  
17 Exchange Act.

18 (21) PERSON REGULATED BY THE COMMIS-  
19 SION.—The term “person regulated by the Commis-  
20 sion” means a person who is—

21 (A) a broker or dealer that is required to  
22 be registered under the Securities Exchange Act  
23 of 1934;



1 (B) an investment adviser that is reg-  
2 istered under the Investment Advisers Act of  
3 1940;

4 (C) an investment company that is re-  
5 quired to be registered under the Investment  
6 Company Act of 1940, and any company that  
7 has elected to be regulated as a business devel-  
8 opment company under that Act;

9 (D) a national securities exchange that is  
10 required to be registered under the Securities  
11 Exchange Act of 1934;

12 (E) a transfer agent that is required to be  
13 registered under the Securities Exchange Act of  
14 1934;

15 (F) a clearing corporation that is required  
16 to be registered under the Securities Exchange  
17 Act of 1934;

18 (G) any self-regulatory organization that is  
19 required to be registered with the Commission;

20 (H) any nationally recognized statistical  
21 rating organization that is required to be reg-  
22 istered with the Commission;

23 (I) any securities information processor  
24 that is required to be registered with the Com-  
25 mission;

1           (J) any municipal securities dealer that is  
2           required to be registered with the Commission;

3           (K) any other person that is required to be  
4           registered with the Commission under the Secu-  
5           rities Exchange Act of 1934; and

6           (L) any employee, agent, or contractor act-  
7           ing on behalf of, registered with, or providing  
8           services to, any person described in any of sub-  
9           paragraphs (A) through (K), but only to the ex-  
10          tent that any person described in any of sub-  
11          paragraphs (A) through (K), or the employee,  
12          agent, or contractor of such person, acts in a  
13          regulated capacity.

14          (22) PERSON REGULATED BY A STATE INSUR-  
15          ANCE REGULATOR.—The term “person regulated by  
16          a State insurance regulator” means any person that  
17          is engaged in the business of insurance and subject  
18          to regulation by any State insurance regulator, but  
19          only to the extent that such person acts in such ca-  
20          pacity.

21          (23) PERSON THAT PERFORMS INCOME TAX  
22          PREPARATION ACTIVITIES FOR CONSUMERS.—The  
23          term “person that performs income tax preparation  
24          activities for consumers” means—

1 (A) any tax return preparer (as defined in  
2 section 7701(a)(36) of the Internal Revenue  
3 Code of 1986), regardless of whether com-  
4 pensated, but only to the extent that the person  
5 acts in such capacity;

6 (B) any person regulated by the Secretary  
7 under section 330 of title 31, United States  
8 Code, but only to the extent that the person  
9 acts in such capacity; and

10 (C) any authorized IRS e-file Providers (as  
11 defined for purposes of section 7216 of the In-  
12 ternal Revenue Code of 1986), but only to the  
13 extent that the person acts in such capacity.

14 (24) PRUDENTIAL REGULATOR.—The term  
15 “prudential regulator” means—

16 (A) in the case of an insured depository in-  
17 stitution or depository institution holding com-  
18 pany (as defined in section 3 of the Federal De-  
19 posit Insurance Act), or subsidiary of such in-  
20 stitution or company, the appropriate Federal  
21 banking agency, as that term is defined in sec-  
22 tion 3 of the Federal Deposit Insurance Act;  
23 and

24 (B) in the case of an insured credit union,  
25 the National Credit Union Administration.

1           (25) RELATED PERSON.—The term “related  
2           person”—

3                   (A) shall apply only with respect to a cov-  
4           ered person that is not a bank holding company  
5           (as that term is defined in section 2 of the  
6           Bank Holding Company Act of 1956), credit  
7           union, or depository institution;

8                   (B) shall be deemed to mean a covered  
9           person for all purposes of any provision of Fed-  
10          eral consumer financial law; and

11                  (C) means—

12                   (i) any director, officer, or employee  
13           charged with managerial responsibility for,  
14           or controlling shareholder of, or agent for,  
15           such covered person;

16                   (ii) any shareholder, consultant, joint  
17           venture partner, or other person, as deter-  
18           mined by the Bureau (by rule or on a case-  
19           by-case basis) who materially participates  
20           in the conduct of the affairs of such cov-  
21           ered person; and

22                   (iii) any independent contractor (in-  
23           cluding any attorney, appraiser, or ac-  
24           countant) who knowingly or recklessly par-  
25           ticipates in any—

1 (I) violation of any provision of  
2 law or regulation; or

3 (II) breach of a fiduciary duty.

4 (26) SERVICE PROVIDER.—

5 (A) IN GENERAL.—The term “service pro-  
6 vider” means any person that provides a mate-  
7 rial service to a covered person in connection  
8 with the offering or provision by such covered  
9 person of a consumer financial product or serv-  
10 ice, including a person that—

11 (i) participates in designing, oper-  
12 ating, or maintaining the consumer finan-  
13 cial product or service; or

14 (ii) processes transactions relating to  
15 the consumer financial product or service  
16 (other than unknowingly or incidentally  
17 transmitting or processing financial data in  
18 a manner that such data is undifferen-  
19 tiated from other types of data of the same  
20 form as the person transmits or processes).

21 (B) EXCEPTIONS.—The term “service pro-  
22 vider” does not include a person solely by virtue  
23 of such person offering or providing to a cov-  
24 ered person—

1 (i) a support service of a type pro-  
2 vided to businesses generally or a similar  
3 ministerial service; or

4 (ii) time or space for an advertisement  
5 for a consumer financial product or service  
6 through print, newspaper, or electronic  
7 media.

8 (C) RULE OF CONSTRUCTION.—A person  
9 that is a service provider shall be deemed to be  
10 a covered person to the extent that such person  
11 engages in the offering or provision of its own  
12 consumer financial product or service.

13 (27) STATE.—The term “State” means any  
14 State, territory, or possession of the United States,  
15 the District of Columbia, the Commonwealth of  
16 Puerto Rico, the Commonwealth of the Northern  
17 Mariana Islands, Guam, American Samoa, or the  
18 United States Virgin Islands or any federally recog-  
19 nized Indian tribe, as defined by the Secretary of the  
20 Interior under section 104(a) of the Federally Rec-  
21 ognized Indian Tribe List Act of 1994 (25 U.S.C.  
22 479a–1(a)).

23 (28) STORED VALUE.—

24 (A) IN GENERAL.—The term “stored  
25 value” means funds or monetary value rep-

1           resented in any electronic format, whether or  
2           not specially encrypted, and stored or capable  
3           of storage on electronic media in such a way as  
4           to be retrievable and transferred electronically,  
5           and includes a prepaid debit card or product, or  
6           any other similar product, regardless of whether  
7           the amount of the funds or monetary value may  
8           be increased or reloaded.

9           (B) EXCLUSION.—Notwithstanding sub-  
10          paragraph (A), the term “stored value” does  
11          not include a special purpose card or certificate,  
12          which shall be defined for purposes of this para-  
13          graph as funds or monetary value represented  
14          in any electronic format, whether or not spe-  
15          cially encrypted, that is—

16                 (i) issued by a merchant, retailer, or  
17                 other seller of nonfinancial goods or serv-  
18                 ices;

19                 (ii) redeemable only for transactions  
20                 with the merchant, retailer, or seller of  
21                 nonfinancial goods or services or with an  
22                 affiliate of such person, which affiliate  
23                 itself is a merchant, retailer, or seller of  
24                 nonfinancial goods or services;

1 (iii) issued in a specified amount that,  
2 except in the case of a card or product  
3 used solely for telephone services, may not  
4 be increased or reloaded;

5 (iv) purchased on a prepaid basis in  
6 exchange for payment; and

7 (v) honored upon presentation to such  
8 merchant, retailer, or seller of nonfinancial  
9 goods or services or an affiliate of such  
10 person, which affiliate itself is a merchant,  
11 retailer, or seller of nonfinancial goods or  
12 services, only for any nonfinancial goods or  
13 services.

14 (29) TRANSMITTING OR EXCHANGING FUNDS.—  
15 The term “transmitting or exchanging funds” means  
16 receiving currency, monetary value, or payment in-  
17 struments from a consumer for the purpose of ex-  
18 changing or transmitting the same by any means,  
19 including transmission by wire, facsimile, electronic  
20 transfer, courier, the Internet, or through bill pay-  
21 ment services or through other businesses that facili-  
22 tate third-party transfers within the United States  
23 or to or from the United States.



1     **Subtitle A—Bureau of Consumer**  
2                     **Financial Protection**

3     **SEC. 1011. ESTABLISHMENT OF THE BUREAU OF CON-**  
4                     **SUMER FINANCIAL PROTECTION.**

5             (a) BUREAU ESTABLISHED.—There is established in  
6 the Federal Reserve System, an independent bureau to be  
7 known as the “Bureau of Consumer Financial Protec-  
8 tion”, which shall regulate the offering and provision of  
9 consumer financial products or services under the Federal  
10 consumer financial laws. The Bureau shall be considered  
11 an Executive agency, as defined in section 105 of title 5,  
12 United States Code. Except as otherwise provided ex-  
13 pressly by law, all Federal laws dealing with public or Fed-  
14 eral contracts, property, works, officers, employees, budg-  
15 ets, or funds, including the provisions of chapters 5 and  
16 7 of title 5, shall apply to the exercise of the powers of  
17 the Bureau.

18             (b) DIRECTOR AND DEPUTY DIRECTOR.—

19                 (1) IN GENERAL.—There is established the po-  
20 sition of the Director, who shall serve as the head  
21 of the Bureau.

22                 (2) APPOINTMENT.—Subject to paragraph (3),  
23 the Director shall be appointed by the President, by  
24 and with the advice and consent of the Senate.

1           (3) QUALIFICATION.—The President shall  
2           nominate the Director from among individuals who  
3           are citizens of the United States.

4           (4) COMPENSATION.—The Director shall be  
5           compensated at the rate prescribed for level II of the  
6           Executive Schedule under section 5313 of title 5,  
7           United States Code.

8           (5) DEPUTY DIRECTOR.—There is established  
9           the position of Deputy Director, who shall—

10                   (A) be appointed by the Director; and

11                   (B) serve as acting Director in the absence  
12           or unavailability of the Director.

13           (c) TERM.—

14                   (1) IN GENERAL.—The Director shall serve for  
15           a term of 5 years.

16                   (2) EXPIRATION OF TERM.—An individual may  
17           serve as Director after the expiration of the term for  
18           which appointed, until a successor has been ap-  
19           pointed and qualified.

20                   (3) REMOVAL FOR CAUSE.—The President may  
21           remove the Director for inefficiency, neglect of duty,  
22           or malfeasance in office.

23           (d) SERVICE RESTRICTION.—No Director or Deputy  
24           Director may hold any office, position, or employment in  
25           any Federal reserve bank, Federal home loan bank, cov-

1 ered person, or service provider during the period of serv-  
2 ice of such person as Director or Deputy Director.

3 (e) OFFICES.—The principal office of the Bureau  
4 shall be in the District of Columbia. The Director may  
5 establish regional offices of the Bureau, including in cities  
6 in which the Federal reserve banks, or branches of such  
7 banks, are located, in order to carry out the responsibil-  
8 ities assigned to the Bureau under the Federal consumer  
9 financial laws.

10 **SEC. 1012. EXECUTIVE AND ADMINISTRATIVE POWERS.**

11 (a) POWERS OF THE BUREAU.—The Bureau is au-  
12 thorized to establish the general policies of the Bureau  
13 with respect to all executive and administrative functions,  
14 including—

15 (1) the establishment of rules for conducting  
16 the general business of the Bureau, in a manner not  
17 inconsistent with this title;

18 (2) to bind the Bureau and enter into con-  
19 tracts;

20 (3) directing the establishment and mainte-  
21 nance of divisions or other offices within the Bureau,  
22 in order to carry out the responsibilities under the  
23 Federal consumer financial laws, and to satisfy the  
24 requirements of other applicable law;

1           (4) to coordinate and oversee the operation of  
2           all administrative, enforcement, and research activi-  
3           ties of the Bureau;

4           (5) to adopt and use a seal;

5           (6) to determine the character of and the neces-  
6           sity for the obligations and expenditures of the Bu-  
7           reau;

8           (7) the appointment and supervision of per-  
9           sonnel employed by the Bureau;

10          (8) the distribution of business among per-  
11          sonnel appointed and supervised by the Director and  
12          among administrative units of the Bureau;

13          (9) the use and expenditure of funds;

14          (10) implementing the Federal consumer finan-  
15          cial laws through rules, orders, guidance, interpreta-  
16          tions, statements of policy, examinations, and en-  
17          forcement actions; and

18          (11) performing such other functions as may be  
19          authorized or required by law.

20          (b) DELEGATION OF AUTHORITY.—The Director of  
21          the Bureau may delegate to any duly authorized employee,  
22          representative, or agent any power vested in the Bureau  
23          by law.

24          (c) AUTONOMY OF THE BUREAU.—

1           (1) COORDINATION WITH THE BOARD OF GOV-  
2           ERNORS.—Notwithstanding any other provision of  
3           law applicable to the supervision or examination of  
4           persons with respect to Federal consumer financial  
5           laws, the Board of Governors may delegate to the  
6           Bureau the authorities to examine persons subject to  
7           the jurisdiction of the Board of Governors for com-  
8           pliance with the Federal consumer financial laws.

9           (2) AUTONOMY.—Notwithstanding the authori-  
10          ties granted to the Board of Governors under the  
11          Federal Reserve Act, the Board of Governors may  
12          not—

13                 (A) intervene in any matter or proceeding  
14                 before the Director, including examinations or  
15                 enforcement actions, unless otherwise specifi-  
16                 cally provided by law;

17                 (B) appoint, direct, or remove any officer  
18                 or employee of the Bureau; or

19                 (C) merge or consolidate the Bureau, or  
20                 any of the functions or responsibilities of the  
21                 Bureau, with any division or office of the Board  
22                 of Governors or the Federal reserve banks.

23          (3) RULES AND ORDERS.—No rule or order of  
24          the Bureau shall be subject to approval or review by  
25          the Board of Governors. The Board of Governors

1       may not delay or prevent the issuance of any rule  
2       or order of the Bureau.

3               (4) RECOMMENDATIONS AND TESTIMONY.—No  
4       officer or agency of the United States shall have any  
5       authority to require the Director or any other officer  
6       of the Bureau to submit legislative recommenda-  
7       tions, or testimony or comments on legislation, to  
8       any officer or agency of the United States for ap-  
9       proval, comments, or review prior to the submission  
10      of such recommendations, testimony, or comments to  
11      the Congress, if such recommendations, testimony,  
12      or comments to the Congress include a statement in-  
13      dicating that the views expressed therein are those  
14      of the Director or such officer, and do not nec-  
15      essarily reflect the views of the Board of Governors  
16      or the President.

17              (5) CLARIFICATION OF AUTONOMY OF THE BU-  
18      REAU IN LEGAL PROCEEDINGS.—The Bureau shall  
19      not be liable under any provision of law for any ac-  
20      tion or inaction of the Board of Governors, and the  
21      Board of Governors shall not be liable under any  
22      provision of law for any action or inaction of the Bu-  
23      reau.

24   **SEC. 1013. ADMINISTRATION.**

25              (a) PERSONNEL.—

1 (1) APPOINTMENT.—

2 (A) IN GENERAL.—The Director may fix  
3 the number of, and appoint and direct, all em-  
4 ployees of the Bureau, in accordance with the  
5 applicable provisions of title 5, United States  
6 Code.

7 (B) EMPLOYEES OF THE BUREAU.—The  
8 Director is authorized to employ attorneys,  
9 compliance examiners, compliance supervision  
10 analysts, economists, statisticians, and other  
11 employees as may be deemed necessary to con-  
12 duct the business of the Bureau. Unless other-  
13 wise provided expressly by law, any individual  
14 appointed under this section shall be an em-  
15 ployee as defined in section 2105 of title 5,  
16 United States Code, and subject to the provi-  
17 sions of such title and other laws generally ap-  
18 plicable to the employees of an Executive agen-  
19 cy.

20 (C) WAIVER AUTHORITY.—

21 (i) IN GENERAL.—In making any ap-  
22 pointment under subparagraph (A), the  
23 Director may waive the requirements of  
24 chapter 33 of title 5, United States Code,  
25 and the regulations implementing such

1 chapter, to the extent necessary to appoint  
2 employees on terms and conditions that  
3 are consistent with those set forth in sec-  
4 tion 11(1) of the Federal Reserve Act (12  
5 U.S.C. 248(1)), while providing for—

6 (I) fair, credible, and transparent  
7 methods of establishing qualification  
8 requirements for, recruitment for, and  
9 appointments to positions;

10 (II) fair and open competition  
11 and equitable treatment in the consid-  
12 eration and selection of individuals to  
13 positions;

14 (III) fair, credible, and trans-  
15 parent methods of assigning, reas-  
16 signing, detailing, transferring, or  
17 promoting employees.

18 (ii) VETERANS PREFERENCES.—In  
19 implementing this subparagraph, the Di-  
20 rector shall comply with the provisions of  
21 section 2302(b)(11), regarding veterans'  
22 preference requirements, in a manner con-  
23 sistent with that in which such provisions  
24 are applied under chapter 33 of title 5,  
25 United States Code. The authority under



## 33

1           this subparagraph to waive the require-  
2           ments of that chapter 33 shall expire 5  
3           years after the date of enactment of this  
4           Act.

5           (2) COMPENSATION.—Notwithstanding any oth-  
6           erwise applicable provision of title 5, United States  
7           Code, concerning compensation, including the provi-  
8           sions of chapter 51 and chapter 53, the following  
9           provisions shall apply with respect to employees of  
10          the Bureau:

11           (A) The rates of basic pay for all employ-  
12           ees of the Bureau may be set and adjusted by  
13           the Director.

14           (B) The Director shall at all times provide  
15           compensation (including benefits) to each class  
16           of employees that, at a minimum, are com-  
17           parable to the compensation and benefits then  
18           being provided by the Board of Governors for  
19           the corresponding class of employees.

20           (C) All such employees shall be com-  
21           pensated (including benefits) on terms and con-  
22           ditions that are consistent with the terms and  
23           conditions set forth in section 11(l) of the Fed-  
24           eral Reserve Act (12 U.S.C. 248(l)).

1           (3) LABOR-MANAGEMENT RELATIONS.—Chap-  
2           ter 71 of title 5, United States Code, shall apply to  
3           the Bureau and the employees of the Bureau.

4           (4) AGENCY OMBUDSMAN.—

5                 (A) ESTABLISHMENT REQUIRED.—Not  
6                 later than 180 days after the designated trans-  
7                 fer date, the Bureau shall appoint an ombuds-  
8                 man.

9                 (B) DUTIES OF OMBUDSMAN.—The om-  
10                budsman appointed in accordance with subpara-  
11                graph (A) shall—

12                     (i) act as a liaison between the Bu-  
13                     reau and any affected person with respect  
14                     to any problem that such party may have  
15                     in dealing with the Bureau, resulting from  
16                     the regulatory activities of the Bureau; and

17                     (ii) assure that safeguards exist to en-  
18                     courage complainants to come forward and  
19                     preserve confidentiality.

20           (b) SPECIFIC FUNCTIONAL UNITS.—

21                 (1) RESEARCH.—The Director shall establish a  
22                 unit whose functions shall include researching, ana-  
23                 lyzing, and reporting on—

24                     (A) developments in markets for consumer  
25                     financial products or services, including market

1 areas of alternative consumer financial products  
2 or services with high growth rates and areas of  
3 risk to consumers;

4 (B) access to fair and affordable credit for  
5 traditionally underserved communities;

6 (C) consumer awareness, understanding,  
7 and use of disclosures and communications re-  
8 garding consumer financial products or services;

9 (D) consumer awareness and under-  
10 standing of costs, risks, and benefits of con-  
11 sumer financial products or services;

12 (E) consumer behavior with respect to con-  
13 sumer financial products or services, including  
14 performance on mortgage loans; and

15 (F) experiences of traditionally under-  
16 served consumers, including un-banked and  
17 under-banked consumers.

18 (2) COMMUNITY AFFAIRS.—The Director shall  
19 establish a unit whose functions shall include pro-  
20 viding information, guidance, and technical assist-  
21 ance regarding the offering and provision of con-  
22 sumer financial products or services to traditionally  
23 underserved consumers and communities.

24 (3) COLLECTING AND TRACKING COM-  
25 PLAINTS.—

1           (A) IN GENERAL.—The Director shall es-  
2           tablish a unit whose functions shall include es-  
3           tablishing a single, toll-free telephone number, a  
4           website, and a database or utilizing an existing  
5           database to facilitate the centralized collection  
6           of, monitoring of, and response to consumer  
7           complaints regarding consumer financial prod-  
8           ucts or services. The Director shall coordinate  
9           with the Federal Trade Commission or other  
10          Federal agencies to route complaints to such  
11          agencies, where appropriate.

12          (B) ROUTING CALLS TO STATES.—To the  
13          extent practicable, State agencies may receive  
14          appropriate complaints from the systems estab-  
15          lished under subparagraph (A), if—

16               (i) the State agency system has the  
17               functional capacity to receive calls or elec-  
18               tronic reports routed by the Bureau sys-  
19               tems;

20               (ii) the State agency has satisfied any  
21               conditions of participation in the system  
22               that the Bureau may establish, including  
23               treatment of personally identifiable infor-  
24               mation and sharing of information on com-

1            plaint resolution or related compliance pro-  
2            cedures and resources; and

3                    (iii) participation by the State agency  
4            includes measures necessary to provide for  
5            protection of personally identifiable infor-  
6            mation that conform to the standards for  
7            protection of the confidentiality of person-  
8            ally identifiable information and for data  
9            integrity and security that apply to the  
10           Federal agencies described in subpara-  
11           graph (D).

12                   (C) REPORTS TO THE CONGRESS.—The  
13           Director shall present an annual report to Con-  
14           gress not later than March 31 of each year on  
15           the complaints received by the Bureau in the  
16           prior year regarding consumer financial prod-  
17           ucts and services. Such report shall include in-  
18           formation and analysis about complaint num-  
19           bers, complaint types, and, where applicable, in-  
20           formation about resolution of complaints.

21                   (D) DATA SHARING REQUIRED.—To facili-  
22           tate preparation of the reports required under  
23           subparagraph (C), supervision and enforcement  
24           activities, and monitoring of the market for  
25           consumer financial products and services, the

1 Bureau shall share consumer complaint infor-  
2 mation with prudential regulators, the Federal  
3 Trade Commission, other Federal agencies, and  
4 State agencies, subject to the standards appli-  
5 cable to Federal agencies for protection of the  
6 confidentiality of personally identifiable infor-  
7 mation and for data security and integrity. The  
8 prudential regulators, the Federal Trade Com-  
9 mission, and other Federal agencies shall share  
10 data relating to consumer complaints regarding  
11 consumer financial products and services with  
12 the Bureau, subject to the standards applicable  
13 to Federal agencies for protection of confiden-  
14 tiality of personally identifiable information and  
15 for data security and integrity.

16 (c) OFFICE OF FAIR LENDING AND EQUAL OPPOR-  
17 TUNITY.—

18 (1) ESTABLISHMENT.—The Director shall es-  
19 tablish within the Bureau the Office of Fair Lending  
20 and Equal Opportunity.

21 (2) FUNCTIONS.—The Office of Fair Lending  
22 and Equal Opportunity shall have such powers and  
23 duties as the Director may delegate to the Office, in-  
24 cluding—

1 (A) providing oversight and enforcement of  
2 Federal laws intended to ensure the fair, equi-  
3 table, and nondiscriminatory access to credit for  
4 both individuals and communities that are en-  
5 forced by the Bureau, including the Equal  
6 Credit Opportunity Act and the Home Mort-  
7 gage Disclosure Act;

8 (B) coordinating fair lending efforts of the  
9 Bureau with other Federal agencies and State  
10 regulators, as appropriate, to promote con-  
11 sistent, efficient, and effective enforcement of  
12 Federal fair lending laws;

13 (C) working with private industry, fair  
14 lending, civil rights, consumer and community  
15 advocates on the promotion of fair lending com-  
16 pliance and education; and

17 (D) providing annual reports to Congress  
18 on the efforts of the Bureau to fulfill its fair  
19 lending mandate.

20 (3) ADMINISTRATION OF OFFICE.—There is es-  
21 tablished the position of Assistant Director of the  
22 Bureau for Fair Lending and Equal Opportunity,  
23 who—

24 (A) shall be appointed by the Director; and

1 (B) shall carry out such duties as the Di-  
2 rector may delegate to such Assistant Director.

3 (d) OFFICE OF FINANCIAL EDUCATION.—

4 (1) ESTABLISHMENT.—The Director shall es-  
5 tablish an Office of Financial Education, which shall  
6 be responsible for developing and implementing ini-  
7 tiatives intended to educate and empower consumers  
8 to make better informed financial decisions.

9 (2) OTHER DUTIES.—The Office of Financial  
10 Education shall develop and implement a strategy to  
11 improve the financial literacy of consumers that in-  
12 cludes measurable goals and objectives, in consulta-  
13 tion with the Financial Literacy and Education  
14 Commission, consistent with the National Strategy  
15 for Financial Education, through activities including  
16 providing opportunities for consumers to access—

17 (A) financial counseling, including commu-  
18 nity-based financial counseling, where prac-  
19 ticable;

20 (B) information to assist with the evalua-  
21 tion of credit products and the understanding  
22 of credit histories and scores;

23 (C) savings, borrowing, and other services  
24 found at mainstream financial institutions;

25 (D) activities intended to—



1 (i) prepare the consumer for edu-  
2 cational expenses and the submission of fi-  
3 nancial aid applications, and other major  
4 purchases;

5 (ii) reduce debt; and

6 (iii) improve the financial situation of  
7 the consumer;

8 (E) assistance in developing long-term sav-  
9 ings strategies; and

10 (F) wealth building and financial services  
11 during the preparation process to claim earned  
12 income tax credits and Federal benefits.

13 (3) COORDINATION.—The Office of Financial  
14 Education shall coordinate with other units within  
15 the Bureau in carrying out its functions, including—

16 (A) working with the Community Affairs  
17 Office to implement the strategy to improve fi-  
18 nancial literacy of consumers; and

19 (B) working with the research unit estab-  
20 lished by the Director to conduct research re-  
21 lated to consumer financial education and coun-  
22 seling.

23 (4) REPORT.—Not later than 24 months after  
24 the designated transfer date, and annually there-  
25 after, the Director shall submit a report on its finan-

1           cial literacy activities and strategy to improve finan-  
2           cial literacy of consumers to—

3                   (A) the Committee on Banking, Housing,  
4                   and Urban Affairs of the Senate; and

5                   (B) the Committee on Financial Services  
6                   of the House of Representatives.

7           (5) MEMBERSHIP IN FINANCIAL LITERACY AND  
8           EDUCATION COMMISSION.—Section 513(c)(1) of the  
9           Financial Literacy and Education Improvement Act  
10          (20 U.S.C. 9702(c)(1)) is amended—

11                   (A) in subparagraph (B), by striking  
12                   “and” at the end;

13                   (B) by redesignating subparagraph (C) as  
14                   subparagraph (D); and

15                   (C) by inserting after subparagraph (B)  
16                   the following new subparagraph:

17                   “(C) the Director of the Bureau of Con-  
18                   sumer Financial Protection; and”.

19          (6) CONFORMING AMENDMENT.—Section  
20          513(d) of the Financial Literacy and Education Im-  
21          provement Act (20 U.S.C. 9702(d)) is amended by  
22          adding at the end the following: “The Director of  
23          the Bureau of Consumer Financial Protection shall  
24          serve as the Vice Chairman.”.



1 power consumers about personal finance  
2 management; and

3 (iv) recommendations intended to en-  
4 courage the development of programs that  
5 effectively improve financial education out-  
6 comes and empower consumers to make  
7 better informed financial decisions based  
8 on findings.

9 (B) REPORT.—Not later than 1 year after  
10 the date of enactment of this Act, the Comp-  
11 troller General of the United States shall sub-  
12 mit a report on the results of the study con-  
13 ducted under this paragraph to the Committee  
14 on Banking, Housing, and Urban Affairs of the  
15 Senate and the Committee on Financial Serv-  
16 ices of the House of Representatives.

17 (e) OFFICE OF SERVICE MEMBER AFFAIRS.—

18 (1) IN GENERAL.—The Director shall establish  
19 an Office of Service Member Affairs, which shall be  
20 responsible for developing and implementing initia-  
21 tives for service members and their families intended  
22 to—

23 (A) educate and empower service members  
24 and their families to make better informed deci-

1           sions regarding consumer financial products  
2           and services;

3           (B) coordinate with the unit of the Bureau  
4           established under subsection (b)(3), in order to  
5           monitor complaints by service members and  
6           their families and responses to those complaints  
7           by the Bureau or other appropriate Federal or  
8           State agency; and

9           (C) coordinate efforts among Federal and  
10          State agencies, as appropriate, regarding con-  
11          sumer protection measures relating to consumer  
12          financial products and services offered to, or  
13          used by, service members and their families.

14         (2) COORDINATION.—

15           (A) REGIONAL SERVICES.—The Director is  
16           authorized to assign employees of the Bureau  
17           as may be deemed necessary to conduct the  
18           business of the Office of Service Member Af-  
19           fairs, including by establishing and maintaining  
20           the functions of the Office in regional offices of  
21           the Bureau located near military bases, military  
22           treatment facilities, or other similar military fa-  
23           cilities.

24           (B) AGREEMENTS.—The Director is au-  
25           thorized to enter into memoranda of under-

1 standing and similar agreements with the De-  
2 partment of Defense, including any branch or  
3 agency as authorized by the department, in  
4 order to carry out the business of the Office of  
5 Service Member Affairs.

6 (3) DEFINITION.—As used in this subsection,  
7 the term “service member” means any member of  
8 the United States Armed Forces and any member of  
9 the National Guard or Reserves.

10 (f) TIMING.—The Office of Fair Lending and Equal  
11 Opportunity, the Office of Financial Education, and the  
12 Office of Service Member Affairs shall each be established  
13 not later than 1 year after the designated transfer date.

14 (g) OFFICE OF FINANCIAL PROTECTION FOR OLDER  
15 AMERICANS.—

16 (1) ESTABLISHMENT.—Before the end of the  
17 180-day period beginning on the designated transfer  
18 date, the Director shall establish the Office of Fi-  
19 nancial Protection for Older Americans, the func-  
20 tions of which shall include activities designed to fa-  
21 cilitate the financial literacy of individuals who have  
22 attained the age of 62 years or more (in this sub-  
23 section, referred to as “seniors”) on protection from  
24 unfair, deceptive, and abusive practices and on cur-  
25 rent and future financial choices, including through

1 the dissemination of materials to seniors on such  
2 topics.

3 (2) DIRECTOR.—The Office of Financial Pro-  
4 tection for Older Americans (in this subsection re-  
5 ferred to as the “Office”) shall be headed by an as-  
6 sistant director.

7 (3) DUTIES.—The Office shall—

8 (A) develop goals for programs that pro-  
9 vide seniors financial literacy and counseling,  
10 including programs that—

11 (i) help seniors recognize warning  
12 signs of unfair, deceptive, or abusive prac-  
13 tices, protect themselves from such prac-  
14 tices;

15 (ii) provide one-on-one financial coun-  
16 seling on issues including long-term sav-  
17 ings and later-life economic security; and

18 (iii) provide personal consumer credit  
19 advocacy to respond to consumer problems  
20 caused by unfair, deceptive, or abusive  
21 practices;

22 (B) monitor certifications or designations  
23 of financial advisors who advise seniors and  
24 alert the Commission and State regulators of

1           certifications or designations that are identified  
2           as unfair, deceptive, or abusive;

3           (C) not later than 18 months after the  
4           date of the establishment of the Office, submit  
5           to Congress and the Commission recommenda-  
6           tions on the best practices for any legislative  
7           and regulatory—

8                   (i) disseminating information regard-  
9                   ing the legitimacy of certifications of finan-  
10                  cial advisers who advise seniors;

11                  (ii) methods in which a senior can  
12                  identify the financial advisor most appro-  
13                  priate for the senior's needs; and

14                  (iii) methods in which a senior can  
15                  verify a financial advisor's credentials;

16           (D) conduct research to identify best prac-  
17           tices and effective methods, tools, technology  
18           and strategies to educate and counsel seniors  
19           about personal finance management with a  
20           focus on—

21                   (i) protecting themselves from unfair,  
22                   deceptive, and abusive practices;

23                   (ii) long-term savings; and

24                   (iii) planning for retirement and long-  
25                  term care;



1           (E) coordinate consumer protection efforts  
2           of seniors with other Federal agencies and  
3           State regulators, as appropriate, to promote  
4           consistent, effective, and efficient enforcement;  
5           and

6           (F) work with community organizations,  
7           non-profit organizations, and other entities that  
8           are involved with educating or assisting seniors  
9           (including the National Education and Re-  
10          source Center on Women and Retirement Plan-  
11          ning).

12 **SEC. 1014. CONSUMER ADVISORY BOARD.**

13          (a) ESTABLISHMENT REQUIRED.—The Director shall  
14          establish a Consumer Advisory Board to advise and con-  
15          sult with the Bureau in the exercise of its functions under  
16          the Federal consumer financial laws, and to provide infor-  
17          mation on emerging practices in the consumer financial  
18          products or services industry, including regional trends,  
19          concerns, and other relevant information.

20          (b) MEMBERSHIP.—In appointing the members of  
21          the Consumer Advisory Board, the Director shall seek to  
22          assemble experts in consumer protection, financial serv-  
23          ices, community development, fair lending and civil rights,  
24          and consumer financial products or services and represent-  
25          atives of depository institutions that primarily serve un-

1 derserved communities, and representatives of commu-  
2 nities that have been significantly impacted by higher-  
3 priced mortgage loans, and seek representation of the in-  
4 terests of covered persons and consumers, without regard  
5 to party affiliation. Not fewer than 6 members shall be  
6 appointed upon the recommendation of the regional Fed-  
7 eral Reserve Bank Presidents, on a rotating basis.

8 (c) MEETINGS.—The Consumer Advisory Board shall  
9 meet from time to time at the call of the Director, but,  
10 at a minimum, shall meet at least twice in each year.

11 (d) COMPENSATION AND TRAVEL EXPENSES.—Mem-  
12 bers of the Consumer Advisory Board who are not full-  
13 time employees of the United States shall—

14 (1) be entitled to receive compensation at a rate  
15 fixed by the Director while attending meetings of the  
16 Consumer Advisory Board, including travel time;  
17 and

18 (2) be allowed travel expenses, including trans-  
19 portation and subsistence, while away from their  
20 homes or regular places of business.

21 **SEC. 1015. COORDINATION.**

22 The Bureau shall coordinate with the Commission,  
23 the Commodity Futures Trading Commission, the Federal  
24 Trade Commission, and other Federal agencies and State  
25 regulators, as appropriate, to promote consistent regu-

1 latory treatment of consumer financial and investment  
2 products and services.

3 **SEC. 1016. APPEARANCES BEFORE AND REPORTS TO CON-**  
4 **GRESS.**

5 (a) APPEARANCES BEFORE CONGRESS.—The Direc-  
6 tor of the Bureau shall appear before the Committee on  
7 Banking, Housing, and Urban Affairs of the Senate and  
8 the Committee on Financial Services and the Committee  
9 on Energy and Commerce of the House of Representatives  
10 at semi-annual hearings regarding the reports required  
11 under subsection (b).

12 (b) REPORTS REQUIRED.—The Bureau shall, concur-  
13 rent with each semi-annual hearing referred to in sub-  
14 section (a), prepare and submit to the President and to  
15 the Committee on Banking, Housing, and Urban Affairs  
16 of the Senate and the Committee on Financial Services  
17 and the Committee on Energy and Commerce of the  
18 House of Representatives, a report, beginning with the  
19 session following the designated transfer date. The Bureau  
20 may also submit such report to the Committee on Com-  
21 merce, Science, and Transportation of the Senate.

22 (c) CONTENTS.—The reports required by subsection  
23 (b) shall include—

1           (1) a discussion of the significant problems  
2           faced by consumers in shopping for or obtaining  
3           consumer financial products or services;

4           (2) a justification of the budget request of the  
5           previous year;

6           (3) a list of the significant rules and orders  
7           adopted by the Bureau, as well as other significant  
8           initiatives conducted by the Bureau, during the pre-  
9           ceding year and the plan of the Bureau for rules, or-  
10          ders, or other initiatives to be undertaken during the  
11          upcoming period;

12          (4) an analysis of complaints about consumer  
13          financial products or services that the Bureau has  
14          received and collected in its central database on  
15          complaints during the preceding year;

16          (5) a list, with a brief statement of the issues,  
17          of the public supervisory and enforcement actions to  
18          which the Bureau was a party during the preceding  
19          year;

20          (6) the actions taken regarding rules, orders,  
21          and supervisory actions with respect to covered per-  
22          sons which are not credit unions or depository insti-  
23          tutions;

1           (7) an assessment of significant actions by  
2           State attorneys general or State regulators relating  
3           to Federal consumer financial law;

4           (8) an analysis of the efforts of the Bureau to  
5           fulfill the fair lending mission of the Bureau; and

6           (9) an analysis of the efforts of the Bureau to  
7           increase workforce and contracting diversity con-  
8           sistent with the procedures established by the Office  
9           of Minority and Women Inclusion.

10 **SEC. 1017. FUNDING; PENALTIES AND FINES.**

11           (a) TRANSFER OF FUNDS FROM BOARD OF GOV-  
12           ERNORS.—

13           (1) IN GENERAL.—Each year (or quarter of  
14           such year), beginning on the designated transfer  
15           date, and each quarter thereafter, the Board of Gov-  
16           ernors shall transfer to the Bureau from the com-  
17           bined earnings of the Federal Reserve System, the  
18           amount determined by the Director to be reasonably  
19           necessary to carry out the authorities of the Bureau  
20           under Federal consumer financial law, taking into  
21           account such other sums made available to the Bu-  
22           reau from the preceding year (or quarter of such  
23           year).

24           (2) FUNDING CAP.—

1           (A) IN GENERAL.—Notwithstanding para-  
2 graph (1), and in accordance with this para-  
3 graph, the amount that shall be transferred to  
4 the Bureau in each fiscal year shall not exceed  
5 a fixed percentage of the total operating ex-  
6 penses of the Federal Reserve System, as re-  
7 ported in the Annual Report, 2009, of the  
8 Board of Governors, equal to—

9                   (i) 10 percent of such expenses in fis-  
10 cal year 2011;

11                   (ii) 11 percent of such expenses in fis-  
12 cal year 2012; and

13                   (iii) 12 percent of such expenses in  
14 fiscal year 2013, and in each year there-  
15 after.

16           (B) ADJUSTMENT OF AMOUNT.—The dol-  
17 lar amount referred to in subparagraph (A)(iii)  
18 shall be adjusted annually, using the percent in-  
19 crease, if any, in the employment cost index for  
20 total compensation for State and local govern-  
21 ment workers published by the Federal Govern-  
22 ment, or the successor index thereto, for the  
23 12-month period ending on September 30 of the  
24 year preceding the transfer.

1           (C)     REVIEWABILITY.—Notwithstanding  
2           any other provision in this title, the funds de-  
3           rived from the Federal System pursuant to this  
4           subsection shall not be subject to review by the  
5           Committees on Appropriations of the House of  
6           Representatives and the Senate.

7           (3)   TRANSITION PERIOD.—Beginning on the  
8           date of enactment of this Act and until the des-  
9           ignated transfer date, the Board of Governors shall  
10          transfer to the Bureau the amount estimated by the  
11          Secretary needed to carry out the authorities grant-  
12          ed to the Bureau under Federal consumer financial  
13          law, from the date of enactment of this Act until the  
14          designated transfer date.

15          (4)   BUDGET AND FINANCIAL MANAGEMENT.—

16                (A)   FINANCIAL OPERATING PLANS AND  
17                FORECASTS.—The Director shall provide to the  
18                Director of the Office of Management and  
19                Budget copies of the financial operating plans  
20                and forecasts of the Director, as prepared by  
21                the Director in the ordinary course of the oper-  
22                ations of the Bureau, and copies of the quar-  
23                terly reports of the financial condition and re-  
24                sults of operations of the Bureau, as prepared

1 by the Director in the ordinary course of the  
2 operations of the Bureau.

3 (B) FINANCIAL STATEMENTS.—The Bu-  
4 reau shall prepare annually a statement of—

5 (i) assets and liabilities and surplus or  
6 deficit;

7 (ii) income and expenses; and

8 (iii) sources and application of funds.

9 (C) FINANCIAL MANAGEMENT SYSTEMS.—  
10 The Bureau shall implement and maintain fi-  
11 nancial management systems that comply sub-  
12 stantially with Federal financial management  
13 systems requirements and applicable Federal  
14 accounting standards.

15 (D) ASSERTION OF INTERNAL CON-  
16 TROLS.—The Director shall provide to the  
17 Comptroller General of the United States an as-  
18 sertion as to the effectiveness of the internal  
19 controls that apply to financial reporting by the  
20 Bureau, using the standards established in sec-  
21 tion 3512(e) of title 31, United States Code.

22 (E) RULE OF CONSTRUCTION.—This sub-  
23 section may not be construed as implying any  
24 obligation on the part of the Director to consult  
25 with or obtain the consent or approval of the



1 Director of the Office of Management and  
2 Budget with respect to any report, plan, fore-  
3 cast, or other information referred to in sub-  
4 paragraph (A) or any jurisdiction or oversight  
5 over the affairs or operations of the Bureau.

6 (F) FINANCIAL STATEMENTS.—The finan-  
7 cial statements of the Bureau shall not be con-  
8 solidated with the financial statements of either  
9 the Board of Governors or the Federal Reserve  
10 System.

11 (5) AUDIT OF THE BUREAU.—

12 (A) IN GENERAL.—The Comptroller Gen-  
13 eral shall annually audit the financial trans-  
14 actions of the Bureau in accordance with the  
15 United States generally accepted government  
16 auditing standards, as may be prescribed by the  
17 Comptroller General of the United States. The  
18 audit shall be conducted at the place or places  
19 where accounts of the Bureau are normally  
20 kept. The representatives of the Government  
21 Accountability Office shall have access to the  
22 personnel and to all books, accounts, docu-  
23 ments, papers, records (including electronic  
24 records), reports, files, and all other papers,  
25 automated data, things, or property belonging

1 to or under the control of or used or employed  
2 by the Bureau pertaining to its financial trans-  
3 actions and necessary to facilitate the audit,  
4 and such representatives shall be afforded full  
5 facilities for verifying transactions with the bal-  
6 ances or securities held by depositories, fiscal  
7 agents, and custodians. All such books, ac-  
8 counts, documents, records, reports, files, pa-  
9 pers, and property of the Bureau shall remain  
10 in possession and custody of the Bureau. The  
11 Comptroller General may obtain and duplicate  
12 any such books, accounts, documents, records,  
13 working papers, automated data and files, or  
14 other information relevant to such audit with-  
15 out cost to the Comptroller General, and the  
16 right of access of the Comptroller General to  
17 such information shall be enforceable pursuant  
18 to section 716(c) of title 31, United States  
19 Code.

20 (B) REPORT.—The Comptroller General  
21 shall submit to the Congress a report of each  
22 annual audit conducted under this subsection.  
23 The report to the Congress shall set forth the  
24 scope of the audit and shall include the state-  
25 ment of assets and liabilities and surplus or

1 deficit, the statement of income and expenses,  
2 the statement of sources and application of  
3 funds, and such comments and information as  
4 may be deemed necessary to inform Congress of  
5 the financial operations and condition of the  
6 Bureau, together with such recommendations  
7 with respect thereto as the Comptroller General  
8 may deem advisable. A copy of each report shall  
9 be furnished to the President and to the Bu-  
10 reau at the time submitted to the Congress.

11 (C) ASSISTANCE AND COSTS.—For the  
12 purpose of conducting an audit under this sub-  
13 section, the Comptroller General may, in the  
14 discretion of the Comptroller General, employ  
15 by contract, without regard to section 3709 of  
16 the Revised Statutes of the United States (41  
17 U.S.C. 5), professional services of firms and or-  
18 ganizations of certified public accountants for  
19 temporary periods or for special purposes. Upon  
20 the request of the Comptroller General, the Di-  
21 rector of the Bureau shall transfer to the Gov-  
22 ernment Accountability Office from funds avail-  
23 able, the amount requested by the Comptroller  
24 General to cover the full costs of any audit and  
25 report conducted by the Comptroller General.

1           The Comptroller General shall credit funds  
2           transferred to the account established for sala-  
3           ries and expenses of the Government Account-  
4           ability Office, and such amount shall be avail-  
5           able upon receipt and without fiscal year limita-  
6           tion to cover the full costs of the audit and re-  
7           port.

8           (b) CONSUMER FINANCIAL PROTECTION FUND.—

9           (1) SEPARATE FUND IN FEDERAL RESERVE ES-  
10          TABLISHED.—There is established in the Federal  
11          Reserve a separate fund, to be known as the “Bu-  
12          reau of Consumer Financial Protection Fund” (re-  
13          ferred to in this section as the “Bureau Fund”).  
14          The Bureau Fund shall be maintained and estab-  
15          lished at a Federal reserve bank, in accordance with  
16          such requirements as the Board of Governors may  
17          impose.

18          (2) FUND RECEIPTS.—All amounts transferred  
19          to the Bureau under subsection (a) shall be depos-  
20          ited into the Bureau Fund.

21          (3) INVESTMENT AUTHORITY.—

22          (A) AMOUNTS IN BUREAU FUND MAY BE  
23          INVESTED.—The Bureau may request the  
24          Board of Governors to direct the investment of  
25          the portion of the Bureau Fund that is not, in

1           the judgment of the Bureau, required to meet  
2           the current needs of the Bureau.

3           (B) ELIGIBLE INVESTMENTS.—Invest-  
4           ments authorized by this paragraph shall be  
5           made in obligations of the United States or ob-  
6           ligations that are guaranteed as to principal  
7           and interest by the United States, with matu-  
8           rities suitable to the needs of the Bureau Fund,  
9           as determined by the Bureau.

10          (C) INTEREST AND PROCEEDS CRED-  
11          ITED.—The interest on, and the proceeds from  
12          the sale or redemption of, any obligations held  
13          in the Bureau Fund shall be credited to the  
14          Bureau Fund.

15          (c) USE OF FUNDS.—

16          (1) IN GENERAL.—Funds obtained by, trans-  
17          ferred to, or credited to the Bureau Fund shall be  
18          immediately available to the Bureau and under the  
19          control of the Director, and shall remain available  
20          until expended, to pay the expenses of the Bureau  
21          in carrying out its duties and responsibilities. The  
22          compensation of the Director and other employees of  
23          the Bureau and all other expenses thereof may be  
24          paid from, obtained by, transferred to, or credited to  
25          the Bureau Fund under this section.

1           (2) FUNDS THAT ARE NOT GOVERNMENT  
2 FUNDS.—Funds obtained by or transferred to the  
3 Bureau Fund shall not be construed to be Govern-  
4 ment funds or appropriated monies.

5           (3) AMOUNTS NOT SUBJECT TO APPORTION-  
6 MENT.—Notwithstanding any other provision of law,  
7 amounts in the Bureau Fund and in the Civil Pen-  
8 alty Fund established under subsection (d) shall not  
9 be subject to apportionment for purposes of chapter  
10 15 of title 31, United States Code, or under any  
11 other authority.

12 (d) PENALTIES AND FINES.—

13           (1) ESTABLISHMENT OF VICTIMS RELIEF  
14 FUND.—There is established in the Federal Reserve  
15 a separate fund, to be known as the “Consumer Fi-  
16 nancial Civil Penalty Fund” (referred to in this sec-  
17 tion as the “Civil Penalty Fund”). The Civil Penalty  
18 Fund shall be maintained and established at a Fed-  
19 eral reserve bank, in accordance with such require-  
20 ments as the Board of Governors may impose. If the  
21 Bureau obtains a civil penalty against any person in  
22 any judicial or administrative action under Federal  
23 consumer financial laws, the Bureau shall deposit  
24 into the Civil Penalty Fund, the amount of the pen-  
25 alty collected.

1           (2) PAYMENT TO VICTIMS.—Amounts in the  
2           Civil Penalty Fund shall be available to the Bureau,  
3           without fiscal year limitation, for payments to the  
4           victims of activities for which civil penalties have  
5           been imposed under the Federal consumer financial  
6           laws. To the extent that such victims cannot be lo-  
7           cated or such payments are otherwise not prac-  
8           ticable, the Bureau may use such funds for the pur-  
9           pose of consumer education and financial literacy  
10          programs.

11          (e) AUTHORIZATION OF APPROPRIATIONS; ANNUAL  
12          REPORT.—

13               (1) DETERMINATION REGARDING NEED FOR  
14               APPROPRIATED FUNDS.—

15                   (A) IN GENERAL.—The Director is author-  
16                   ized to determine that sums available to the  
17                   Bureau under this section will not be sufficient  
18                   to carry out the authorities of the Bureau  
19                   under Federal consumer financial law for the  
20                   upcoming year.

21                   (B) REPORT REQUIRED.—When making a  
22                   determination under subparagraph (A), the Di-  
23                   rector shall prepare a report regarding the  
24                   funding of the Bureau, including the assets and  
25                   liabilities of the Bureau, and the extent to

1           which the funding needs of the Bureau are an-  
2           ticipated to exceed the level of the amount set  
3           forth in subsection (a)(2). The Director shall  
4           submit the report to the President and to the  
5           Committee on Appropriations of the Senate and  
6           the Committee on Appropriations of the House  
7           of Representatives.

8           (2) AUTHORIZATION OF APPROPRIATIONS.—If  
9           the Director makes the determination and submits  
10          the report pursuant to paragraph (1), there are  
11          hereby authorized to be appropriated to the Bureau,  
12          for the purposes of carrying out the authorities  
13          granted in Federal consumer financial law,  
14          \$200,000,000 for each of fiscal years 2010, 2011,  
15          2012, 2013, and 2014.

16          (3) APPORTIONMENT.—Notwithstanding any  
17          other provision of law, the amounts in paragraph (2)  
18          shall be subject to apportionment under section  
19          1517 of title 31, United States Code, and restric-  
20          tions that generally apply to the use of appropriated  
21          funds in title 31, United States Code, and other  
22          laws.

23          (4) ANNUAL REPORT.—The Director shall pre-  
24          pare and submit a report, on an annual basis, to the  
25          Committee on Appropriations of the Senate and the



1 Committee on Appropriations of the House of Rep-  
2 resentatives regarding the financial operating plans  
3 and forecasts of the Director, the financial condition  
4 and results of operations of the Bureau, and the  
5 sources and application of funds of the Bureau, in-  
6 cluding any funds appropriated in accordance with  
7 this subsection.

8 **SEC. 1018. EFFECTIVE DATE.**

9 This subtitle shall become effective on the date of en-  
10 actment of this Act.

11 **Subtitle B—General Powers of the**  
12 **Bureau**

13 **SEC. 1021. PURPOSE, OBJECTIVES, AND FUNCTIONS.**

14 (a) **PURPOSE.**—The Bureau shall seek to implement  
15 and, where applicable, enforce Federal consumer financial  
16 law consistently for the purpose of ensuring that all con-  
17 sumers have access to markets for consumer financial  
18 products and services and that markets for consumer fi-  
19 nancial products and services are fair, transparent, and  
20 competitive.

21 (b) **OBJECTIVES.**—The Bureau is authorized to exer-  
22 cise its authorities under Federal consumer financial law  
23 for the purposes of ensuring that, with respect to con-  
24 sumer financial products and services—

1           (1) consumers are provided with timely and un-  
2           derstandable information to make responsible deci-  
3           sions about financial transactions;

4           (2) consumers are protected from unfair, decep-  
5           tive, or abusive acts and practices and from dis-  
6           crimination;

7           (3) outdated, unnecessary, or unduly burden-  
8           some regulations are regularly identified and ad-  
9           dressed in order to reduce unwarranted regulatory  
10          burdens;

11          (4) Federal consumer financial law is enforced  
12          consistently, without regard to the status of a person  
13          as a depository institution, in order to promote fair  
14          competition; and

15          (5) markets for consumer financial products  
16          and services operate transparently and efficiently to  
17          facilitate access and innovation.

18          (c) FUNCTIONS.—The primary functions of the Bu-  
19          reau are—

20                 (1) conducting financial education programs;

21                 (2) collecting, investigating, and responding to  
22          consumer complaints;

23                 (3) collecting, researching, monitoring, and  
24          publishing information relevant to the functioning of  
25          markets for consumer financial products and serv-

1       ices to identify risks to consumers and the proper  
2       functioning of such markets;

3           (4) subject to sections 1024 through 1026, su-  
4       pervising covered persons for compliance with Fed-  
5       eral consumer financial law, and taking appropriate  
6       enforcement action to address violations of Federal  
7       consumer financial law;

8           (5) issuing rules, orders, and guidance imple-  
9       menting Federal consumer financial law; and

10          (6) performing such support activities as may  
11       be necessary or useful to facilitate the other func-  
12       tions of the Bureau.

13   **SEC. 1022. RULEMAKING AUTHORITY.**

14       (a) **IN GENERAL.**—The Bureau is authorized to exer-  
15       cise its authorities under Federal consumer financial law  
16       to administer, enforce, and otherwise implement the provi-  
17       sions of Federal consumer financial law.

18       (b) **RULEMAKING, ORDERS, AND GUIDANCE.**—

19           (1) **GENERAL AUTHORITY.**—The Director may  
20       prescribe rules and issue orders and guidance, as  
21       may be necessary or appropriate to enable the Bu-  
22       reau to administer and carry out the purposes and  
23       objectives of the Federal consumer financial laws,  
24       and to prevent evasions thereof.

1           (2) STANDARDS FOR RULEMAKING.—In pre-  
2       scribing a rule under the Federal consumer financial  
3       laws—

4           (A) the Bureau shall consider—

5               (i) the potential benefits and costs to  
6               consumers and covered persons, including  
7               the potential reduction of access by con-  
8               sumers to consumer financial products or  
9               services resulting from such rule; and

10               (ii) the impact of proposed rules on  
11               covered persons, as described in section  
12               1026, and the impact on consumers in  
13               rural areas;

14           (B) the Bureau shall consult with the ap-  
15       propriate prudential regulators or other Federal  
16       agencies prior to proposing a rule and during  
17       the comment process regarding consistency with  
18       prudential, market, or systemic objectives ad-  
19       ministered by such agencies; and

20           (C) if, during the consultation process de-  
21       scribed in subparagraph (B), a prudential regu-  
22       lator provides the Bureau with a written objec-  
23       tion to the proposed rule of the Bureau or a  
24       portion thereof, the Bureau shall include in the  
25       adopting release a description of the objection

1 and the basis for the Bureau decision, if any,  
2 regarding such objection, except that nothing in  
3 this clause shall be construed as altering or lim-  
4 iting the procedures under section 1023 that  
5 may apply to any rule prescribed by the Bu-  
6 reau.

7 (3) EXEMPTIONS.—

8 (A) IN GENERAL.—The Bureau, by rule,  
9 may conditionally or unconditionally exempt  
10 any class of covered persons, service providers,  
11 or consumer financial products or services, from  
12 any provision of this title, or from any rule  
13 issued under this title, as the Bureau deter-  
14 mines necessary or appropriate to carry out the  
15 purposes and objectives of this title, taking into  
16 consideration the factors in subparagraph (B).

17 (B) FACTORS.—In issuing an exemption,  
18 as permitted under subparagraph (A), the Bu-  
19 reau shall, as appropriate, take into consider-  
20 ation—

21 (i) the total assets of the class of cov-  
22 ered persons;

23 (ii) the volume of transactions involv-  
24 ing consumer financial products or services

1 in which the class of covered persons en-  
2 gages; and

3 (iii) existing provisions of law which  
4 are applicable to the consumer financial  
5 product or service and the extent to which  
6 such provisions provide consumers with  
7 adequate protections.

8 (4) EXCLUSIVE RULEMAKING AUTHORITY.—

9 (A) IN GENERAL.—Notwithstanding any  
10 other provisions of Federal law and except as  
11 provided in section 1061(b)(5), to the extent  
12 that a provision of Federal consumer financial  
13 law authorizes the Bureau and another Federal  
14 agency to issue regulations under that provision  
15 of law for purposes of assuring compliance with  
16 Federal consumer financial law and any regula-  
17 tions thereunder, the Bureau shall have the ex-  
18 clusive authority to prescribe rules subject to  
19 those provisions of law.

20 (B) DEFERENCE.—Notwithstanding any  
21 power granted to any Federal agency or to the  
22 Council under this title, and subject to section  
23 1061(b)(5)(E), the deference that a court af-  
24 fords to the Bureau with respect to a deter-  
25 mination by the Bureau regarding the meaning

1 or interpretation of any provision of a Federal  
2 consumer financial law shall be applied as if the  
3 Bureau were the only agency authorized to  
4 apply, enforce, interpret, or administer the pro-  
5 visions of such Federal consumer financial law.

6 (c) MONITORING.—

7 (1) IN GENERAL.—In order to support its rule-  
8 making and other functions, the Bureau shall mon-  
9 itor for risks to consumers in the offering or provi-  
10 sion of consumer financial products or services, in-  
11 cluding developments in markets for such products  
12 or services.

13 (2) CONSIDERATIONS.—In allocating its re-  
14 sources to perform the monitoring required by this  
15 section, the Bureau may consider, among other fac-  
16 tors—

17 (A) likely risks and costs to consumers as-  
18 sociated with buying or using a type of con-  
19 sumer financial product or service;

20 (B) understanding by consumers of the  
21 risks of a type of consumer financial product or  
22 service;

23 (C) the legal protections applicable to the  
24 offering or provision of a consumer financial  
25 product or service, including the extent to which

1 the law is likely to adequately protect con-  
2 sumers;

3 (D) rates of growth in the offering or pro-  
4 vision of a consumer financial product or serv-  
5 ice;

6 (E) the extent, if any, to which the risks  
7 of a consumer financial product or service may  
8 disproportionately affect traditionally under-  
9 served consumers; or

10 (F) the types, number, and other pertinent  
11 characteristics of covered persons that offer or  
12 provide the consumer financial product or serv-  
13 ice.

14 (3) SIGNIFICANT FINDINGS.—

15 (A) IN GENERAL.—The Bureau shall pub-  
16 lish not fewer than 1 report of significant find-  
17 ings of its monitoring required by this sub-  
18 section in each calendar year, beginning with  
19 the first calendar year that begins at least 1  
20 year after the designated transfer date.

21 (B) CONFIDENTIAL INFORMATION.—The  
22 Bureau may make public such information ob-  
23 tained by the Bureau under this section as is  
24 in the public interest, through aggregated re-  
25 ports or other appropriate formats designed to



1 protect confidential information in accordance  
2 with paragraphs (4), (6), (8), and (9).

3 (4) COLLECTION OF INFORMATION.—

4 (A) IN GENERAL.—In conducting any  
5 monitoring or assessment required by this sec-  
6 tion, the Bureau shall have the authority to  
7 gather information from time to time regarding  
8 the organization, business conduct, markets,  
9 and activities of covered persons and service  
10 providers.

11 (B) METHODOLOGY.—In order to gather  
12 information described in subparagraph (A), the  
13 Bureau may—

14 (i) gather and compile information  
15 from a variety of sources, including exam-  
16 ination reports concerning covered persons  
17 or service providers, consumer complaints,  
18 voluntary surveys and voluntary interviews  
19 of consumers, surveys and interviews with  
20 covered persons and service providers, and  
21 review of available databases; and

22 (ii) require covered persons and serv-  
23 ice providers participating in consumer fi-  
24 nancial services markets to file with the  
25 Bureau, under oath or otherwise, in such

1 form and within such reasonable period of  
2 time as the Bureau may prescribe by rule  
3 or order, annual or special reports, or an-  
4 swers in writing to specific questions, fur-  
5 nishing information described in paragraph  
6 (4), as necessary for the Bureau to fulfill  
7 the monitoring, assessment, and reporting  
8 responsibilities imposed by Congress.

9 (C) LIMITATION.—The Bureau may not  
10 use its authorities under this paragraph to ob-  
11 tain records from covered persons and service  
12 providers participating in consumer financial  
13 services markets for purposes of gathering or  
14 analyzing the personally identifiable financial  
15 information of consumers.

16 (5) LIMITED INFORMATION GATHERING.—In  
17 order to assess whether a nondepository is a covered  
18 person, as defined in section 1002, the Bureau may  
19 require such nondepository to file with the Bureau,  
20 under oath or otherwise, in such form and within  
21 such reasonable period of time as the Bureau may  
22 prescribe by rule or order, annual or special reports,  
23 or answers in writing to specific questions.

24 (6) CONFIDENTIALITY RULES.—

1 (A) RULEMAKING.—The Bureau shall pre-  
2 scribe rules regarding the confidential treat-  
3 ment of information obtained from persons in  
4 connection with the exercise of its authorities  
5 under Federal consumer financial law.

6 (B) ACCESS BY THE BUREAU TO REPORTS  
7 OF OTHER REGULATORS.—

8 (i) EXAMINATION AND FINANCIAL  
9 CONDITION REPORTS.—Upon providing  
10 reasonable assurances of confidentiality,  
11 the Bureau shall have access to any report  
12 of examination or financial condition made  
13 by a prudential regulator or other Federal  
14 agency having jurisdiction over a covered  
15 person or service provider, and to all revi-  
16 sions made to any such report.

17 (ii) PROVISION OF OTHER REPORTS  
18 TO THE BUREAU.—In addition to the re-  
19 ports described in clause (i), a prudential  
20 regulator or other Federal agency having  
21 jurisdiction over a covered person or serv-  
22 ice provider may, in its discretion, furnish  
23 to the Bureau any other report or other  
24 confidential supervisory information con-  
25 cerning any insured depository institution,

1 credit union, or other entity examined by  
2 such agency under authority of any provi-  
3 sion of Federal law.

4 (C) ACCESS BY OTHER REGULATORS TO  
5 REPORTS OF THE BUREAU.—

6 (i) EXAMINATION REPORTS.—Upon  
7 providing reasonable assurances of con-  
8 fidentiality, a prudential regulator, a State  
9 regulator, or any other Federal agency  
10 having jurisdiction over a covered person  
11 or service provider shall have access to any  
12 report of examination made by the Bureau  
13 with respect to such person, and to all re-  
14 visions made to any such report.

15 (ii) PROVISION OF OTHER REPORTS  
16 TO OTHER REGULATORS.—In addition to  
17 the reports described in clause (i), the Bu-  
18 reau may, in its discretion, furnish to a  
19 prudential regulator or other agency hav-  
20 ing jurisdiction over a covered person or  
21 service provider any other report or other  
22 confidential supervisory information con-  
23 cerning such person examined by the Bu-  
24 reau under the authority of any other pro-  
25 vision of Federal law.

1 (7) REGISTRATION.—

2 (A) IN GENERAL.—The Bureau may pre-  
3 scribe rules regarding registration requirements  
4 applicable to a covered person, other than an  
5 insured depository institution, insured credit  
6 union, or related person.

7 (B) REGISTRATION INFORMATION.—Sub-  
8 ject to rules prescribed by the Bureau, the Bu-  
9 reau may publicly disclose registration informa-  
10 tion to facilitate the ability of consumers to  
11 identify covered persons that are registered with  
12 the Bureau.

13 (C) CONSULTATION WITH STATE AGEN-  
14 CIES.—In developing and implementing reg-  
15 istration requirements under this paragraph,  
16 the Bureau shall consult with State agencies re-  
17 garding requirements or systems (including co-  
18 ordinated or combined systems for registration),  
19 where appropriate.

20 (8) PRIVACY CONSIDERATIONS.—In collecting  
21 information from any person, publicly releasing in-  
22 formation held by the Bureau, or requiring covered  
23 persons to publicly report information, the Bureau  
24 shall take steps to ensure that proprietary, personal,  
25 or confidential consumer information that is pro-

1 tected from public disclosure under section 552(b) or  
2 552a of title 5, United States Code, or any other  
3 provision of law, is not made public under this title.

4 (9) CONSUMER PRIVACY.—

5 (A) IN GENERAL.—The Bureau may not  
6 obtain from a covered person or service provider  
7 any personally identifiable financial information  
8 about a consumer from the financial records of  
9 the covered person or service provider, except—

10 (i) if the financial records are reason-  
11 ably described in a request by the Bureau  
12 and the consumer provides written permis-  
13 sion for the disclosure of such information  
14 by the covered person or service provider  
15 to the Bureau; or

16 (ii) as may be specifically permitted or  
17 required under other applicable provisions  
18 of law and in accordance with the Right to  
19 Financial Privacy Act of 1978 (12 U.S.C.  
20 3401 et seq.).

21 (B) TREATMENT OF COVERED PERSON OR  
22 SERVICE PROVIDER.—With respect to the appli-  
23 cation of any provision of the Right to Finan-  
24 cial Privacy Act of 1978, to a disclosure by a  
25 covered person or service provider subject to

1           this subsection, the covered person or service  
2           provider shall be treated as if it were a “finan-  
3           cial institution”, as defined in section 1101 of  
4           that Act (12 U.S.C. 3401).

5           (d) ASSESSMENT OF SIGNIFICANT RULES.—

6           (1) IN GENERAL.—The Bureau shall conduct  
7           an assessment of each significant rule or order  
8           adopted by the Bureau under Federal consumer fi-  
9           nancial law. The assessment shall address, among  
10          other relevant factors, the effectiveness of the rule or  
11          order in meeting the purposes and objectives of this  
12          title and the specific goals stated by the Bureau.  
13          The assessment shall reflect available evidence and  
14          any data that the Bureau reasonably may collect.

15          (2) REPORTS.—The Bureau shall publish a re-  
16          port of its assessment under this subsection not  
17          later than 5 years after the effective date of the sub-  
18          ject rule or order.

19          (3) PUBLIC COMMENT REQUIRED.—Before pub-  
20          lishing a report of its assessment, the Bureau shall  
21          invite public comment on recommendations for modi-  
22          fying, expanding, or eliminating the newly adopted  
23          significant rule or order.

1 **SEC. 1023. REVIEW OF BUREAU REGULATIONS.**

2 (a) REVIEW OF BUREAU REGULATIONS.—On the pe-  
3 tition of a member agency of the Council, the Council may  
4 set aside a final regulation prescribed by the Bureau, or  
5 any provision thereof, if the Council decides, in accordance  
6 with subsection (c), that the regulation or provision would  
7 put the safety and soundness of the United States banking  
8 system or the stability of the financial system of the  
9 United States at risk.

10 (b) PETITION.—

11 (1) PROCEDURE.—An agency represented by a  
12 member of the Council may petition the Council, in  
13 writing, and in accordance with rules prescribed pur-  
14 suant to subsection (f), to stay the effectiveness of,  
15 or set aside, a regulation if the member agency filing  
16 the petition—

17 (A) has in good faith attempted to work  
18 with the Bureau to resolve concerns regarding  
19 the effect of the rule on the safety and sound-  
20 ness of the United States banking system or  
21 the stability of the financial system of the  
22 United States; and

23 (B) files the petition with the Council not  
24 later than 10 days after the date on which the  
25 regulation has been published in the Federal  
26 Register.



1           (2) PUBLICATION.—Any petition filed with the  
2           Council under this section shall be published in the  
3           Federal Register and transmitted contemporaneously  
4           with filing to the Committee on Banking, Housing,  
5           and Urban Affairs of the Senate and the Committee  
6           on Financial Services of the House of Representa-  
7           tives.

8           (c) STAYS AND SET ASIDES.—

9           (1) STAY.—

10           (A) IN GENERAL.—Upon the request of  
11           any member agency, the Chairperson of the  
12           Council may stay the effectiveness of a regula-  
13           tion for the purpose of allowing appropriate  
14           consideration of the petition by the Council.

15           (B) EXPIRATION.—A stay issued under  
16           this paragraph shall expire on the earlier of—

17           (i) 90 days after the date of filing of  
18           the petition under subsection (b); or

19           (ii) the date on which the Council  
20           makes a decision under paragraph (3).

21           (2) NO ADVERSE INFERENCE.—After the expi-  
22           ration of any stay imposed under this section, no in-  
23           ference shall be drawn regarding the validity or en-  
24           forceability of a regulation which was the subject of  
25           the petition.

1 (3) VOTE.—

2 (A) IN GENERAL.—The decision to issue a  
3 stay of, or set aside, any regulation under this  
4 section shall be made only with the affirmative  
5 vote in accordance with subparagraph (B) of  $\frac{2}{3}$   
6 of the members of the Council then serving.

7 (B) AUTHORIZATION TO VOTE.—A member  
8 of the Council may vote to stay the effectiveness  
9 of, or set aside, a final regulation prescribed by  
10 the Bureau only if the agency or department  
11 represented by that member has—

12 (i) considered any relevant informa-  
13 tion provided by the agency submitting the  
14 petition and by the Bureau; and

15 (ii) made an official determination, at  
16 a public meeting where applicable, that the  
17 regulation which is the subject of the peti-  
18 tion would put the safety and soundness of  
19 the United States banking system or the  
20 stability of the financial system of the  
21 United States at risk.

22 (4) DECISIONS TO SET ASIDE.—

23 (A) EFFECT OF DECISION.—A decision by  
24 the Council to set aside a regulation prescribed  
25 by the Bureau, or provision thereof, shall

1           render such regulation, or provision thereof, un-  
2           enforceable.

3           (B) **TIMELY ACTION REQUIRED.**—The  
4           Council may not issue a decision to set aside a  
5           regulation, or provision thereof, which is the  
6           subject of a petition under this section after the  
7           expiration of the later of—

8                   (i) 45 days following the date of filing  
9                   of the petition, unless a stay is issued  
10                  under paragraph (1); or

11                  (ii) the expiration of a stay issued by  
12                  the Council under this section.

13           (C) **SEPARATE AUTHORITY.**—The issuance  
14           of a stay under this section does not affect the  
15           authority of the Council to set aside a regula-  
16           tion.

17           (5) **DISMISSAL DUE TO INACTION.**—A petition  
18           under this section shall be deemed dismissed if the  
19           Council has not issued a decision to set aside a regu-  
20           lation, or provision thereof, within the period for  
21           timely action under paragraph (4)(B).

22           (6) **PUBLICATION OF DECISION.**—Any decision  
23           under this subsection to issue a stay of, or set aside,  
24           a regulation or provision thereof shall be published  
25           by the Council in the Federal Register as soon as

1       practicable after the decision is made, with an expla-  
2       nation of the reasons for the decision.

3           (7)   RULEMAKING   PROCEDURES   INAPPLI-  
4       CABLE.—The notice and comment procedures under  
5       section 553 of title 5, United States Code, shall not  
6       apply to any decision under this section of the Coun-  
7       cil to issue a stay of, or set aside, a regulation.

8           (8)   JUDICIAL REVIEW OF DECISIONS BY THE  
9       COUNCIL.—A decision by the Council to set aside a  
10      regulation prescribed by the Bureau, or provision  
11      thereof, shall be subject to review under chapter 7  
12      of title 5, United States Code.

13       (d)   APPLICATION OF OTHER LAW.—Nothing in this  
14      section shall be construed as altering, limiting, or restrict-  
15      ing the application of any other provision of law, except  
16      as otherwise specifically provided in this section, including  
17      chapter 5 and chapter 7 of title 5, United States Code,  
18      to a regulation which is the subject of a petition filed  
19      under this section.

20       (e)   SAVINGS CLAUSE.—Nothing in this section shall  
21      be construed as limiting or restricting the Bureau from  
22      engaging in a rulemaking in accordance with applicable  
23      law.

24       (f)   IMPLEMENTING RULES.—The Council shall pre-  
25      scribe procedural rules to implement this section.

1 **SEC. 1024. SUPERVISION OF NONDEPOSITORY COVERED**  
2 **PERSONS.**

3 (a) SCOPE OF COVERAGE.—

4 (1) APPLICABILITY.—Notwithstanding any  
5 other provision of this title, and except as provided  
6 in paragraph (3), this section shall apply to any cov-  
7 ered person who—

8 (A) offers or provides origination, broker-  
9 age, or servicing of loans secured by real estate  
10 for use by consumers primarily for personal,  
11 family, or household purposes, or loan modifica-  
12 tion or foreclosure relief services in connection  
13 with such loans;

14 (B) is a larger participant of a market for  
15 other consumer financial products or services,  
16 as defined by rule in accordance with paragraph  
17 (2);

18 (C) the Bureau has reasonable cause to de-  
19 termine, by order, after notice to the covered  
20 person and a reasonable opportunity for such  
21 covered person to respond, based on complaints  
22 collected through the system under section  
23 1013(b)(3) or information from other sources,  
24 that such covered person is engaging, or has en-  
25 gaged, in conduct that poses risks to consumers

1 with regard to the offering or provision of con-  
2 sumer financial products or services;

3 (D) offers or provides to a consumer any  
4 private education loan, as defined in section  
5 140 of the Truth in Lending Act (15 U.S.C.  
6 1650), notwithstanding section 1027(a)(2)(A)  
7 and subject to section 1027(a)(2)(C); or

8 (E) offers or provides to a consumer a pay-  
9 day loan.

10 (2) RULEMAKING TO DEFINE COVERED PER-  
11 SONS SUBJECT TO THIS SECTION.—The Bureau  
12 shall consult with the Federal Trade Commission  
13 prior to issuing a rule, in accordance with paragraph  
14 (1)(B), to define covered persons subject to this sec-  
15 tion. The Bureau shall issue its initial rule not later  
16 than 1 year after the designated transfer date.

17 (3) RULES OF CONSTRUCTION.—

18 (A) CERTAIN PERSONS EXCLUDED.—This  
19 section shall not apply to persons described in  
20 section 1025(a) or 1026(a).

21 (B) ACTIVITY LEVELS.—For purposes of  
22 computing activity levels under paragraph (1)  
23 or rules issued thereunder, activities of affili-  
24 ated companies (other than insured depository

1 institutions or insured credit unions) shall be  
2 aggregated.

3 (b) SUPERVISION.—

4 (1) IN GENERAL.—The Bureau shall require re-  
5 ports and conduct examinations on a periodic basis  
6 of persons described in subsection (a)(1) for pur-  
7 poses of—

8 (A) assessing compliance with the require-  
9 ments of Federal consumer financial law;

10 (B) obtaining information about the activi-  
11 ties and compliance systems or procedures of  
12 such person; and

13 (C) detecting and assessing risks to con-  
14 sumers and to markets for consumer financial  
15 products and services.

16 (2) RISK-BASED SUPERVISION PROGRAM.—The  
17 Bureau shall exercise its authority under paragraph  
18 (1) in a manner designed to ensure that such exer-  
19 cise, with respect to persons described in subsection  
20 (a)(1), is based on the assessment by the Bureau of  
21 the risks posed to consumers in the relevant product  
22 markets and geographic markets, and taking into  
23 consideration, as applicable—

24 (A) the asset size of the covered person;

1 (B) the volume of transactions involving  
2 consumer financial products or services in  
3 which the covered person engages;

4 (C) the risks to consumers created by the  
5 provision of such consumer financial products  
6 or services;

7 (D) the extent to which such institutions  
8 are subject to oversight by State authorities for  
9 consumer protection; and

10 (E) any other factors that the Bureau de-  
11 termines to be relevant to a class of covered  
12 persons.

13 (3) COORDINATION.—To minimize regulatory  
14 burden, the Bureau shall coordinate its supervisory  
15 activities with the supervisory activities conducted by  
16 prudential regulators and the State bank regulatory  
17 authorities, including establishing their respective  
18 schedules for examining persons described in sub-  
19 section (a)(1) and requirements regarding reports to  
20 be submitted by such persons.

21 (4) USE OF EXISTING REPORTS.—The Bureau  
22 shall, to the fullest extent possible, use—

23 (A) reports pertaining to persons described  
24 in subsection (a)(1) that have been provided or



1 required to have been provided to a Federal or  
2 State agency; and

3 (B) information that has been reported  
4 publicly.

5 (5) PRESERVATION OF AUTHORITY.—Nothing  
6 in this title may be construed as limiting the author-  
7 ity of the Director to require reports from persons  
8 described in subsection (a)(1), as permitted under  
9 paragraph (1), regarding information owned or  
10 under the control of such person, regardless of  
11 whether such information is maintained, stored, or  
12 processed by another person.

13 (6) REPORTS OF TAX LAW NONCOMPLIANCE.—  
14 The Bureau shall provide the Commissioner of In-  
15 ternal Revenue with any report of examination or re-  
16 lated information identifying possible tax law non-  
17 compliance.

18 (7) REGISTRATION, RECORDKEEPING AND  
19 OTHER REQUIREMENTS FOR CERTAIN PERSONS.—

20 (A) IN GENERAL.—The Bureau shall pre-  
21 scribe rules to facilitate supervision of persons  
22 described in subsection (a)(1) and assessment  
23 and detection of risks to consumers.

24 (B) RECORDKEEPING.—The Bureau may  
25 require a person described in subsection (a)(1),

1 to generate, provide, or retain records for the  
2 purposes of facilitating supervision of such per-  
3 sons and assessing and detecting risks to con-  
4 sumers.

5 (C) REQUIREMENTS CONCERNING OBLIGA-  
6 TIONS.—The Bureau may prescribe rules re-  
7 garding a person described in subsection (a)(1),  
8 to ensure that such persons are legitimate enti-  
9 ties and are able to perform their obligations to  
10 consumers. Such requirements may include  
11 background checks for principals, officers, di-  
12 rectors, or key personnel and bonding or other  
13 appropriate financial requirements.

14 (D) CONSULTATION WITH STATE AGEN-  
15 CIES.—In developing and implementing require-  
16 ments under this paragraph, the Bureau shall  
17 consult with State agencies regarding require-  
18 ments or systems (including coordinated or  
19 combined systems for registration), where ap-  
20 propriate.

21 (e) ENFORCEMENT AUTHORITY.—

22 (1) THE BUREAU TO HAVE ENFORCEMENT AU-  
23 THORITY.—Except as provided in paragraph (3) and  
24 section 1061, with respect to any person described  
25 in subsection (a)(1), to the extent that Federal law

1       authorizes the Bureau and another Federal agency  
2       to enforce Federal consumer financial law, the Bu-  
3       reau shall have exclusive authority to enforce that  
4       Federal consumer financial law.

5               (2) REFERRAL.—Any Federal agency author-  
6       ized to enforce a Federal consumer financial law de-  
7       scribed in paragraph (1) may recommend in writing  
8       to the Bureau that the Bureau initiate an enforce-  
9       ment proceeding, as the Bureau is authorized by  
10      that Federal law or by this title.

11              (3) COORDINATION WITH THE FEDERAL TRADE  
12      COMMISSION.—

13              (A) IN GENERAL.—The Bureau and the  
14      Federal Trade Commission shall negotiate an  
15      agreement for coordinating with respect to en-  
16      forcement actions by each agency regarding the  
17      offering or provision of consumer financial  
18      products or services by any covered person that  
19      is described in subsection (a)(1), or service pro-  
20      viders thereto. The agreement shall include pro-  
21      cedures for notice to the other agency, where  
22      feasible, prior to initiating a civil action to en-  
23      force any Federal law regarding the offering or  
24      provision of consumer financial products or  
25      services.

1 (B) CIVIL ACTIONS.—Whenever a civil ac-  
2 tion has been filed by, or on behalf of, the Bu-  
3 reau or the Federal Trade Commission for any  
4 violation of any provision of Federal law de-  
5 scribed in subparagraph (A), or any regulation  
6 prescribed under such provision of law—

7 (i) the other agency may not, during  
8 the pendency of that action, institute a  
9 civil action under such provision of law  
10 against any defendant named in the com-  
11 plaint in such pending action for any viola-  
12 tion alleged in the complaint; and

13 (ii) the Bureau or the Federal Trade  
14 Commission may intervene as a party in  
15 any such action brought by the other agen-  
16 cy, and, upon intervening—

17 (I) be heard on all matters aris-  
18 ing in such enforcement action; and

19 (II) file petitions for appeal in  
20 such actions.

21 (C) AGREEMENT TERMS.—The terms of  
22 any agreement negotiated under subparagraph  
23 (A) may modify or supersede the provisions of  
24 subparagraph (B).

1 (D) DEADLINE.—The agencies shall reach  
2 the agreement required under subparagraph (A)  
3 not later than 6 months after the designated  
4 transfer date.

5 (d) EXCLUSIVE RULEMAKING AND EXAMINATION  
6 AUTHORITY.—Notwithstanding any other provision of  
7 Federal law and except as provided in section 1061, to  
8 the extent that Federal law authorizes the Bureau and an-  
9 other Federal agency to issue regulations or guidance,  
10 conduct examinations, or require reports from a person  
11 described in subsection (a)(1) under such law for purposes  
12 of assuring compliance with Federal consumer financial  
13 law and any regulations thereunder, the Bureau shall have  
14 the exclusive authority to prescribe rules, issue guidance,  
15 conduct examinations, require reports, or issue exemptions  
16 with regard to a person described in subsection (a)(1),  
17 subject to those provisions of law.

18 (e) SERVICE PROVIDERS.—A service provider to a  
19 person described in subsection (a)(1) shall be subject to  
20 the authority of the Bureau under this section, to the  
21 same extent as if such service provider were engaged in  
22 a service relationship with a bank, and the Bureau were  
23 an appropriate Federal banking agency under section 7(c)  
24 of the Bank Service Company Act (12 U.S.C. 1867(c)).  
25 In conducting any examination or requiring any report

1 from a service provider subject to this subsection, the Bu-  
2 reau shall coordinate with the appropriate prudential reg-  
3 ulator, as applicable.

4 (f) PRESERVATION OF FARM CREDIT ADMINISTRA-  
5 TION AUTHORITY.—No provision of this title may be con-  
6 strued as modifying, limiting, or otherwise affecting the  
7 authority of the Farm Credit Administration.

8 **SEC. 1025. SUPERVISION OF VERY LARGE BANKS, SAVINGS**  
9 **ASSOCIATIONS, AND CREDIT UNIONS.**

10 (a) SCOPE OF COVERAGE.—This section shall apply  
11 to any covered person that is—

12 (1) an insured depository institution with total  
13 assets of more than \$10,000,000,000 and any affil-  
14 iate thereof; or

15 (2) an insured credit union with total assets of  
16 more than \$10,000,000,000 and any affiliate there-  
17 of.

18 (b) SUPERVISION.—

19 (1) IN GENERAL.—The Bureau shall have ex-  
20 clusive authority to require reports and conduct ex-  
21 aminations on a periodic basis of persons described  
22 in subsection (a) for purposes of—

23 (A) assessing compliance with the require-  
24 ments of Federal consumer financial laws;

1 (B) obtaining information about the activi-  
2 ties subject to such laws and the associated  
3 compliance systems or procedures of such per-  
4 sons; and

5 (C) detecting and assessing associated  
6 risks to consumers and to markets for con-  
7 sumer financial products and services.

8 (2) COORDINATION.—To minimize regulatory  
9 burden, the Bureau shall coordinate its supervisory  
10 activities with the supervisory activities conducted by  
11 prudential regulators and the State bank regulatory  
12 authorities, including consultation regarding their  
13 respective schedules for examining such persons de-  
14 scribed in subsection (a) and requirements regarding  
15 reports to be submitted by such persons.

16 (3) USE OF EXISTING REPORTS.—The Bureau  
17 shall, to the fullest extent possible, use—

18 (A) reports pertaining to a person de-  
19 scribed in subsection (a) that have been pro-  
20 vided or required to have been provided to a  
21 Federal or State agency; and

22 (B) information that has been reported  
23 publicly.

24 (4) PRESERVATION OF AUTHORITY.—Nothing  
25 in this title may be construed as limiting the author-

1       ity of the Director to require reports from a person  
2       described in subsection (a), as permitted under para-  
3       graph (1), regarding information owned or under the  
4       control of such person, regardless of whether such  
5       information is maintained, stored, or processed by  
6       another person.

7               (5) REPORTS OF TAX LAW NONCOMPLIANCE.—  
8       The Bureau shall provide the Commissioner of In-  
9       ternal Revenue with any report of examination or re-  
10      lated information identifying possible tax law non-  
11      compliance.

12      (c) PRIMARY ENFORCEMENT AUTHORITY.—

13              (1) THE BUREAU TO HAVE PRIMARY ENFORCE-  
14      MENT AUTHORITY.—To the extent that the Bureau  
15      and another Federal agency are authorized to en-  
16      force a Federal consumer financial law, the Bureau  
17      shall have primary authority to enforce that Federal  
18      consumer financial law with respect to any person  
19      described in subsection (a).

20              (2) REFERRAL.—Any Federal agency, other  
21      than the Federal Trade Commission, that is author-  
22      ized to enforce a Federal consumer financial law  
23      may recommend, in writing, to the Bureau that the  
24      Bureau initiate an enforcement proceeding with re-  
25      spect to a person described in subsection (a), as the



1 Bureau is authorized to do by that Federal con-  
2 sumer financial law.

3 (3) **BACKUP ENFORCEMENT AUTHORITY OF**  
4 **OTHER FEDERAL AGENCY.**—If the Bureau does not,  
5 before the end of the 120-day period beginning on  
6 the date on which the Bureau receives a rec-  
7 ommendation under paragraph (2), initiate an en-  
8 forcement proceeding, the other agency referred to  
9 in paragraph (2) may initiate an enforcement pro-  
10 ceeding, including performing follow up supervisory  
11 and support functions incidental thereto, to assure  
12 compliance with such proceeding.

13 (d) **SERVICE PROVIDERS.**—A service provider to a  
14 person described in subsection (a) shall be subject to the  
15 authority of the Bureau under this section, to the same  
16 extent as if the Bureau were an appropriate Federal bank-  
17 ing agency under section 7(c) of the Bank Service Com-  
18 pany Act 12 U.S.C. 1867(c). In conducting any examina-  
19 tion or requiring any report from a service provider sub-  
20 ject to this subsection, the Bureau shall coordinate with  
21 the appropriate prudential regulator.

22 (e) **SIMULTANEOUS AND COORDINATED SUPER-**  
23 **VISORY ACTION.**—

24 (1) **EXAMINATIONS.**—A prudential regulator  
25 and the Bureau shall, with respect to each insured

1 depository institution, insured credit union, or other  
2 covered person described in subsection (a) that is su-  
3 pervised by the prudential regulator and the Bureau,  
4 respectively—

5 (A) coordinate the scheduling of examina-  
6 tions of the insured depository institution, in-  
7 sured credit union, or other covered person de-  
8 scribed in subsection (a);

9 (B) conduct simultaneous examinations of  
10 each insured depository institution or insured  
11 credit union, unless such institution requests  
12 examinations to be conducted separately;

13 (C) share each draft report of examination  
14 with the other agency and permit the receiving  
15 agency a reasonable opportunity (which shall  
16 not be less than a period of 30 days after the  
17 date of receipt) to comment on the draft report  
18 before such report is made final; and

19 (D) prior to issuing a final report of exam-  
20 ination or taking supervisory action, take into  
21 consideration concerns, if any, raised in the  
22 comments made by the other agency.

23 (2) COORDINATION WITH STATE BANK SUPER-  
24 VISORS.—The Bureau shall pursue arrangements  
25 and agreements with State bank supervisors to co-

1       ordinate examinations, consistent with paragraph  
2       (1).

3               (3) AVOIDANCE OF CONFLICT IN SUPER-  
4       VISION.—

5               (A) REQUEST.—If the proposed super-  
6       visory determinations of the Bureau and a pru-  
7       dential regulator (in this section referred to col-  
8       lectively as the “agencies”) are conflicting, an  
9       insured depository institution, insured credit  
10      union, or other covered person described in sub-  
11      section (a) may request the agencies to coordi-  
12      nate and present a joint statement of coordi-  
13      nated supervisory action.

14              (B) JOINT STATEMENT.—The agencies  
15      shall provide a joint statement under subpara-  
16      graph (A), not later than 30 days after the date  
17      of receipt of the request of the insured deposi-  
18      tory institution, credit union, or covered person  
19      described in subsection (a).

20              (4) APPEALS TO GOVERNING PANEL.—

21              (A) IN GENERAL.—If the agencies do not  
22      resolve the conflict or issue a joint statement  
23      required by subparagraph (B), or if either of  
24      the agencies takes or attempts to take any su-  
25      pervisory action relating to the request for the

1 joint statement without the consent of the other  
2 agency, an insured depository institution, in-  
3 sured credit union, or other covered person de-  
4 scribed in subsection (a) may institute an ap-  
5 peal to a governing panel, as provided in this  
6 subsection, not later than 30 days after the ex-  
7 piration of the period during which a joint  
8 statement is required to be filed under para-  
9 graph (3)(B).

10 (B) COMPOSITION OF GOVERNING  
11 PANEL.—The governing panel for an appeal  
12 under this paragraph shall be composed of—

13 (i) a representative from the Bureau  
14 and a representative of the prudential reg-  
15 ulator, both of whom—

16 (I) have not participated in the  
17 material supervisory determinations  
18 under appeal; and

19 (II) do not directly or indirectly  
20 report to the person who participated  
21 materially in the supervisory deter-  
22 minations under appeal; and

23 (ii) one individual representative, to  
24 be determined on a rotating basis, from  
25 among the Board of Governors, the Cor-

1                   poration, the National Credit Union Ad-  
2                   ministration, and the Office of the Comp-  
3                   troller of the Currency, other than any  
4                   agency involved in the subject dispute.

5                   (C) CONDUCT OF APPEAL.—In an appeal  
6                   under this paragraph—

7                   (i) the insured depository institution,  
8                   insured credit union, or other covered per-  
9                   son described in subsection (a)—

10                   (I) shall include in its appeal all  
11                   the facts and legal arguments per-  
12                   taining to the matter; and

13                   (II) may, through counsel, em-  
14                   ployees, or representatives, appear be-  
15                   fore the governing panel in person or  
16                   by telephone; and

17                   (ii) the governing panel—

18                   (I) may request the insured de-  
19                   pository institution, insured credit  
20                   union, or other covered person de-  
21                   scribed in subsection (a), the Bureau,  
22                   or the prudential regulator to produce  
23                   additional information relevant to the  
24                   appeal; and

1 (II) by a majority vote of its  
2 members, shall provide a final deter-  
3 mination, in writing, not later than 30  
4 days after the date of filing of an  
5 informationally complete appeal, or  
6 such longer period as the panel and  
7 the insured depository institution, in-  
8 sured credit union, or other covered  
9 person described in subsection (a)  
10 may jointly agree.

11 (D) PUBLIC AVAILABILITY OF DETERMINA-  
12 TIONS.—A governing panel shall publish all in-  
13 formation contained in a determination by the  
14 governing panel, with appropriate redactions of  
15 information that would be subject to an exemp-  
16 tion from disclosure under section 552 of title  
17 5, United States Code.

18 (E) PROHIBITION AGAINST RETALIA-  
19 TION.—The Bureau and the prudential regu-  
20 lators shall prescribe rules to provide safe-  
21 guards from retaliation against the insured de-  
22 pository institution, insured credit union, or  
23 other covered person described in subsection (a)  
24 instituting an appeal under this paragraph, as  
25 well as their officers and employees.

1 (F) LIMITATION.—The process provided in  
2 this paragraph shall not apply to a determina-  
3 tion by a prudential regulator to appoint a con-  
4 servator or receiver for an insured depository  
5 institution or a liquidating agent for an insured  
6 credit union, as the case may be, or a decision  
7 to take action pursuant to section 38 of the  
8 Federal Deposit Insurance Act (12 U.S.C.  
9 1831o) or section 212 of the Federal Credit  
10 Union Act (112 U.S.C. 1790a), as applicable.

11 (G) EFFECT ON OTHER AUTHORITY.—  
12 Nothing in this section shall modify or limit the  
13 authority of the Bureau to interpret, or take  
14 enforcement action under, any Federal con-  
15 sumer financial law, or the authority of a pru-  
16 dential regulator to interpret or take enforce-  
17 ment action under any other provision of Fed-  
18 eral law for safety and soundness purposes.

19 **SEC. 1026. OTHER BANKS, SAVINGS ASSOCIATIONS, AND**  
20 **CREDIT UNIONS.**

21 (a) SCOPE OF COVERAGE.—This section shall apply  
22 to any covered person that is—

23 (1) an insured depository institution with total  
24 assets of \$10,000,000,000 or less; or

1           (2) an insured credit union with total assets of  
2           \$10,000,000,000 or less.

3           (b) REPORTS.—The Director may require reports  
4 from a person described in subsection (a), as necessary  
5 to support the role of the Bureau in implementing Federal  
6 consumer financial law, to support its examination activi-  
7 ties under subsection (c), and to assess and detect risks  
8 to consumers and consumer financial markets.

9           (1) USE OF EXISTING REPORTS.—The Bureau  
10 shall, to the fullest extent possible, use—

11           (A) reports pertaining to a person de-  
12 scribed in subsection (a) that have been pro-  
13 vided or required to have been provided to a  
14 Federal or State agency; and

15           (B) information that has been reported  
16 publicly.

17           (2) PRESERVATION OF AUTHORITY.—Nothing  
18 in this subsection may be construed as limiting the  
19 authority of the Director from requiring from a per-  
20 son described in subsection (a), as permitted under  
21 paragraph (1), information owned or under the con-  
22 trol of such person, regardless of whether such infor-  
23 mation is maintained, stored, or processed by an-  
24 other person.



1 (3) REPORTS OF TAX LAW NONCOMPLIANCE.—

2 The Bureau shall provide the Commissioner of In-  
3 ternal Revenue with any report of examination or re-  
4 lated information identifying possible tax law non-  
5 compliance.

6 (c) EXAMINATIONS.—

7 (1) IN GENERAL.—The Bureau may, at its dis-  
8 cretion, include examiners on a sampling basis of the  
9 examinations performed by the prudential regulator  
10 to assess compliance with the requirements of Fed-  
11 eral consumer financial law of persons described in  
12 subsection (a).

13 (2) AGENCY COORDINATION.—The prudential  
14 regulator shall—

15 (A) provide all reports, records, and docu-  
16 mentation related to the examination process  
17 for any institution included in the sample re-  
18 ferred to in paragraph (1) to the Bureau on a  
19 timely and continual basis;

20 (B) involve such Bureau examiner in the  
21 entire examination process for such person; and

22 (C) consider input of the Bureau con-  
23 cerning the scope of an examination, conduct of  
24 the examination, the contents of the examina-

1           tion report, the designation of matters requiring  
2           attention, and examination ratings.

3       (d) ENFORCEMENT.—

4           (1) IN GENERAL.—Except for requiring reports  
5       under subsection (b), the prudential regulator is au-  
6       thorized to enforce the requirements of Federal con-  
7       sumer financial laws and, with respect to a covered  
8       person described in subsection (a), shall have exclu-  
9       sive authority (relative to the Bureau) to enforce  
10      such laws .

11       (2) COORDINATION WITH PRUDENTIAL REGU-  
12      LATOR.—

13           (A) REFERRAL.—When the Bureau has  
14      reason to believe that a person described in sub-  
15      section (a) has engaged in a material violation  
16      of a Federal consumer financial law, the Bu-  
17      reau shall notify the prudential regulator in  
18      writing and recommend appropriate action to  
19      respond.

20           (B) RESPONSE.—Upon receiving a rec-  
21      ommendation under subparagraph (A), the pru-  
22      dential regulator shall provide a written re-  
23      sponse to the Bureau not later than 60 days  
24      thereafter.

1 (e) SERVICE PROVIDERS.—A service provider to a  
2 substantial number of persons described in subsection (a)  
3 shall be subject to the authority of the Bureau under sec-  
4 tion 1025 to the same extent as if the Bureau were an  
5 appropriate Federal bank agency under section 7(c) of the  
6 Bank Service Company Act (12 U.S.C. 1867(c)). When  
7 conducting any examination or requiring any report from  
8 a service provider subject to this subsection, the Bureau  
9 shall coordinate with the appropriate prudential regulator.

10 **SEC. 1027. LIMITATIONS ON AUTHORITIES OF THE BUREAU;**

11 **PRESERVATION OF AUTHORITIES.**

12 (a) EXCLUSION FOR MERCHANTS, RETAILERS, AND  
13 OTHER SELLERS OF NONFINANCIAL GOODS OR SERV-  
14 ICES.—

15 (1) SALE OR BROKERAGE OF NONFINANCIAL  
16 GOOD OR SERVICE.—The Bureau may not exercise  
17 any rulemaking, supervisory, enforcement or other  
18 authority under this title with respect to a person  
19 who is a merchant, retailer, or seller of any non-  
20 financial good or service and is engaged in the sale  
21 or brokerage of such nonfinancial good or service,  
22 except to the extent that such person is engaged in  
23 offering or providing any consumer financial product  
24 or service, or is otherwise subject to any enumerated

1 consumer law or any law for which authorities are  
2 transferred under subtitle F or H.

3 (2) OFFERING OR PROVISION OF CERTAIN CON-  
4 SUMER FINANCIAL PRODUCTS OR SERVICES IN CON-  
5 NECTION WITH THE SALE OR BROKERAGE OF NON-  
6 FINANCIAL GOOD OR SERVICE.—

7 (A) IN GENERAL.—Except as provided in  
8 subparagraph (B), and subject to subparagraph  
9 (C), the Bureau may not exercise any rule-  
10 making, supervisory, enforcement, or other au-  
11 thority under this title with respect to a mer-  
12 chant, retailer, or seller of nonfinancial goods or  
13 services, but only to the extent that such per-  
14 son—

15 (i) extends credit directly to a con-  
16 sumer, in a case in which the good or serv-  
17 ice being provided is not itself a consumer  
18 financial product or service (other than  
19 credit described in this subparagraph), ex-  
20 clusively for the purpose of enabling that  
21 consumer to purchase such nonfinancial  
22 good or service directly from the merchant,  
23 retailer, or seller;

24 (ii) directly, or through an agreement  
25 with another person, collects debt arising

1 from credit extended as described in clause  
2 (i); or

3 (iii) sells or conveys debt described in  
4 clause (i) that is delinquent or otherwise in  
5 default.

6 (B) APPLICABILITY.—Subparagraph (A)  
7 does not apply to any credit transaction or col-  
8 lection of debt, other than as described in sub-  
9 paragraph (C)(i), arising from a transaction de-  
10 scribed in subparagraph (A)—

11 (i) in which the merchant, retailer, or  
12 seller of nonfinancial goods or services as-  
13 signs, sells or otherwise conveys to another  
14 person such debt owed by the consumer  
15 (except for a sale of debt that is delinquent  
16 or otherwise in default, as described in  
17 subparagraph (A)(iii));

18 (ii) in which the credit extended sig-  
19 nificantly exceeds the market value of the  
20 nonfinancial good or service provided, or  
21 the Bureau otherwise finds that the sale of  
22 the nonfinancial good or service is done as  
23 a subterfuge, so as to evade or circumvent  
24 the provisions of this title; or

1 (iii) in which the merchant, retailer,  
2 or seller of nonfinancial goods or services  
3 regularly extends credit and the credit is  
4 subject to a finance charge.

5 (C) LIMITATIONS.—

6 (i) IN GENERAL.—Notwithstanding  
7 subparagraph (B), subparagraph (A) shall  
8 apply with respect to a merchant, retailer,  
9 or seller of nonfinancial goods or services  
10 that is not engaged significantly in offering  
11 or providing consumer financial products  
12 or services.

13 (ii) EXCEPTION.—Subparagraph (A)  
14 and clause (i) of this subparagraph do not  
15 apply to any merchant, retailer, or seller of  
16 nonfinancial goods or services—

17 (I) if such merchant, retailer, or  
18 seller of nonfinancial goods or services  
19 is engaged in a transaction described  
20 in subparagraph (B)(i) or (B)(ii); or

21 (II) to the extent that such mer-  
22 chant, retailer, or seller is subject to  
23 any enumerated consumer law or any  
24 law for which authorities are trans-  
25 ferred under subtitle F or H, but the

1 Bureau may exercise such authority  
2 only with respect to that law.

3 (D) RULES.—

4 (i) AUTHORITY OF OTHER AGEN-  
5 CIES.—No provision of this title shall be  
6 construed as modifying, limiting, or super-  
7 seding the supervisory or enforcement au-  
8 thority of the Federal Trade Commission  
9 or any other agency (other than the Bu-  
10 reau) with respect to credit extended, or  
11 the collection of debt arising from such ex-  
12 tension, directly by a merchant or retailer  
13 to a consumer exclusively for the purpose  
14 of enabling that consumer to purchase  
15 nonfinancial goods or services directly from  
16 the merchant or retailer.

17 (ii) SMALL BUSINESSES.—A mer-  
18 chant, retailer, or seller of nonfinancial  
19 goods or services that would otherwise be  
20 subject to the authority of the Bureau sole-  
21 ly by virtue of the application of subpara-  
22 graph (B)(iii) shall be deemed not to be  
23 engaged significantly in offering or pro-  
24 viding consumer financial products or serv-

1           ices under subparagraph (C)(i), if such  
2           person—

3                   (I) only extends credit for the  
4                   sale of nonfinancial goods or services,  
5                   as described in subparagraph (A)(i);

6                   (II) retains such credit on its  
7                   own accounts (except to sell or convey  
8                   such debt that is delinquent or other-  
9                   wise in default); and

10                   (III) meets the relevant industry  
11                   size threshold to be a small business  
12                   concern, based on annual receipts,  
13                   pursuant to section 3 of the Small  
14                   Business Act (15 U.S.C. 632) and the  
15                   implementing rules thereunder.

16                   (iii) INITIAL YEAR.—A merchant, re-  
17                   tailer, or seller of nonfinancial goods or  
18                   services shall be deemed to meet the rel-  
19                   evant industry size threshold described in  
20                   clause (ii)(III) during the first year of op-  
21                   erations of that business concern if, during  
22                   that year, the receipts of that business  
23                   concern reasonably are expected to meet  
24                   that size threshold.



1 (iv) OTHER STANDARDS FOR SMALL  
2 BUSINESS.—With respect to a merchant,  
3 retailer, or seller of nonfinancial goods or  
4 services that is a classified on a basis other  
5 than annual receipts for the purposes of  
6 section 3 of the Small Business Act (15  
7 U.S.C. 632) and the implementing rules  
8 thereunder, such merchant, retailer, or  
9 seller shall be deemed to meet the relevant  
10 industry size threshold described in clause  
11 (ii)(III) if such merchant, retailer, or seller  
12 meets the relevant industry size threshold  
13 to be a small business concern based on  
14 the number of employees, or other such ap-  
15 plicable measure, established under that  
16 Act.

17 (E) EXCEPTION FROM STATE ENFORCE-  
18 MENT.—To the extent that the Bureau may not  
19 exercise authority under this subsection with re-  
20 spect to a merchant, retailer, or seller of non-  
21 financial goods or services, no action by a State  
22 attorney general or State regulator with respect  
23 to a claim made under this title may be brought  
24 under subsection 1042(a), with respect to an  
25 activity described in any of clauses (i) through

1 (iii) of subparagraph (A) by such merchant, re-  
2 tailer, or seller of nonfinancial goods or serv-  
3 ices.

4 (b) EXCLUSION FOR REAL ESTATE BROKERAGE AC-  
5 TIVITIES.—

6 (1) REAL ESTATE BROKERAGE ACTIVITIES EX-  
7 CLUDED.—Without limiting subsection (a), and ex-  
8 cept as permitted in paragraph (2), the Bureau may  
9 not exercise any rulemaking, supervisory, enforce-  
10 ment, or other authority under this title with respect  
11 to a person that is licensed or registered as a real  
12 estate broker or real estate agent, in accordance  
13 with State law, to the extent that such person—

14 (A) acts as a real estate agent or broker  
15 for a buyer, seller, lessor, or lessee of real prop-  
16 erty;

17 (B) brings together parties interested in  
18 the sale, purchase, lease, rental, or exchange of  
19 real property;

20 (C) negotiates, on behalf of any party, any  
21 portion of a contract relating to the sale, pur-  
22 chase, lease, rental, or exchange of real prop-  
23 erty (other than in connection with the provi-  
24 sion of financing with respect to any such  
25 transaction); or

1 (D) offers to engage in any activity, or act  
2 in any capacity, described in subparagraph (A),  
3 (B), or (C).

4 (2) DESCRIPTION OF ACTIVITIES.—The Bureau  
5 may exercise rulemaking, supervisory, enforcement,  
6 or other authority under this title with respect to a  
7 person described in paragraph (1) when such person  
8 is—

9 (A) engaged in an activity of offering or  
10 providing any consumer financial product or  
11 service, except that the Bureau may exercise  
12 such authority only with respect to that activ-  
13 ity; or

14 (B) otherwise subject to any enumerated  
15 consumer law or any law for which authorities  
16 are transferred under subtitle F or H, but the  
17 Bureau may exercise such authority only with  
18 respect to that law.

19 (c) EXCLUSION FOR MANUFACTURED HOME RETAIL-  
20 ERS AND MODULAR HOME RETAILERS.—

21 (1) IN GENERAL.—The Director may not exer-  
22 cise any rulemaking, supervisory, enforcement, or  
23 other authority over a person to the extent that—

24 (A) such person is not described in para-  
25 graph (2); and

1 (B) such person—

2 (i) acts as an agent or broker for a  
3 buyer or seller of a manufactured home or  
4 a modular home;

5 (ii) facilitates the purchase by a con-  
6 sumer of a manufactured home or modular  
7 home, by negotiating the purchase price or  
8 terms of the sales contract (other than  
9 providing financing with respect to such  
10 transaction); or

11 (iii) offers to engage in any activity  
12 described in clause (i) or (ii).

13 (2) DESCRIPTION OF ACTIVITIES.—A person is  
14 described in this paragraph to the extent that such  
15 person is engaged in the offering or provision of any  
16 consumer financial product or service or is otherwise  
17 subject to any enumerated consumer law or any law  
18 for which authorities are transferred under subtitle  
19 F or H.

20 (3) DEFINITIONS.—For purposes of this sub-  
21 section, the following definitions shall apply:

22 (A) MANUFACTURED HOME.—The term  
23 “manufactured home” has the same meaning as  
24 in section 603 of the National Manufactured

1           Housing Construction and Safety Standards  
2           Act of 1974 (42 U.S.C. 5402).

3                   (B) MODULAR HOME.—The term “mod-  
4           ular home” means a house built in a factory in  
5           2 or more modules that meet the State or local  
6           building codes where the house will be located,  
7           and where such modules are transported to the  
8           building site, installed on foundations, and com-  
9           pleted.

10          (d) EXCLUSION FOR ACCOUNTANTS AND TAX PRE-  
11          PARERS.—

12                   (1) IN GENERAL.—Except as permitted in para-  
13          graph (2), the Bureau may not exercise any rule-  
14          making, supervisory, enforcement, or other authority  
15          over—

16                   (A) any person that is a certified public ac-  
17          countant, permitted to practice as a certified  
18          public accounting firm, or certified or licensed  
19          for such purpose by a State, or any individual  
20          who is employed by or holds an ownership inter-  
21          est with respect to a person described in this  
22          subparagraph, when such person is performing  
23          or offering to perform—

24                           (i) customary and usual accounting  
25                           activities, including the provision of ac-

1                   counting, tax, advisory, or other services  
2                   that are subject to the regulatory authority  
3                   of a State board of accountancy or a Fed-  
4                   eral authority; or

5                   (ii) other services that are incidental  
6                   to such customary and usual accounting  
7                   activities, to the extent that such incidental  
8                   services are not offered or provided—

9                   (I) by the person separate and  
10                  apart from such customary and usual  
11                  accounting activities; or

12                  (II) to consumers who are not re-  
13                  ceiving such customary and usual ac-  
14                  counting activities; or

15                  (B) any person, other than a person de-  
16                  scribed in subparagraph (A) that performs in-  
17                  come tax preparation activities for consumers.

18                  (2) DESCRIPTION OF ACTIVITIES.—

19                  (A) IN GENERAL.—Paragraph (1) shall not  
20                  apply to any person described in paragraph  
21                  (1)(A) or (1)(B) to the extent that such person  
22                  is engaged in any activity which is not a cus-  
23                  tomary and usual accounting activity described  
24                  in paragraph (1)(A) or incidental thereto but  
25                  which is the offering or provision of any con-

1           sumer financial product or service, except to the  
2           extent that a person described in paragraph  
3           (1)(A) is engaged in an activity which is a cus-  
4           tomary and usual accounting activity described  
5           in paragraph (1)(A), or incidental thereto.

6           (B) NOT A CUSTOMARY AND USUAL AC-  
7           COUNTING ACTIVITY.—For purposes of this  
8           subsection, extending or brokering credit is not  
9           a customary and usual accounting activity, or  
10          incidental thereto.

11          (C) RULE OF CONSTRUCTION.—For pur-  
12          poses of subparagraphs (A) and (B), a person  
13          described in paragraph (1)(A) shall not be  
14          deemed to be extending credit, if such person is  
15          only extending credit directly to a consumer, ex-  
16          clusively for the purpose of enabling such con-  
17          sumer to purchase services described in clause  
18          (i) or (ii) of paragraph (1)(A) directly from  
19          such person, and such credit is—

20                   (i) not subject to a finance charge;

21                   and

22                   (ii) not payable by written agreement  
23                   in more than 4 installments.

24          (D) OTHER LIMITATIONS.—Paragraph (1)  
25          does not apply to any person described in para-

1 graph (1)(A) or (1)(B) that is otherwise subject  
2 to any enumerated consumer law or any law for  
3 which authorities are transferred under subtitle  
4 F or H.

5 (e) EXCLUSION FOR PRACTICE OF LAW.—

6 (1) IN GENERAL.—Except as provided under  
7 paragraph (2), the Bureau may not exercise any su-  
8 pervisory or enforcement authority with respect to  
9 an activity engaged in by an attorney as part of the  
10 practice of law under the laws of a State in which  
11 the attorney is licensed to practice law.

12 (2) RULE OF CONSTRUCTION.—

13 (A) IN GENERAL.—Paragraph (1) shall not  
14 be construed so as to limit the exercise by the  
15 Bureau of any supervisory, enforcement, or  
16 other authority regarding the offering or provi-  
17 sion of a consumer financial product or service  
18 described in any subparagraph of section  
19 1002(5)—

20 (i) that is not offered or provided  
21 as—

22 (I) part of, or incidental to, the  
23 practice of law, occurring exclusively  
24 within the scope of the attorney-client  
25 relationship; or



1 (II) that is otherwise offered or  
2 provided by the attorney in question  
3 with respect to any consumer who is  
4 not receiving legal advice or services  
5 from the attorney in connection with  
6 such financial product or service.

7 (B) EXISTING AUTHORITY.—Paragraph  
8 (1) shall not be construed so as to limit the au-  
9 thority of the Bureau with respect to any attor-  
10 ney, to the extent that such attorney is other-  
11 wise subject to any of the enumerated consumer  
12 laws or the authorities transferred under sub-  
13 title F or H.

14 (f) EXCLUSION FOR PERSONS REGULATED BY A  
15 STATE INSURANCE REGULATOR.—

16 (1) IN GENERAL.—No provision of this title  
17 shall be construed as altering, amending, or affect-  
18 ing the authority of any State insurance regulator to  
19 adopt rules, initiate enforcement proceedings, or  
20 take any other action with respect to a person regu-  
21 lated by a State insurance regulator. Except as pro-  
22 vided in paragraph (2), the Bureau shall have no au-  
23 thority to exercise any power to enforce this title  
24 with respect to a person regulated by a State insur-  
25 ance regulator.

1           (2) DESCRIPTION OF ACTIVITIES.—Paragraph  
2           (1) does not apply to any person described in such  
3           paragraph to the extent that such person is engaged  
4           in the offering or provision of any consumer finan-  
5           cial product or service or is otherwise subject to any  
6           enumerated consumer law or any law for which au-  
7           thorities are transferred under subtitle F or H.

8           (3) STATE INSURANCE AUTHORITY UNDER  
9           GRAMM-LEACH-BLILEY.—Notwithstanding para-  
10          graph (2), the Bureau shall not exercise any authori-  
11          ties that are granted a State insurance authority  
12          under section 505(a)(6) of the Gramm-Leach-Bliley  
13          Act with respect to a person regulated by a State in-  
14          surance authority.

15          (g) EXCLUSION FOR EMPLOYEE BENEFIT AND COM-  
16          PENSATION PLANS AND CERTAIN OTHER ARRANGEMENTS  
17          UNDER THE INTERNAL REVENUE CODE OF 1986.—

18           (1) PRESERVATION OF AUTHORITY OF OTHER  
19           AGENCIES.—No provision of this title shall be con-  
20           strued as altering, amending, or affecting the au-  
21           thority of the Secretary of the Treasury, the Sec-  
22           retary of Labor, or the Commissioner of Internal  
23           Revenue to adopt regulations, initiate enforcement  
24           proceedings, or take any actions with respect to any  
25           specified plan or arrangement.

1           (2) ACTIVITIES NOT CONSTITUTING THE OF-  
2           FERING OR PROVISION OF ANY CONSUMER FINAN-  
3           CIAL PRODUCT OR SERVICE.—For purposes of this  
4           title, a person shall not be treated as having engaged  
5           in the offering or provision of any consumer finan-  
6           cial product or service solely because such person  
7           is—

8                   (A) a specified plan or arrangement;

9                   (B) engaged in the activity of establishing  
10           or maintaining, for the benefit of employees of  
11           such person (or for members of an employee or-  
12           ganization), any specified plan or arrangement;  
13           or

14                   (C) engaged in the activity of establishing  
15           or maintaining a qualified tuition program  
16           under section 529(b)(1) of the Internal Revenue  
17           Code of 1986 offered by a State or other pre-  
18           paid tuition program offered by a State.

19           (3) LIMITATION ON BUREAU AUTHORITY.—

20                   (A) IN GENERAL.—Except as provided  
21           under subparagraphs (B) and (C), the Bureau  
22           may not exercise any rulemaking or enforce-  
23           ment authority with respect to products or serv-  
24           ices that relate to any specified plan or arrange-  
25           ment.

1 (B) BUREAU ACTION PURSUANT TO AGEN-  
2 CY REQUEST.—

3 (i) AGENCY REQUEST.—The Secretary  
4 and the Secretary of Labor may jointly  
5 issue a written request to the Bureau re-  
6 garding implementation of appropriate  
7 consumer protection standards under this  
8 title with respect to the provision of serv-  
9 ices relating to any specified plan or ar-  
10 rangement.

11 (ii) AGENCY RESPONSE.—In response  
12 to a request by the Bureau, the Secretary  
13 and the Secretary of Labor shall jointly  
14 issue a written response, not later than 90  
15 days after receipt of such request, to grant  
16 or deny the request of the Bureau regard-  
17 ing implementation of appropriate con-  
18 sumer protection standards under this title  
19 with respect to the provision of services re-  
20 lating to any specified plan or arrange-  
21 ment.

22 (iii) SCOPE OF BUREAU ACTION.—  
23 Subject to a request or response pursuant  
24 to clause (ii) by the agencies made under  
25 this subparagraph, the Bureau may exer-

1           cise rulemaking authority, and may act to  
2           enforce a rule prescribed pursuant to such  
3           request or response, in accordance with the  
4           provisions of this title. A request or re-  
5           sponse made by the Secretary and the Sec-  
6           retary of Labor under this subparagraph  
7           shall describe the basis for, and scope of,  
8           appropriate consumer protection standards  
9           to be implemented under this title with re-  
10          spect to the provision of services relating  
11          to any specified plan or arrangement.

12           (C) DESCRIPTION OF PRODUCTS OR SERV-  
13          ICES.—To the extent that a person engaged in  
14          providing products or services relating to any  
15          specified plan or arrangement is subject to any  
16          enumerated consumer law or any law for which  
17          authorities are transferred under subtitle F or  
18          H, subparagraph (A) shall not apply with re-  
19          spect to that law.

20           (4) SPECIFIED PLAN OR ARRANGEMENT.—For  
21          purposes of this subsection, the term “specified plan  
22          or arrangement” means any plan, account, or ar-  
23          rangement described in section 220, 223, 401(a),  
24          403(a), 403(b), 408, 408A, 529, or 530 of the Inter-  
25          nal Revenue Code of 1986, or any employee benefit

1 or compensation plan or arrangement, including a  
2 plan that is subject to title I of the Employee Retirement  
3 Income Security Act of 1974, or any prepaid  
4 tuition program offered by a State.

5 (h) PERSONS REGULATED BY A STATE SECURITIES  
6 COMMISSION.—

7 (1) IN GENERAL.—No provision of this title  
8 shall be construed as altering, amending, or affect-  
9 ing the authority of any securities commission (or  
10 any agency or office performing like functions) of  
11 any State to adopt rules, initiate enforcement pro-  
12 ceedings, or take any other action with respect to a  
13 person regulated by any securities commission (or  
14 any agency or office performing like functions) of  
15 any State. Except as permitted in paragraph (2) and  
16 subsection (f), the Bureau shall have no authority to  
17 exercise any power to enforce this title with respect  
18 to a person regulated by any securities commission  
19 (or any agency or office performing like functions)  
20 of any State, but only to the extent that the person  
21 acts in such regulated capacity.

22 (2) DESCRIPTION OF ACTIVITIES.—Paragraph  
23 (1) shall not apply to any person to the extent such  
24 person is engaged in the offering or provision of any  
25 consumer financial product or service, or is other-

1 wise subject to any enumerated consumer law or any  
2 law for which authorities are transferred under sub-  
3 title F or H.

4 (i) EXCLUSION FOR PERSONS REGULATED BY THE  
5 COMMISSION.—

6 (1) IN GENERAL.—No provision of this title  
7 may be construed as altering, amending, or affecting  
8 the authority of the Commission to adopt rules, ini-  
9 tiate enforcement proceedings, or take any other ac-  
10 tion with respect to a person regulated by the Com-  
11 mission. The Bureau shall have no authority to exer-  
12 cise any power to enforce this title with respect to  
13 a person regulated by the Commission.

14 (2) CONSULTATION AND COORDINATION.—Not-  
15 withstanding paragraph (1), the Commission shall  
16 consult and coordinate, where feasible, with the Bu-  
17 reau with respect to any rule (including any advance  
18 notice of proposed rulemaking) regarding an invest-  
19 ment product or service that is the same type of  
20 product as, or that competes directly with, a con-  
21 sumer financial product or service that is subject to  
22 the jurisdiction of the Bureau under this title or  
23 under any other law. In carrying out this paragraph,  
24 the agencies shall negotiate an agreement to estab-  
25 lish procedures for such coordination, including pro-

1 cedures for providing advance notice to the Bureau  
2 when the Commission is initiating a rulemaking.

3 (j) EXCLUSION FOR PERSONS REGULATED BY THE  
4 COMMODITY FUTURES TRADING COMMISSION.—

5 (1) IN GENERAL.—No provision of this title  
6 shall be construed as altering, amending, or affect-  
7 ing the authority of the Commodity Futures Trading  
8 Commission to adopt rules, initiate enforcement pro-  
9 ceedings, or take any other action with respect to a  
10 person regulated by the Commodity Futures Trading  
11 Commission. The Bureau shall have no authority to  
12 exercise any power to enforce this title with respect  
13 to a person regulated by the Commodity Futures  
14 Trading Commission.

15 (2) CONSULTATION AND COORDINATION.—Not-  
16 withstanding paragraph (1), the Commodity Futures  
17 Trading Commission shall consult and coordinate  
18 with the Bureau with respect to any rule (including  
19 any advance notice of proposed rulemaking) regard-  
20 ing a product or service that is the same type of  
21 product as, or that competes directly with, a con-  
22 sumer financial product or service that is subject to  
23 the jurisdiction of the Bureau under this title or  
24 under any other law.



1 (k) EXCLUSION FOR PERSONS REGULATED BY THE  
2 FARM CREDIT ADMINISTRATION.—

3 (1) IN GENERAL.—No provision of this title  
4 shall be construed as altering, amending, or affect-  
5 ing the authority of the Farm Credit Administration  
6 to adopt rules, initiate enforcement proceedings, or  
7 take any other action with respect to a person regu-  
8 lated by the Farm Credit Administration. The Bu-  
9 reau shall have no authority to exercise any power  
10 to enforce this title with respect to a person regu-  
11 lated by the Farm Credit Administration.

12 (2) DEFINITION.—For purposes of this sub-  
13 section, the term “person regulated by the Farm  
14 Credit Administration” means any Farm Credit Sys-  
15 tem institution that is chartered and subject to the  
16 provisions of the Farm Credit Act of 1971 (12  
17 U.S.C. 2001 et seq.).

18 (l) EXCLUSION FOR ACTIVITIES RELATING TO CHAR-  
19 ITABLE CONTRIBUTIONS.—

20 (1) IN GENERAL.—The Director and the Bu-  
21 reau may not exercise any rulemaking, supervisory,  
22 enforcement, or other authority, including authority  
23 to order penalties, over any activities related to the  
24 solicitation or making of voluntary contributions to  
25 a tax-exempt organization as recognized by the In-

1        ternal Revenue Service, by any agent, volunteer, or  
2        representative of such organizations to the extent  
3        the organization, agent, volunteer, or representative  
4        thereof is soliciting or providing advice, information,  
5        education, or instruction to any donor or potential  
6        donor relating to a contribution to the organization.

7            (2) LIMITATION.—The exclusion in paragraph  
8        (1) does not apply to other activities not described  
9        in paragraph (1) that are the offering or provision  
10       of any consumer financial product or service, or are  
11       otherwise subject to any enumerated consumer law  
12       or any law for which authorities are transferred  
13       under subtitle F or H.

14        (m) INSURANCE.—The Bureau may not define as a  
15       financial product or service, by regulation or otherwise,  
16       engaging in the business of insurance.

17        (n) LIMITED AUTHORITY OF THE BUREAU.—Not-  
18       withstanding subsections (a) through (h) and (l), a person  
19       subject to or described in one or more of such provisions—

20            (1) may be a service provider; and

21            (2) may be subject to requests from, or require-  
22       ments imposed by, the Bureau regarding informa-  
23       tion in order to carry out the responsibilities and  
24       functions of the Bureau and in accordance with sec-  
25       tion 1022, 1052, or 1053.

1           (o) NO AUTHORITY TO IMPOSE USURY LIMIT.—No  
2 provision of this title shall be construed as conferring au-  
3 thority on the Bureau to establish a usury limit applicable  
4 to an extension of credit offered or made by a covered per-  
5 son to a consumer, unless explicitly authorized by law.

6           (p) ATTORNEY GENERAL.—No provision of this title,  
7 including section 1024(c)(1), shall affect the authorities  
8 of the Attorney General under otherwise applicable provi-  
9 sions of law.

10          (q) SECRETARY OF THE TREASURY.—No provision of  
11 this title shall affect the authorities of the Secretary, in-  
12 cluding with respect to prescribing rules, initiating en-  
13 forcement proceedings, or taking other actions with re-  
14 spect to a person that performs income tax preparation  
15 activities for consumers.

16          (r) DEPOSIT INSURANCE AND SHARE INSURANCE.—  
17 Nothing in this title shall affect the authority of the Cor-  
18 poration under the Federal Deposit Insurance Act or the  
19 National Credit Union Administration Board under the  
20 Federal Credit Union Act as to matters related to deposit  
21 insurance and share insurance, respectively.

22          (s) FAIR HOUSING ACT.—No provision of this title  
23 shall be construed as affecting any authority arising under  
24 the Fair Housing Act.

1 **SEC. 1028. AUTHORITY TO RESTRICT MANDATORY PRE-DIS-**  
2 **PUTE ARBITRATION.**

3 (a) **STUDY AND REPORT.**—The Bureau shall conduct  
4 a study of, and shall provide a report to Congress con-  
5 cerning, the use of agreements providing for arbitration  
6 of any future dispute between covered persons and con-  
7 sumers in connection with the offering or providing of con-  
8 sumer financial products or services.

9 (b) **FURTHER AUTHORITY.**—The Bureau, by regula-  
10 tion, may prohibit or impose conditions or limitations on  
11 the use of an agreement between a covered person and  
12 a consumer for a consumer financial product or service  
13 providing for arbitration of any future dispute between the  
14 parties, if the Bureau finds that such a prohibition or im-  
15 position of conditions or limitations is in the public inter-  
16 est and for the protection of consumers. The findings in  
17 such rule shall be consistent with the study conducted  
18 under subsection (a).

19 (c) **LIMITATION.**—The authority described in sub-  
20 section (b) may not be construed to prohibit or restrict  
21 a consumer from entering into a voluntary arbitration  
22 agreement with a covered person after a dispute has aris-  
23 en.

24 (d) **EFFECTIVE DATE.**—Notwithstanding any other  
25 provision of law, any regulation prescribed by the Bureau  
26 under subsection (b) shall apply, consistent with the terms

1 of the regulation, to any agreement between a consumer  
2 and a covered person entered into after the end of the  
3 180-day period beginning on the effective date of the regu-  
4 lation, as established by the Bureau.

5 **SEC. 1029. EXCLUSION FOR AUTO DEALERS.**

6 (a) SALE, SERVICING, AND LEASING OF MOTOR VE-  
7 HICLES EXCLUDED.—Except as permitted in subsection  
8 (b), the Bureau may not exercise any rulemaking, super-  
9 visory, enforcement or any other authority, including any  
10 authority to order assessments, over a motor vehicle dealer  
11 that is predominantly engaged in the sale and servicing  
12 of motor vehicles, the leasing and servicing of motor vehi-  
13 cles, or both.

14 (b) CERTAIN FUNCTIONS EXCEPTED.—Subsection  
15 (a) shall not apply to any person, to the extent that such  
16 person—

17 (1) provides consumers with any services re-  
18 lated to residential or commercial mortgages or self-  
19 financing transactions involving real property;

20 (2) operates a line of business—

21 (A) that involves the extension of retail  
22 credit or retail leases involving motor vehicles;  
23 and

24 (B) in which—

1 (i) the extension of retail credit or re-  
2 tail leases are provided directly to con-  
3 sumers; and

4 (ii) the contract governing such exten-  
5 sion of retail credit or retail leases is not  
6 routinely assigned to an unaffiliated third  
7 party finance or leasing source; or

8 (3) offers or provides a consumer financial  
9 product or service not involving or related to the  
10 sale, financing, leasing, rental, repair, refurbish-  
11 ment, maintenance, or other servicing of motor vehi-  
12 cles, motor vehicle parts, or any related or ancillary  
13 product or service.

14 (c) PRESERVATION OF AUTHORITIES OF OTHER  
15 AGENCIES.—Except as provided in subsections (b) and  
16 (d), nothing in this title, including subtitle F, shall be con-  
17 strued as modifying, limiting, or superseding the operation  
18 of any provision of Federal law, or otherwise affecting the  
19 authority of the Board of Governors, the Federal Trade  
20 Commission, or any other Federal agency, with respect to  
21 a person described in subsection (a).

22 (d) FEDERAL TRADE COMMISSION AUTHORITY.—  
23 Notwithstanding section 18 of the Federal Trade Commis-  
24 sion Act, the Federal Trade Commission is authorized to  
25 prescribe rules under sections 5 and 18(a)(1)(B) of the

1 Federal Trade Commission Act. in accordance with section  
2 553 of title 5, United States Code, with respect to a per-  
3 son described in subsection (a).

4 (e) COORDINATION WITH OFFICE OF SERVICE MEM-  
5 BER AFFAIRS.—The Board of Governors and the Federal  
6 Trade Commission shall coordinate with the Office of  
7 Service Member Affairs, to ensure that—

8 (1) service members and their families are edu-  
9 cated and empowered to make better informed deci-  
10 sions regarding consumer financial products and  
11 services offered by motor vehicle dealers, with a  
12 focus on motor vehicle dealers in the proximity of  
13 military installations; and

14 (2) complaints by service members and their  
15 families concerning such motor vehicle dealers are  
16 effectively monitored and responded to, and where  
17 appropriate, enforcement action is pursued by the  
18 authorized agencies.

19 (f) DEFINITIONS.—For purposes of this section, the  
20 following definitions shall apply:

21 (1) MOTOR VEHICLE.—The term “motor vehi-  
22 cle” means—

23 (A) any self-propelled vehicle designed for  
24 transporting persons or property on a street,  
25 highway, or other road;

1 (B) recreational boats and marine equip-  
2 ment;

3 (C) motoreycles;

4 (D) motor homes, recreational vehicle trail-  
5 ers, and slide-in campers, as those terms are  
6 defined in sections 571.3 and 575.103 (d) of  
7 title 49, Code of Federal Regulations, or any  
8 successor thereto; and

9 (E) other vehicles that are titled and sold  
10 through dealers.

11 (2) MOTOR VEHICLE DEALER.—The term  
12 “motor vehicle dealer” means any person or resident  
13 in the United States, or any territory of the United  
14 States, who—

15 (A) is licensed by a State, a territory of  
16 the United States, or the District of Columbia  
17 to engage in the sale of motor vehicles; and

18 (B) takes title to, holds an ownership in,  
19 or takes physical custody of motor vehicles.

20 **SEC. 1029A. EFFECTIVE DATE.**

21 This subtitle shall become effective on the designated  
22 transfer date, except that sections 1022, 1024, and  
23 1025(e) shall become effective on the date of enactment  
24 of this Act.



1           **Subtitle C—Specific Bureau**  
2                           **Authorities**

3   **SEC. 1031. PROHIBITING UNFAIR, DECEPTIVE, OR ABUSIVE**  
4                           **ACTS OR PRACTICES.**

5           (a) **IN GENERAL.**—The Bureau may take any action  
6 authorized under subtitle E to prevent a covered person  
7 or service provider from committing or engaging in an un-  
8 fair, deceptive, or abusive act or practice under Federal  
9 law in connection with any transaction with a consumer  
10 for a consumer financial product or service, or the offering  
11 of a consumer financial product or service.

12          (b) **RULEMAKING.**—The Bureau may prescribe rules  
13 applicable to a covered person or service provider identi-  
14 fying as unlawful unfair, deceptive, or abusive acts or  
15 practices in connection with any transaction with a con-  
16 sumer for a consumer financial product or service, or the  
17 offering of a consumer financial product or service. Rules  
18 under this section may include requirements for the pur-  
19 pose of preventing such acts or practices.

20          (c) **UNFAIRNESS.**—

21           (1) **IN GENERAL.**—The Bureau shall have no  
22 authority under this section to declare an act or  
23 practice in connection with a transaction with a con-  
24 sumer for a consumer financial product or service,  
25 or the offering of a consumer financial product or

1 service, to be unlawful on the grounds that such act  
2 or practice is unfair, unless the Bureau has a rea-  
3 sonable basis to conclude that—

4 (A) the act or practice causes or is likely  
5 to cause substantial injury to consumers which  
6 is not reasonably avoidable by consumers; and

7 (B) such substantial injury is not out-  
8 weighed by countervailing benefits to consumers  
9 or to competition.

10 (2) CONSIDERATION OF PUBLIC POLICIES.—In  
11 determining whether an act or practice is unfair, the  
12 Bureau may consider established public policies as  
13 evidence to be considered with all other evidence.  
14 Such public policy considerations may not serve as  
15 a primary basis for such determination.

16 (d) ABUSIVE.—The Bureau shall have no authority  
17 under this section to declare an act or practice abusive  
18 in connection with the provision of a consumer financial  
19 product or service, unless the act or practice—

20 (1) materially interferes with the ability of a  
21 consumer to understand a term or condition of a  
22 consumer financial product or service; or

23 (2) takes unreasonable advantage of—

1           (A) a lack of understanding on the part of  
2           the consumer of the material risks, costs, or  
3           conditions of the product or service;

4           (B) the inability of the consumer to protect  
5           the interests of the consumer in selecting or  
6           using a consumer financial product or service;  
7           or

8           (C) the reasonable reliance by the con-  
9           sumer on a covered person to act in the inter-  
10          ests of the consumer.

11          (e) CONSULTATION.—In prescribing rules under this  
12 section, the Bureau shall consult with the Federal banking  
13 agencies, or other Federal agencies, as appropriate, con-  
14 cerning the consistency of the proposed rule with pruden-  
15 tial, market, or systemic objectives administered by such  
16 agencies.

17          (f) CONSIDERATION OF SEASONAL INCOME.—The  
18 rules of the Bureau under this section shall provide, with  
19 respect to an extension of credit secured by residential real  
20 estate or a dwelling, if documented income of the bor-  
21 rower, including income from a small business, is a repay-  
22 ment source for an extension of credit secured by residen-  
23 tial real estate or a dwelling, the creditor may consider  
24 the seasonality and irregularity of such income in the un-  
25 derwriting of and scheduling of payments for such credit.

1 **SEC. 1032. DISCLOSURES.**

2 (a) IN GENERAL.—The Bureau may prescribe rules  
3 to ensure that the features of any consumer financial  
4 product or service, both initially and over the term of the  
5 product or service, are fully, accurately, and effectively  
6 disclosed to consumers in a manner that permits con-  
7 sumers to understand the costs, benefits, and risks associ-  
8 ated with the product or service, in light of the facts and  
9 circumstances.

10 (b) MODEL DISCLOSURES.—

11 (1) IN GENERAL.—Any final rule prescribed by  
12 the Bureau under this section requiring disclosures  
13 may include a model form that may be used at the  
14 option of the covered person for provision of the re-  
15 quired disclosures.

16 (2) FORMAT.—A model form issued pursuant to  
17 paragraph (1) shall contain a clear and conspicuous  
18 disclosure that, at a minimum—

19 (A) uses plain language comprehensible to  
20 consumers;

21 (B) contains a clear format and design,  
22 such as an easily readable type font; and

23 (C) succinctly explains the information  
24 that must be communicated to the consumer.

1           (3) CONSUMER TESTING.—Any model form  
2           issued pursuant to this subsection shall be validated  
3           through consumer testing.

4           (c) BASIS FOR RULEMAKING.—In prescribing rules  
5           under this section, the Bureau shall consider available evi-  
6           dence about consumer awareness, understanding of, and  
7           responses to disclosures or communications about the  
8           risks, costs, and benefits of consumer financial products  
9           or services.

10          (d) SAFE HARBOR.—Any covered person that uses a  
11          model form included with a rule issued under this section  
12          shall be deemed to be in compliance with the disclosure  
13          requirements of this section with respect to such model  
14          form.

15          (e) TRIAL DISCLOSURE PROGRAMS.—

16               (1) IN GENERAL.—The Bureau may permit a  
17               covered person to conduct a trial program that is  
18               limited in time and scope, subject to specified stand-  
19               ards and procedures, for the purpose of providing  
20               trial disclosures to consumers that are designed to  
21               improve upon any model form issued pursuant to  
22               subsection (b)(1), or any other model form issued to  
23               implement an enumerated statute, as applicable.

24               (2) SAFE HARBOR.—The standards and proce-  
25               dures issued by the Bureau shall be designed to en-

1       courage covered persons to conduct trial disclosure  
2       programs. For the purposes of administering this  
3       subsection, the Bureau may establish a limited pe-  
4       riod during which a covered person conducting a  
5       trial disclosure program shall be deemed to be in  
6       compliance with, or may be exempted from, a re-  
7       quirement of a rule or an enumerated consumer law.

8               (3) PUBLIC DISCLOSURE.—The rules of the Bu-  
9       reau shall provide for public disclosure of trial dis-  
10      closure programs, which public disclosure may be  
11      limited, to the extent necessary to encourage covered  
12      persons to conduct effective trials.

13      (f) COMBINED MORTGAGE LOAN DISCLOSURE.—Not  
14      later than 1 year after the designated transfer date, the  
15      Bureau shall propose for public comment rules and model  
16      disclosures that combine the disclosures required under  
17      the Truth in Lending Act and sections 4 and 5 of the  
18      Real Estate Settlement Procedures Act of 1974, into a  
19      single, integrated disclosure for mortgage loan trans-  
20      actions covered by those laws, unless the Bureau deter-  
21      mines that any proposal issued by the Board of Governors  
22      and the Secretary of Housing and Urban Development  
23      carries out the same purpose.

1 **SEC. 1033. CONSUMER RIGHTS TO ACCESS INFORMATION.**

2 (a) IN GENERAL.—Subject to rules prescribed by the  
3 Bureau, a covered person shall make available to a con-  
4 sumer, upon request, information in the control or posses-  
5 sion of the covered person concerning the consumer finan-  
6 cial product or service that the consumer obtained from  
7 such covered person, including information relating to any  
8 transaction, series of transactions, or to the account in-  
9 cluding costs, charges and usage data. The information  
10 shall be made available in an electronic form usable by  
11 consumers.

12 (b) EXCEPTIONS.—A covered person may not be re-  
13 quired by this section to make available to the consumer—

14 (1) any confidential commercial information, in-  
15 cluding an algorithm used to derive credit scores or  
16 other risk scores or predictors;

17 (2) any information collected by the covered  
18 person for the purpose of preventing fraud or money  
19 laundering, or detecting, or making any report re-  
20 garding other unlawful or potentially unlawful con-  
21 duct;

22 (3) any information required to be kept con-  
23 fidential by any other provision of law; or

24 (4) any information that the covered person  
25 cannot retrieve in the ordinary course of its business  
26 with respect to that information.

1 (c) NO DUTY TO MAINTAIN RECORDS.—Nothing in  
2 this section shall be construed to impose any duty on a  
3 covered person to maintain or keep any information about  
4 a consumer.

5 (d) STANDARDIZED FORMATS FOR DATA.—The Bu-  
6 reau, by rule, shall prescribe standards applicable to cov-  
7 ered persons to promote the development and use of stand-  
8 ardized formats for information, including through the use  
9 of machine readable files, to be made available to con-  
10 sumers under this section.

11 (e) CONSULTATION.—The Bureau shall, when pre-  
12 scribing any rule under this section, consult with the Fed-  
13 eral banking agencies and the Federal Trade Commission  
14 to ensure, to the extent appropriate, that the rules—

15 (1) impose substantively similar requirements  
16 on covered persons;

17 (2) take into account conditions under which  
18 covered persons do business both in the United  
19 States and in other countries; and

20 (3) do not require or promote the use of any  
21 particular technology in order to develop systems for  
22 compliance.



1 **SEC. 1034. RESPONSE TO CONSUMER COMPLAINTS AND IN-**  
2 **QUIRIES.**

3 (a) **TIMELY REGULATOR RESPONSE TO CON-**  
4 **SUMERS.**—The Bureau shall establish, in consultation  
5 with the appropriate Federal regulatory agencies, reason-  
6 able procedures to provide a timely response to consumers,  
7 in writing where appropriate, to complaints against, or in-  
8 quiries concerning, a covered person, including—

9 (1) steps that have been taken by the regulator  
10 in response to the complaint or inquiry of the con-  
11 sumer;

12 (2) any responses received by the regulator  
13 from the covered person; and

14 (3) any follow-up actions or planned follow-up  
15 actions by the regulator in response to the complaint  
16 or inquiry of the consumer.

17 (b) **TIMELY RESPONSE TO REGULATOR BY COVERED**  
18 **PERSON.**—A covered person subject to supervision and  
19 primary enforcement by the Bureau pursuant to section  
20 1025 shall provide a timely response, in writing where ap-  
21 propriate, to the Bureau, the prudential regulators, and  
22 any other agency having jurisdiction over such covered  
23 person concerning a consumer complaint or inquiry, in-  
24 cluding—

1           (1) steps that have been taken by the covered  
2 person to respond to the complaint or inquiry of the  
3 consumer;

4           (2) responses received by the covered person  
5 from the consumer; and

6           (3) follow-up actions or planned follow-up ac-  
7 tions by the covered person to respond to the com-  
8 plaint or inquiry of the consumer.

9 (c) PROVISION OF INFORMATION TO CONSUMERS.—

10           (1) IN GENERAL.—A covered person subject to  
11 supervision and primary enforcement by the Bureau  
12 pursuant to section 1025 shall, in a timely manner,  
13 comply with a consumer request for information in  
14 the control or possession of such covered person con-  
15 cerning the consumer financial product or service  
16 that the consumer obtained from such covered per-  
17 son, including supporting written documentation,  
18 concerning the account of the consumer.

19           (2) EXCEPTIONS.—A covered person subject to  
20 supervision and primary enforcement by the Bureau  
21 pursuant to section 1025, a prudential regulator,  
22 and any other agency having jurisdiction over a cov-  
23 ered person subject to supervision and primary en-  
24 forcement by the Bureau pursuant to section 1025

1       may not be required by this section to make avail-  
2       able to the consumer—

3               (A) any confidential commercial informa-  
4               tion, including an algorithm used to derive cred-  
5               it scores or other risk scores or predictors;

6               (B) any information collected by the cov-  
7               ered person for the purpose of preventing fraud  
8               or money laundering, or detecting or making  
9               any report regarding other unlawful or poten-  
10              tially unlawful conduct;

11              (C) any information required to be kept  
12              confidential by any other provision of law; or

13              (D) any nonpublic or confidential informa-  
14              tion, including confidential supervisory informa-  
15              tion.

16       (d) AGREEMENTS WITH OTHER AGENCIES.—The  
17 Bureau shall enter into a memorandum of understanding  
18 with any affected Federal regulatory agency regarding  
19 procedures by which any covered person, and the pruden-  
20 tial regulators, and any other agency having jurisdiction  
21 over a covered person, including the Secretary of the De-  
22 partment of Housing and Urban Development and the  
23 Secretary of Education, shall comply with this section.

1 **SEC. 1035. PRIVATE EDUCATION LOAN OMBUDSMAN.**

2 (a) ESTABLISHMENT.—The Secretary, in consulta-  
3 tion with the Director, shall designate a Private Education  
4 Loan Ombudsman (in this section referred to as the “Om-  
5 budsman”) within the Bureau, to provide timely assist-  
6 ance to borrowers of private education loans.

7 (b) PUBLIC INFORMATION.—The Secretary and the  
8 Director shall disseminate information about the avail-  
9 ability and functions of the Ombudsman to borrowers and  
10 potential borrowers, as well as institutions of higher edu-  
11 cation, lenders, guaranty agencies, loan servicers, and  
12 other participants in private education student loan pro-  
13 grams.

14 (c) FUNCTIONS OF OMBUDSMAN.—The Ombudsman  
15 designated under this subsection shall—

16 (1) in accordance with regulations of the Direc-  
17 tor, receive, review, and attempt to resolve infor-  
18 mally complaints from borrowers of loans described  
19 in subsection (a), including, as appropriate, attempts  
20 to resolve such complaints in collaboration with the  
21 Department of Education and with institutions of  
22 higher education, lenders, guaranty agencies, loan  
23 servicers, and other participants in private education  
24 loan programs;

25 (2) not later than 90 days after the designated  
26 transfer date, establish a memorandum of under-

1 standing with the student loan ombudsman estab-  
2 lished under section 141(f) of the Higher Education  
3 Act of 1965 (20 U.S.C. 1018(f)), to ensure coordi-  
4 nation in providing assistance to and serving bor-  
5 rowers seeking to resolve complaints related to their  
6 private education or Federal student loans;

7 (3) compile and analyze data on borrower com-  
8 plaints regarding private education loans; and

9 (4) make appropriate recommendations to the  
10 Director, the Secretary, the Secretary of Education,  
11 the Committee on Banking, Housing, and Urban Af-  
12 fairs and the Committee on Health, Education,  
13 Labor, and Pensions of the Senate and the Com-  
14 mittee on Financial Services and the Committee on  
15 Education and Labor of the House of Representa-  
16 tives.

17 (d) ANNUAL REPORTS.—

18 (1) IN GENERAL.—The Ombudsman shall pre-  
19 pare an annual report that describes the activities,  
20 and evaluates the effectiveness of the Ombudsman  
21 during the preceding year.

22 (2) SUBMISSION.—The report required by para-  
23 graph (1) shall be submitted on the same date annu-  
24 ally to the Secretary, the Secretary of Education,  
25 the Committee on Banking, Housing, and Urban Af-

1       fairs and the Committee on Health, Education,  
2       Labor, and Pensions of the Senate and the Com-  
3       mittee on Financial Services and the Committee on  
4       Education and Labor of the House of Representa-  
5       tives.

6       (e) DEFINITIONS.—For purposes of this section, the  
7       terms “private education loan” and “institution of higher  
8       education” have the same meanings as in section 140 of  
9       the Truth in Lending Act (15 U.S.C. 1650).

10   **SEC. 1036. PROHIBITED ACTS.**

11       (a) IN GENERAL.—It shall be unlawful for—

12           (1) any covered person or service provider—

13               (A) to offer or provide to a consumer any  
14               financial product or service not in conformity  
15               with Federal consumer financial law, or other-  
16               wise commit any act or omission in violation of  
17               a Federal consumer financial law; or

18               (B) to engage in any unfair, deceptive, or  
19               abusive act or practice;

20           (2) any covered person or service provider to  
21           fail or refuse, as required by Federal consumer fi-  
22           nancial law, or any rule or order issued by the Bu-  
23           reau thereunder—

24               (A) to permit access to or copying of  
25               records;

1 (B) to establish or maintain records; or

2 (C) to make reports or provide information  
3 to the Bureau; or

4 (3) any person to knowingly or recklessly pro-  
5 vide substantial assistance to a covered person or  
6 service provider in violation of the provisions of sec-  
7 tion 1031, or any rule or order issued thereunder,  
8 and notwithstanding any provision of this title, the  
9 provider of such substantial assistance shall be  
10 deemed to be in violation of that section to the same  
11 extent as the person to whom such assistance is pro-  
12 vided.

13 (b) EXCEPTION.—No person shall be held to have  
14 violated subsection (a)(1) solely by virtue of providing or  
15 selling time or space to a covered person or service pro-  
16 vider placing an advertisement.

17 **SEC. 1037. EFFECTIVE DATE.**

18 This subtitle shall take effect on the designated  
19 transfer date.

20 **Subtitle D—Preservation of State**  
21 **Law**

22 **SEC. 1041. RELATION TO STATE LAW.**

23 (a) IN GENERAL.—

24 (1) RULE OF CONSTRUCTION.—This title, other  
25 than sections 1044 through 1048, may not be con-

1       strued as annulling, altering, or affecting, or ex-  
2       empting any person subject to the provisions of this  
3       title from complying with, the statutes, regulations,  
4       orders, or interpretations in effect in any State, ex-  
5       cept to the extent that any such provision of law is  
6       inconsistent with the provisions of this title, and  
7       then only to the extent of the inconsistency.

8           (2) GREATER PROTECTION UNDER STATE  
9       LAW.—For purposes of this subsection, a statute,  
10      regulation, order, or interpretation in effect in any  
11      State is not inconsistent with the provisions of this  
12      title if the protection that such statute, regulation,  
13      order, or interpretation affords to consumers is  
14      greater than the protection provided under this title.  
15      A determination regarding whether a statute, regu-  
16      lation, order, or interpretation in effect in any State  
17      is inconsistent with the provisions of this title may  
18      be made by the Bureau on its own motion or in re-  
19      sponse to a nonfrivolous petition initiated by any in-  
20      terested person.

21      (b) RELATION TO OTHER PROVISIONS OF ENUMER-  
22      ATED CONSUMER LAWS THAT RELATE TO STATE LAW.—  
23      No provision of this title, except as provided in section  
24      1083, shall be construed as modifying, limiting, or super-  
25      seding the operation of any provision of an enumerated



1 consumer law that relates to the application of a law in  
2 effect in any State with respect to such Federal law.

3 (c) ADDITIONAL CONSUMER PROTECTION REGULA-  
4 TIONS IN RESPONSE TO STATE ACTION.—

5 (1) NOTICE OF PROPOSED RULE REQUIRED.—

6 The Bureau shall issue a notice of proposed rule-  
7 making whenever a majority of the States has en-  
8 acted a resolution in support of the establishment or  
9 modification of a consumer protection regulation by  
10 the Bureau.

11 (2) BUREAU CONSIDERATIONS REQUIRED FOR

12 ISSUANCE OF FINAL REGULATION.—Before pre-  
13 scribing a final regulation based upon a notice  
14 issued pursuant to paragraph (1), the Bureau shall  
15 take into account whether—

16 (A) the proposed regulation would afford  
17 greater protection to consumers than any exist-  
18 ing regulation;

19 (B) the intended benefits of the proposed  
20 regulation for consumers would outweigh any  
21 increased costs or inconveniences for con-  
22 sumers, and would not discriminate unfairly  
23 against any category or class of consumers; and

24 (C) a Federal banking agency has advised  
25 that the proposed regulation is likely to present

1 an unacceptable safety and soundness risk to  
2 insured depository institutions.

3 (3) EXPLANATION OF CONSIDERATIONS.—The  
4 Bureau—

5 (A) shall include a discussion of the con-  
6 siderations required in paragraph (2) in the  
7 Federal Register notice of a final regulation  
8 prescribed pursuant to this subsection; and

9 (B) whenever the Bureau determines not  
10 to prescribe a final regulation, shall publish an  
11 explanation of such determination in the Fed-  
12 eral Register, and provide a copy of such expla-  
13 nation to each State that enacted a resolution  
14 in support of the proposed regulation, the Com-  
15 mittee on Banking, Housing, and Urban Affairs  
16 of the Senate, and the Committee on Financial  
17 Services of the House of Representatives.

18 (4) RESERVATION OF AUTHORITY.—No provi-  
19 sion of this subsection shall be construed as limiting  
20 or restricting the authority of the Bureau to enhance  
21 consumer protection standards established pursuant  
22 to this title in response to its own motion or in re-  
23 sponse to a request by any other interested person.

24 (5) RULE OF CONSTRUCTION.—No provision of  
25 this subsection shall be construed as exempting the

1 Bureau from complying with subchapter II of chap-  
2 ter 5 of title 5, United States Code.

3 (6) DEFINITION.—For purposes of this sub-  
4 section, the term “consumer protection regulation”  
5 means a regulation that the Bureau is authorized to  
6 prescribe under the Federal consumer financial laws.

7 **SEC. 1042. PRESERVATION OF ENFORCEMENT POWERS OF**  
8 **STATES.**

9 (a) IN GENERAL.—

10 (1) ACTION BY STATE.—Except as provided in  
11 paragraph (2), the attorney general (or the equiva-  
12 lent thereof) of any State may bring a civil action  
13 in the name of such State in any district court of  
14 the United States in that State or in State court  
15 that is located in that State and that has jurisdic-  
16 tion over the defendant, to enforce provisions of this  
17 title or regulations issued under this title, and to se-  
18 cure remedies under provisions of this title or rem-  
19 edies otherwise provided under other law. A State  
20 regulator may bring a civil action or other appro-  
21 priate proceeding to enforce the provisions of this  
22 title or regulations issued under this title with re-  
23 spect to any entity that is State-chartered, incor-  
24 porated, licensed, or otherwise authorized to do busi-  
25 ness under State law (except as provided in para-

1 graph (2)), and to secure remedies under provisions  
2 of this title or remedies otherwise provided under  
3 other provisions of law with respect to such an enti-  
4 ty.

5 (2) ACTION BY STATE AGAINST NATIONAL  
6 BANK OR FEDERAL SAVINGS ASSOCIATION TO EN-  
7 FORCE RULES.—

8 (A) IN GENERAL.—Except as permitted  
9 under subparagraph (B), the attorney general  
10 (or equivalent thereof) of any State may not  
11 bring a civil action in the name of such State  
12 against a national bank or Federal savings as-  
13 sociation to enforce a provision of this title.

14 (B) ENFORCEMENT OF RULES PER-  
15 MITTED.—The attorney general (or the equiva-  
16 lent thereof) of any State may bring a civil ac-  
17 tion in the name of such State against a na-  
18 tional bank or Federal savings association in  
19 any district court of the United States in the  
20 State or in State court that is located in that  
21 State and that has jurisdiction over the defend-  
22 ant to enforce a regulation prescribed by the  
23 Bureau under a provision of this title and to se-  
24 cure remedies under provisions of this title or  
25 remedies otherwise provided under other law.

1           (3) RULE OF CONSTRUCTION.—No provision of  
2 this title shall be construed as modifying, limiting,  
3 or superseding the operation of any provision of an  
4 enumerated consumer law that relates to the author-  
5 ity of a State attorney general or State regulator to  
6 enforce such Federal law.

7           (b) CONSULTATION REQUIRED.—

8           (1) NOTICE.—

9           (A) IN GENERAL.—Before initiating any  
10 action in a court or other administrative or reg-  
11 ulatory proceeding against any covered person  
12 as authorized by subsection (a) to enforce any  
13 provision of this title, including any regulation  
14 prescribed by the Bureau under this title, a  
15 State attorney general or State regulator shall  
16 timely provide a copy of the complete complaint  
17 to be filed and written notice describing such  
18 action or proceeding to the Bureau and the pru-  
19 dential regulator, if any, or the designee there-  
20 of.

21           (B) EMERGENCY ACTION.—If prior notice  
22 is not practicable, the State attorney general or  
23 State regulator shall provide a copy of the com-  
24 plete complaint and the notice to the Bureau  
25 and the prudential regulator, if any, imme-

1 diately upon instituting the action or pro-  
2 ceeding.

3 (C) CONTENTS OF NOTICE.—The notifica-  
4 tion required under this paragraph shall, at a  
5 minimum, describe—

6 (i) the identity of the parties;

7 (ii) the alleged facts underlying the  
8 proceeding; and

9 (iii) whether there may be a need to  
10 coordinate the prosecution of the pro-  
11 ceeding so as not to interfere with any ac-  
12 tion, including any rulemaking, undertaken  
13 by the Bureau, a prudential regulator, or  
14 another Federal agency.

15 (2) BUREAU RESPONSE.—In any action de-  
16 scribed in paragraph (1), the Bureau may—

17 (A) intervene in the action as a party;

18 (B) upon intervening—

19 (i) remove the action to the appro-  
20 priate United States district court, if the  
21 action was not originally brought there;  
22 and

23 (ii) be heard on all matters arising in  
24 the action; and

1 (C) appeal any order or judgment, to the  
2 same extent as any other party in the pro-  
3 ceeding may.

4 (c) REGULATIONS.—The Bureau shall prescribe reg-  
5 ulations to implement the requirements of this section  
6 and, from time to time, provide guidance in order to fur-  
7 ther coordinate actions with the State attorneys general  
8 and other regulators.

9 (d) PRESERVATION OF STATE AUTHORITY.—

10 (1) STATE CLAIMS.—No provision of this sec-  
11 tion shall be construed as altering, limiting, or af-  
12 fecting the authority of a State attorney general or  
13 any other regulatory or enforcement agency or au-  
14 thority to bring an action or other regulatory pro-  
15 ceeding arising solely under the law in effect in that  
16 State.

17 (2) STATE SECURITIES REGULATORS.—No pro-  
18 vision of this title shall be construed as altering, lim-  
19 iting, or affecting the authority of a State securities  
20 commission (or any agency or office performing like  
21 functions) under State law to adopt rules, initiate  
22 enforcement proceedings, or take any other action  
23 with respect to a person regulated by such commis-  
24 sion or authority.

1           (3) STATE INSURANCE REGULATORS.—No pro-  
2           vision of this title shall be construed as altering, lim-  
3           iting, or affecting the authority of a State insurance  
4           commission or State insurance regulator under State  
5           law to adopt rules, initiate enforcement proceedings,  
6           or take any other action with respect to a person  
7           regulated by such commission or regulator.

8   **SEC. 1043. PRESERVATION OF EXISTING CONTRACTS.**

9           This title, and regulations, orders, guidance, and in-  
10          terpretations prescribed, issued, or established by the Bu-  
11          reau, shall not be construed to alter or affect the applica-  
12          bility of any regulation, order, guidance, or interpretation  
13          prescribed, issued, and established by the Comptroller of  
14          the Currency or the Director of the Office of Thrift Super-  
15          vision regarding the applicability of State law under Fed-  
16          eral banking law to any contract entered into on or before  
17          the date of enactment of this Act, by national banks, Fed-  
18          eral savings associations, or subsidiaries thereof that are  
19          regulated and supervised by the Comptroller of the Cur-  
20          rency or the Director of the Office of Thrift Supervision,  
21          respectively.



1 **SEC. 1044. STATE LAW PREEMPTION STANDARDS FOR NA-**  
2 **TIONAL BANKS AND SUBSIDIARIES CLARI-**  
3 **FIED.**

4 (a) IN GENERAL.—Chapter one of title LXII of the  
5 Revised Statutes of the United States (12 U.S.C. 21 et  
6 seq.) is amended by inserting after section 5136B the fol-  
7 lowing new section:

8 **“SEC. 5136C. STATE LAW PREEMPTION STANDARDS FOR NA-**  
9 **TIONAL BANKS AND SUBSIDIARIES CLARI-**  
10 **FIED.**

11 “(a) DEFINITIONS.—For purposes of this section, the  
12 following definitions shall apply:

13 “(1) NATIONAL BANK.—The term ‘national  
14 bank’ includes—

15 “(A) any bank organized under the laws of  
16 the United States; and

17 “(B) any Federal branch established in ac-  
18 cordance with the International Banking Act of  
19 1978.

20 “(2) STATE CONSUMER FINANCIAL LAWS.—The  
21 term ‘State consumer financial law’ means a State  
22 law that does not directly or indirectly discriminate  
23 against national banks and that directly and specifi-  
24 cally regulates the manner, content, or terms and  
25 conditions of any financial transaction (as may be

1 authorized for national banks to engage in), or any  
2 account related thereto, with respect to a consumer.

3 “(3) OTHER DEFINITIONS.—The terms ‘affil-  
4 iate’, ‘subsidiary’, ‘includes’, and ‘including’ have the  
5 same meanings as in section 3 of the Federal De-  
6 posit Insurance Act.

7 “(b) PREEMPTION STANDARD.—

8 “(1) IN GENERAL.—State consumer financial  
9 laws are preempted, only if—

10 “(A) application of a State consumer fi-  
11 nancial law would have a discriminatory effect  
12 on national banks, in comparison with the effect  
13 of the law on a bank chartered by that State;

14 “(B) in accordance with the legal standard  
15 for preemption in the decision of the Supreme  
16 Court of the United States in *Barnett Bank of  
17 Marion County, N. A. v. Nelson, Florida Insur-  
18 ance Commissioner, et al.*, 517 U.S. 25 (1996),  
19 the State consumer financial law prevents or  
20 significantly interferes with the exercise by the  
21 national bank of its powers; and any preemp-  
22 tion determination under this subparagraph  
23 may be made by a court, or by regulation or  
24 order of the Comptroller of the Currency on a

1 case-by-case basis, in accordance with applica-  
2 ble law; or

3 “(C) the State consumer financial law is  
4 preempted by a provision of Federal law other  
5 than this title.

6 “(2) SAVINGS CLAUSE.—This title and section  
7 24 of the Federal Reserve Act (12 U.S.C. 371) do  
8 not preempt, annul, or affect the applicability of any  
9 State law to any subsidiary or affiliate of a national  
10 bank (other than a subsidiary or affiliate that is  
11 chartered as a national bank).

12 “(3) CASE-BY-CASE BASIS.—

13 “(A) DEFINITION.—As used in this section  
14 the term ‘case-by-case basis’ refers to a deter-  
15 mination pursuant to this section made by the  
16 Comptroller concerning the impact of a par-  
17 ticular State consumer financial law on any na-  
18 tional bank that is subject to that law, or the  
19 law of any other State with substantively equiv-  
20 alent terms.

21 “(B) CONSULTATION.—When making a  
22 determination on a case-by-case basis that a  
23 State consumer financial law of another State  
24 has substantively equivalent terms as one that  
25 the Comptroller is preempting, the Comptroller

1 shall first consult with the Bureau of Consumer  
2 Financial Protection and shall take the views of  
3 the Bureau into account when making the de-  
4 termination.

5 “(4) RULE OF CONSTRUCTION.—This title does  
6 not occupy the field in any area of State law.

7 “(5) STANDARDS OF REVIEW.—

8 “(A) PREEMPTION.—A court reviewing  
9 any determinations made by the Comptroller re-  
10 garding preemption of a State law by this title  
11 or section 24 of the Federal Reserve Act (12  
12 U.S.C. 371) shall assess the validity of such de-  
13 terminations, depending upon the thoroughness  
14 evident in the consideration of the agency, the  
15 validity of the reasoning of the agency, the con-  
16 sistency with other valid determinations made  
17 by the agency, and other factors which the  
18 court finds persuasive and relevant to its deci-  
19 sion.

20 “(B) SAVINGS CLAUSE.—Except as pro-  
21 vided in subparagraph (A), nothing in this sec-  
22 tion shall affect the deference that a court may  
23 afford to the Comptroller in making determina-  
24 tions regarding the meaning or interpretation of

1 title LXII of the Revised Statutes of the United  
2 States or other Federal laws.

3 “(6) COMPTROLLER DETERMINATION NOT DEL-  
4 EGABLE.—Any regulation, order, or determination  
5 made by the Comptroller of the Currency under  
6 paragraph (1)(B) shall be made by the Comptroller,  
7 and shall not be delegable to another officer or em-  
8 ployee of the Comptroller of the Currency.

9 “(c) SUBSTANTIAL EVIDENCE.—No regulation or  
10 order of the Comptroller of the Currency prescribed under  
11 subsection (b)(1)(B), shall be interpreted or applied so as  
12 to invalidate, or otherwise declare inapplicable to a na-  
13 tional bank, the provision of the State consumer financial  
14 law, unless substantial evidence, made on the record of  
15 the proceeding, supports the specific finding regarding the  
16 preemption of such provision in accordance with the legal  
17 standard of the decision of the Supreme Court of the  
18 United States in Barnett Bank of Marion County, N.A.  
19 v. Nelson, Florida Insurance Commissioner, et al., 517  
20 U.S. 25 (1996).

21 “(d) PERIODIC REVIEW OF PREEMPTION DETER-  
22 MINATIONS.—

23 “(1) IN GENERAL.—The Comptroller of the  
24 Currency shall periodically conduct a review,  
25 through notice and public comment, of each deter-

1       mination that a provision of Federal law preempts a  
2       State consumer financial law. The agency shall con-  
3       duct such review within the 5-year period after pre-  
4       scribing or otherwise issuing such determination,  
5       and at least once during each 5-year period there-  
6       after. After conducting the review of, and inspecting  
7       the comments made on, the determination, the agen-  
8       cy shall publish a notice in the Federal Register an-  
9       nouncing the decision to continue or rescind the de-  
10      termination or a proposal to amend the determina-  
11      tion. Any such notice of a proposal to amend a de-  
12      termination and the subsequent resolution of such  
13      proposal shall comply with the procedures set forth  
14      in subsections (a) and (b) of section 5244 of the Re-  
15      vised Statutes of the United States (12 U.S.C. 43  
16      (a), (b)).

17           “(2) REPORTS TO CONGRESS.—At the time of  
18      issuing a review conducted under paragraph (1), the  
19      Comptroller of the Currency shall submit a report  
20      regarding such review to the Committee on Finan-  
21      cial Services of the House of Representatives and  
22      the Committee on Banking, Housing, and Urban Af-  
23      fairs of the Senate. The report submitted to the re-  
24      spective committees shall address whether the agen-  
25      cy intends to continue, rescind, or propose to amend

1 any determination that a provision of Federal law  
2 preempts a State consumer financial law, and the  
3 reasons therefor.

4 “(e) APPLICATION OF STATE CONSUMER FINANCIAL  
5 LAW TO SUBSIDIARIES AND AFFILIATES.—Notwith-  
6 standing any provision of this title or section 24 of Federal  
7 Reserve Act (12 U.S.C. 371), a State consumer financial  
8 law shall apply to a subsidiary or affiliate of a national  
9 bank (other than a subsidiary or affiliate that is chartered  
10 as a national bank) to the same extent that the State con-  
11 sumer financial law applies to any person, corporation, or  
12 other entity subject to such State law.

13 “(f) PRESERVATION OF POWERS RELATED TO  
14 CHARGING INTEREST.—No provision of this title shall be  
15 construed as altering or otherwise affecting the authority  
16 conferred by section 5197 of the Revised Statutes of the  
17 United States (12 U.S.C. 85) for the charging of interest  
18 by a national bank at the rate allowed by the laws of the  
19 State, territory, or district where the bank is located, in-  
20 cluding with respect to the meaning of ‘interest’ under  
21 such provision.

22 “(g) TRANSPARENCY OF OCC PREEMPTION DETER-  
23 MINATIONS.—The Comptroller of the Currency shall pub-  
24 lish and update no less frequently than quarterly, a list  
25 of preemption determinations by the Comptroller of the

1 Currency then in effect that identifies the activities and  
2 practices covered by each determination and the require-  
3 ments and constraints determined to be preempted.”.

4 (b) CLERICAL AMENDMENT.—The table of sections  
5 for chapter one of title LXII of the Revised Statutes of  
6 the United States is amended by inserting after the item  
7 relating to section 5136B the following new item:

“Sec. 5136C. State law preemption standards for national banks and subsidi-  
aries clarified.”.

8 **SEC. 1045. CLARIFICATION OF LAW APPLICABLE TO NON-**  
9 **DEPOSITORY INSTITUTION SUBSIDIARIES.**

10 Section 5136C of the Revised Statutes of the United  
11 States (as added by this subtitle) is amended by adding  
12 at the end the following:

13 “(h) CLARIFICATION OF LAW APPLICABLE TO NON-  
14 DEPOSITORY INSTITUTION SUBSIDIARIES AND AFFILI-  
15 ATES OF NATIONAL BANKS.—

16 “(1) DEFINITIONS.—For purposes of this sub-  
17 section, the terms ‘depository institution’, ‘sub-  
18 sidiary’, and ‘affiliate’ have the same meanings as in  
19 section 3 of the Federal Deposit Insurance Act.

20 “(2) RULE OF CONSTRUCTION.—No provision  
21 of this title or section 24 of the Federal Reserve Act  
22 (12 U.S.C. 371) shall be construed as preempting,  
23 annulling, or affecting the applicability of State law  
24 to any subsidiary, affiliate, or agent of a national



1 bank (other than a subsidiary, affiliate, or agent  
2 that is chartered as a national bank).”.

3 **SEC. 1046. STATE LAW PREEMPTION STANDARDS FOR FED-**  
4 **ERAL SAVINGS ASSOCIATIONS AND SUBSIDI-**  
5 **ARIES CLARIFIED.**

6 (a) IN GENERAL.—The Home Owners’ Loan Act (12  
7 U.S.C. 1461 et seq.) is amended by inserting after section  
8 5 the following new section:

9 **“SEC. 6. STATE LAW PREEMPTION STANDARDS FOR FED-**  
10 **ERAL SAVINGS ASSOCIATIONS CLARIFIED.**

11 “(a) IN GENERAL.—Any determination by a court or  
12 by the Director or any successor officer or agency regard-  
13 ing the relation of State law to a provision of this Act  
14 or any regulation or order prescribed under this Act shall  
15 be made in accordance with the laws and legal standards  
16 applicable to national banks regarding the preemption of  
17 State law.

18 “(b) PRINCIPLES OF CONFLICT PREEMPTION APPLI-  
19 CABLE.—Notwithstanding the authorities granted under  
20 sections 4 and 5, this Act does not occupy the field in  
21 any area of State law.”.

22 (b) CLERICAL AMENDMENT.—The table of sections  
23 for the Home Owners’ Loan Act (12 U.S.C. 1461 et seq.)  
24 is amended by striking the item relating to section 6 and  
25 inserting the following new item:

“Sec. 6. State law preemption standards for Federal savings associations and subsidiaries clarified.”.

1 **SEC. 1047. VISITORIAL STANDARDS FOR NATIONAL BANKS**  
2 **AND SAVINGS ASSOCIATIONS.**

3 (a) NATIONAL BANKS.—Section 5136C of the Re-  
4 vised Statutes of the United States (as added by this sub-  
5 title) is amended by adding at the end the following:

6 “(i) VISITORIAL POWERS.—

7 “(1) IN GENERAL.—In accordance with the de-  
8 cision of the Supreme Court of the United States in  
9 Cuomo v. Clearing House Assn., L. L. C. (129 S.  
10 Ct. 2710 (2009)), no provision of this title which re-  
11 lates to visitorial powers or otherwise limits or re-  
12 stricts the visitorial authority to which any national  
13 bank is subject shall be construed as limiting or re-  
14 stricting the authority of any attorney general (or  
15 other chief law enforcement officer) of any State to  
16 bring an action against a national bank in a court  
17 of appropriate jurisdiction to enforce an applicable  
18 law and to seek relief as authorized by such law.

19 “(j) ENFORCEMENT ACTIONS.—The ability of the  
20 Comptroller of the Currency to bring an enforcement ac-  
21 tion under this title or section 5 of the Federal Trade  
22 Commission Act does not preclude any private party from  
23 enforcing rights granted under Federal or State law in the  
24 courts.”.

1 (b) SAVINGS ASSOCIATIONS.—Section 6 of the Home  
2 Owners’ Loan Act (as added by this title) is amended by  
3 adding at the end the following:

4 “(c) VISITORIAL POWERS.—The provisions of sec-  
5 tions 5136C(i) of the Revised Statutes of the United  
6 States shall apply to Federal savings associations, and any  
7 subsidiary thereof, to the same extent and in the same  
8 manner as if such savings associations, or subsidiaries  
9 thereof, were national banks or subsidiaries of national  
10 banks, respectively.”

11 “(d) ENFORCEMENT ACTIONS.—The ability of the  
12 Comptroller of the Currency to bring an enforcement ac-  
13 tion under this Act or section 5 of the Federal Trade Com-  
14 mission Act does not preclude any private party from en-  
15 forcing rights granted under Federal or State law in the  
16 courts.”.

17 **SEC. 1048. EFFECTIVE DATE.**

18 This subtitle shall become effective on the designated  
19 transfer date.

20 **Subtitle E—Enforcement Powers**

21 **SEC. 1051. DEFINITIONS.**

22 For purposes of this subtitle, the following definitions  
23 shall apply:

24 (1) BUREAU INVESTIGATION.—The term “Bu-  
25 reau investigation” means any inquiry conducted by

1 a Bureau investigator for the purpose of  
2 ascertaining whether any person is or has been en-  
3 gaged in any conduct that is a violation, as defined  
4 in this section.

5 (2) BUREAU INVESTIGATOR.—The term “Bu-  
6 reau investigator” means any attorney or investi-  
7 gator employed by the Bureau who is charged with  
8 the duty of enforcing or carrying into effect any  
9 Federal consumer financial law.

10 (3) CUSTODIAN.—The term “custodian” means  
11 the custodian or any deputy custodian designated by  
12 the Bureau.

13 (4) DOCUMENTARY MATERIAL.—The term  
14 “documentary material” includes the original or any  
15 copy of any book, document, record, report, memo-  
16 randum, paper, communication, tabulation, chart,  
17 logs, electronic files, or other data or data compila-  
18 tions stored in any medium.

19 (5) VIOLATION.—The term “violation” means  
20 any act or omission that, if proved, would constitute  
21 a violation of any provision of Federal consumer fi-  
22 nancial law.

23 **SEC. 1052. INVESTIGATIONS AND ADMINISTRATIVE DIS-**  
24 **COVERY.**

25 (a) JOINT INVESTIGATIONS.—

1           (1) IN GENERAL.—The Bureau or, where ap-  
2           propriate, a Bureau investigator, may engage in  
3           joint investigations and requests for information, as  
4           authorized under this title.

5           (2) FAIR LENDING.—The authority under para-  
6           graph (1) includes matters relating to fair lending,  
7           and where appropriate, joint investigations with, and  
8           requests for information from, the Secretary of  
9           Housing and Urban Development, the Attorney Gen-  
10          eral of the United States, or both.

11          (b) SUBPOENAS.—

12           (1) IN GENERAL.—The Bureau or a Bureau in-  
13          vestigator may issue subpoenas for the attendance  
14          and testimony of witnesses and the production of  
15          relevant papers, books, documents, or other material  
16          in connection with hearings under this title.

17           (2) FAILURE TO OBEY.—In the case of contu-  
18          macy or refusal to obey a subpoena issued pursuant  
19          to this paragraph and served upon any person, the  
20          district court of the United States for any district in  
21          which such person is found, resides, or transacts  
22          business, upon application by the Bureau or a Bu-  
23          reau investigator and after notice to such person,  
24          may issue an order requiring such person to appear

1 and give testimony or to appear and produce docu-  
2 ments or other material.

3 (3) CONTEMPT.—Any failure to obey an order  
4 of the court under this subsection may be punished  
5 by the court as a contempt thereof.

6 (c) DEMANDS.—

7 (1) IN GENERAL.—Whenever the Bureau has  
8 reason to believe that any person may be in posses-  
9 sion, custody, or control of any documentary mate-  
10 rial or tangible things, or may have any information,  
11 relevant to a violation, the Bureau may, before the  
12 institution of any proceedings under the Federal  
13 consumer financial law, issue in writing, and cause  
14 to be served upon such person, a civil investigative  
15 demand requiring such person to—

16 (A) produce such documentary material for  
17 inspection and copying or reproduction in the  
18 form or medium requested by the Bureau;

19 (B) submit such tangible things;

20 (C) file written reports or answers to ques-  
21 tions;

22 (D) give oral testimony concerning docu-  
23 mentary material, tangible things, or other in-  
24 formation; or

1           (E) furnish any combination of such mate-  
2           rial, answers, or testimony.

3           (2) REQUIREMENTS.—Each civil investigative  
4           demand shall state the nature of the conduct consti-  
5           tuting the alleged violation which is under investiga-  
6           tion and the provision of law applicable to such vio-  
7           lation.

8           (3) PRODUCTION OF DOCUMENTS.—Each civil  
9           investigative demand for the production of documen-  
10          tary material shall—

11           (A) describe each class of documentary  
12          material to be produced under the demand with  
13          such definiteness and certainty as to permit  
14          such material to be fairly identified;

15           (B) prescribe a return date or dates which  
16          will provide a reasonable period of time within  
17          which the material so demanded may be assem-  
18          bled and made available for inspection and  
19          copying or reproduction; and

20           (C) identify the custodian to whom such  
21          material shall be made available.

22          (4) PRODUCTION OF THINGS.—Each civil inves-  
23          tigative demand for the submission of tangible  
24          things shall—

1 (A) describe each class of tangible things  
2 to be submitted under the demand with such  
3 definiteness and certainty as to permit such  
4 things to be fairly identified;

5 (B) prescribe a return date or dates which  
6 will provide a reasonable period of time within  
7 which the things so demanded may be assem-  
8 bled and submitted; and

9 (C) identify the custodian to whom such  
10 things shall be submitted.

11 (5) DEMAND FOR WRITTEN REPORTS OR AN-  
12 SWERS.—Each civil investigative demand for written  
13 reports or answers to questions shall—

14 (A) propound with definiteness and cer-  
15 tainty the reports to be produced or the ques-  
16 tions to be answered;

17 (B) prescribe a date or dates at which time  
18 written reports or answers to questions shall be  
19 submitted; and

20 (C) identify the custodian to whom such  
21 reports or answers shall be submitted.

22 (6) ORAL TESTIMONY.—Each civil investigative  
23 demand for the giving of oral testimony shall—

24 (A) prescribe a date, time, and place at  
25 which oral testimony shall be commenced; and



1 (B) identify a Bureau investigator who  
2 shall conduct the investigation and the custo-  
3 dian to whom the transcript of such investiga-  
4 tion shall be submitted.

5 (7) SERVICE.—Any civil investigative demand  
6 issued, and any enforcement petition filed, under  
7 this section may be served—

8 (A) by any Bureau investigator at any  
9 place within the territorial jurisdiction of any  
10 court of the United States; and

11 (B) upon any person who is not found  
12 within the territorial jurisdiction of any court of  
13 the United States—

14 (i) in such manner as the Federal  
15 Rules of Civil Procedure prescribe for serv-  
16 ice in a foreign nation; and

17 (ii) to the extent that the courts of  
18 the United States have authority to assert  
19 jurisdiction over such person, consistent  
20 with due process, the United States Dis-  
21 trict Court for the District of Columbia  
22 shall have the same jurisdiction to take  
23 any action respecting compliance with this  
24 section by such person that such district  
25 court would have if such person were per-

1                   sonally within the jurisdiction of such dis-  
2                   trict court.

3                   (8) METHOD OF SERVICE.—Service of any civil  
4                   investigative demand or any enforcement petition  
5                   filed under this section may be made upon a person,  
6                   including any legal entity, by—

7                   (A) delivering a duly executed copy of such  
8                   demand or petition to the individual or to any  
9                   partner, executive officer, managing agent, or  
10                  general agent of such person, or to any agent  
11                  of such person authorized by appointment or by  
12                  law to receive service of process on behalf of  
13                  such person;

14                  (B) delivering a duly executed copy of such  
15                  demand or petition to the principal office or  
16                  place of business of the person to be served; or

17                  (C) depositing a duly executed copy in the  
18                  United States mails, by registered or certified  
19                  mail, return receipt requested, duly addressed  
20                  to such person at the principal office or place  
21                  of business of such person.

22                  (9) PROOF OF SERVICE.—

23                  (A) IN GENERAL.—A verified return by the  
24                  individual serving any civil investigative demand  
25                  or any enforcement petition filed under this sec-

1           tion setting forth the manner of such service  
2           shall be proof of such service.

3                   (B) RETURN RECEIPTS.—In the case of  
4           service by registered or certified mail, such re-  
5           turn shall be accompanied by the return post  
6           office receipt of delivery of such demand or en-  
7           forcement petition.

8                   (10) PRODUCTION OF DOCUMENTARY MATE-  
9           RIAL.—The production of documentary material in  
10          response to a civil investigative demand shall be  
11          made under a sworn certificate, in such form as the  
12          demand designates, by the person, if a natural per-  
13          son, to whom the demand is directed or, if not a  
14          natural person, by any person having knowledge of  
15          the facts and circumstances relating to such produc-  
16          tion, to the effect that all of the documentary mate-  
17          rial required by the demand and in the possession,  
18          custody, or control of the person to whom the de-  
19          mand is directed has been produced and made avail-  
20          able to the custodian.

21                   (11) SUBMISSION OF TANGIBLE THINGS.—The  
22          submission of tangible things in response to a civil  
23          investigative demand shall be made under a sworn  
24          certificate, in such form as the demand designates,  
25          by the person to whom the demand is directed or,

1 if not a natural person, by any person having knowl-  
2 edge of the facts and circumstances relating to such  
3 production, to the effect that all of the tangible  
4 things required by the demand and in the posses-  
5 sion, custody, or control of the person to whom the  
6 demand is directed have been submitted to the cus-  
7 todian.

8 (12) SEPARATE ANSWERS.—Each reporting re-  
9 quirement or question in a civil investigative demand  
10 shall be answered separately and fully in writing  
11 under oath, unless it is objected to, in which event  
12 the reasons for the objection shall be stated in lieu  
13 of an answer, and it shall be submitted under a  
14 sworn certificate, in such form as the demand des-  
15 ignates, by the person, if a natural person, to whom  
16 the demand is directed or, if not a natural person,  
17 by any person responsible for answering each report-  
18 ing requirement or question, to the effect that all in-  
19 formation required by the demand and in the posses-  
20 sion, custody, control, or knowledge of the person to  
21 whom the demand is directed has been submitted.

22 (13) TESTIMONY.—

23 (A) IN GENERAL.—

24 (i) OATH AND RECORDATION.—The  
25 examination of any person pursuant to a

1 demand for oral testimony served under  
2 this subsection shall be taken before an of-  
3 ficer authorized to administer oaths and  
4 affirmations by the laws of the United  
5 States or of the place at which the exam-  
6 ination is held. The officer before whom  
7 oral testimony is to be taken shall put the  
8 witness on oath or affirmation and shall  
9 personally, or by any individual acting  
10 under the direction of and in the presence  
11 of the officer, record the testimony of the  
12 witness.

13 (ii) TRANSCRIPTION.—The testimony  
14 shall be taken stenographically and tran-  
15 scribed.

16 (iii) TRANSMISSION TO CUSTODIAN.—  
17 After the testimony is fully transcribed,  
18 the officer investigator before whom the  
19 testimony is taken shall promptly transmit  
20 a copy of the transcript of the testimony to  
21 the custodian.

22 (B) PARTIES PRESENT.—Any Bureau in-  
23 vestigator before whom oral testimony is to be  
24 taken shall exclude from the place where the  
25 testimony is to be taken all other persons, ex-

1           cept the person giving the testimony, the attor-  
2           ney for that person, the officer before whom the  
3           testimony is to be taken, an investigator or rep-  
4           resentative of an agency with which the Bureau  
5           is engaged in a joint investigation, and any ste-  
6           nographer taking such testimony.

7           (C) LOCATION.—The oral testimony of any  
8           person taken pursuant to a civil investigative  
9           demand shall be taken in the judicial district of  
10          the United States in which such person resides,  
11          is found, or transacts business, or in such other  
12          place as may be agreed upon by the Bureau in-  
13          vestigator before whom the oral testimony of  
14          such person is to be taken and such person.

15          (D) ATTORNEY REPRESENTATION.—

16           (i) IN GENERAL.—Any person com-  
17           pelled to appear under a civil investigative  
18           demand for oral testimony pursuant to this  
19           section may be accompanied, represented,  
20           and advised by an attorney.

21           (ii) AUTHORITY.—The attorney may  
22           advise a person described in clause (i), in  
23           confidence, either upon the request of such  
24           person or upon the initiative of the attor-

1           ney, with respect to any question asked of  
2           such person.

3           (iii) OBJECTIONS.—A person de-  
4           scribed in clause (i), or the attorney for  
5           that person, may object on the record to  
6           any question, in whole or in part, and such  
7           person shall briefly state for the record the  
8           reason for the objection. An objection may  
9           properly be made, received, and entered  
10          upon the record when it is claimed that  
11          such person is entitled to refuse to answer  
12          the question on grounds of any constitu-  
13          tional or other legal right or privilege, in-  
14          cluding the privilege against self-incrimina-  
15          tion, but such person shall not otherwise  
16          object to or refuse to answer any question,  
17          and such person or attorney shall not oth-  
18          erwise interrupt the oral examination.

19          (iv) REFUSAL TO ANSWER.—If a per-  
20          son described in clause (i) refuses to an-  
21          swer any question—

22                 (I) the Bureau may petition the  
23                 district court of the United States  
24                 pursuant to this section for an order

1                   compelling such person to answer  
2                   such question; and

3                   (II) if the refusal is on grounds  
4                   of the privilege against self-incrimina-  
5                   tion, the testimony of such person  
6                   may be compelled in accordance with  
7                   the provisions of section 6004 of title  
8                   18, United States Code.

9                   (E) TRANSCRIPTS.—For purposes of this  
10                  subsection—

11                  (i) after the testimony of any witness  
12                  is fully transcribed, the Bureau investi-  
13                  gator shall afford the witness (who may be  
14                  accompanied by an attorney) a reasonable  
15                  opportunity to examine the transcript;

16                  (ii) the transcript shall be read to or  
17                  by the witness, unless such examination  
18                  and reading are waived by the witness;

19                  (iii) any changes in form or substance  
20                  which the witness desires to make shall be  
21                  entered and identified upon the transcript  
22                  by the Bureau investigator, with a state-  
23                  ment of the reasons given by the witness  
24                  for making such changes;



1 (iv) the transcript shall be signed by  
2 the witness, unless the witness in writing  
3 waives the signing, is ill, cannot be found,  
4 or refuses to sign; and

5 (v) if the transcript is not signed by  
6 the witness during the 30-day period fol-  
7 lowing the date on which the witness is  
8 first afforded a reasonable opportunity to  
9 examine the transcript, the Bureau investi-  
10 gator shall sign the transcript and state on  
11 the record the fact of the waiver, illness,  
12 absence of the witness, or the refusal to  
13 sign, together with any reasons given for  
14 the failure to sign.

15 (F) CERTIFICATION BY INVESTIGATOR.—

16 The Bureau investigator shall certify on the  
17 transcript that the witness was duly sworn by  
18 him or her and that the transcript is a true  
19 record of the testimony given by the witness,  
20 and the Bureau investigator shall promptly de-  
21 liver the transcript or send it by registered or  
22 certified mail to the custodian.

23 (G) COPY OF TRANSCRIPT.—The Bureau  
24 investigator shall furnish a copy of the tran-  
25 script (upon payment of reasonable charges for

1 the transcript) to the witness only, except that  
2 the Bureau may for good cause limit such wit-  
3 ness to inspection of the official transcript of  
4 his testimony.

5 (H) WITNESS FEES.—Any witness appear-  
6 ing for the taking of oral testimony pursuant to  
7 a civil investigative demand shall be entitled to  
8 the same fees and mileage which are paid to  
9 witnesses in the district courts of the United  
10 States.

11 (d) CONFIDENTIAL TREATMENT OF DEMAND MATE-  
12 RIAL.—

13 (1) IN GENERAL.—Documentary materials and  
14 tangible things received as a result of a civil inves-  
15 tigative demand shall be subject to requirements and  
16 procedures regarding confidentiality, in accordance  
17 with rules established by the Bureau.

18 (2) DISCLOSURE TO CONGRESS.—No rule es-  
19 tablished by the Bureau regarding the confidentiality  
20 of materials submitted to, or otherwise obtained by,  
21 the Bureau shall be intended to prevent disclosure to  
22 either House of Congress or to an appropriate com-  
23 mittee of the Congress, except that the Bureau is  
24 permitted to adopt rules allowing prior notice to any  
25 party that owns or otherwise provided the material

1 to the Bureau and had designated such material as  
2 confidential.

3 (e) PETITION FOR ENFORCEMENT.—

4 (1) IN GENERAL.—Whenever any person fails  
5 to comply with any civil investigative demand duly  
6 served upon him under this section, or whenever sat-  
7 isfactory copying or reproduction of material re-  
8 quested pursuant to the demand cannot be accom-  
9 plished and such person refuses to surrender such  
10 material, the Bureau, through such officers or attor-  
11 neys as it may designate, may file, in the district  
12 court of the United States for any judicial district  
13 in which such person resides, is found, or transacts  
14 business, and serve upon such person, a petition for  
15 an order of such court for the enforcement of this  
16 section.

17 (2) SERVICE OF PROCESS.—All process of any  
18 court to which application may be made as provided  
19 in this subsection may be served in any judicial dis-  
20 trict.

21 (f) PETITION FOR ORDER MODIFYING OR SETTING  
22 ASIDE DEMAND.—

23 (1) IN GENERAL.—Not later than 20 days after  
24 the service of any civil investigative demand upon  
25 any person under subsection (b), or at any time be-

1 fore the return date specified in the demand, which-  
2 ever period is shorter, or within such period exceed-  
3 ing 20 days after service or in excess of such return  
4 date as may be prescribed in writing, subsequent to  
5 service, by any Bureau investigator named in the de-  
6 mand, such person may file with the Bureau a peti-  
7 tion for an order by the Bureau modifying or setting  
8 aside the demand.

9 (2) COMPLIANCE DURING PENDENCY.—The  
10 time permitted for compliance with the demand in  
11 whole or in part, as determined proper and ordered  
12 by the Bureau, shall not run during the pendency of  
13 a petition under paragraph (1) at the Bureau, ex-  
14 cept that such person shall comply with any portions  
15 of the demand not sought to be modified or set  
16 aside.

17 (3) SPECIFIC GROUNDS.—A petition under  
18 paragraph (1) shall specify each ground upon which  
19 the petitioner relies in seeking relief, and may be  
20 based upon any failure of the demand to comply  
21 with the provisions of this section, or upon any con-  
22 stitutional or other legal right or privilege of such  
23 person.

24 (g) CUSTODIAL CONTROL.—At any time during  
25 which any custodian is in custody or control of any docu-

1 mentary material, tangible things, reports, answers to  
2 questions, or transcripts of oral testimony given by any  
3 person in compliance with any civil investigative demand,  
4 such person may file, in the district court of the United  
5 States for the judicial district within which the office of  
6 such custodian is situated, and serve upon such custodian,  
7 a petition for an order of such court requiring the per-  
8 formance by such custodian of any duty imposed upon him  
9 by this section or rule promulgated by the Bureau.

10 (h) JURISDICTION OF COURT.—

11 (1) IN GENERAL.—Whenever any petition is  
12 filed in any district court of the United States under  
13 this section, such court shall have jurisdiction to  
14 hear and determine the matter so presented, and to  
15 enter such order or orders as may be required to  
16 carry out the provisions of this section.

17 (2) APPEAL.—Any final order entered as de-  
18 scribed in paragraph (1) shall be subject to appeal  
19 pursuant to section 1291 of title 28, United States  
20 Code.

21 **SEC. 1053. HEARINGS AND ADJUDICATION PROCEEDINGS.**

22 (a) IN GENERAL.—The Bureau is authorized to con-  
23 duct hearings and adjudication proceedings with respect  
24 to any person in the manner prescribed by chapter 5 of

1 title 5, United States Code in order to ensure or enforce  
2 compliance with—

3 (1) the provisions of this title, including any  
4 rules prescribed by the Bureau under this title; and

5 (2) any other Federal law that the Bureau is  
6 authorized to enforce, including an enumerated con-  
7 sumer law, and any regulations or order prescribed  
8 thereunder, unless such Federal law specifically lim-  
9 its the Bureau from conducting a hearing or adju-  
10 dication proceeding and only to the extent of such  
11 limitation.

12 (b) SPECIAL RULES FOR CEASE-AND-DESIST PRO-  
13 CEEDINGS.—

14 (1) ORDERS AUTHORIZED.—

15 (A) IN GENERAL.—If, in the opinion of the  
16 Bureau, any covered person or service provider  
17 is engaging or has engaged in an activity that  
18 violates a law, rule, or any condition imposed in  
19 writing on the person by the Bureau, the Bu-  
20 reau may, subject to sections 1024, 1025, and  
21 1026, issue and serve upon the covered person  
22 or service provider a notice of charges in re-  
23 spect thereof.

24 (B) CONTENT OF NOTICE.—The notice  
25 under subparagraph (A) shall contain a state-

1           ment of the facts constituting the alleged viola-  
2           tion or violations, and shall fix a time and place  
3           at which a hearing will be held to determine  
4           whether an order to cease and desist should  
5           issue against the covered person or service pro-  
6           vider, such hearing to be held not earlier than  
7           30 days nor later than 60 days after the date  
8           of service of such notice, unless an earlier or a  
9           later date is set by the Bureau, at the request  
10          of any party so served.

11           (C) CONSENT.—Unless the party or par-  
12          ties served under subparagraph (B) appear at  
13          the hearing personally or by a duly authorized  
14          representative, such person shall be deemed to  
15          have consented to the issuance of the cease-and-  
16          desist order.

17           (D) PROCEDURE.—In the event of consent  
18          under subparagraph (C), or if, upon the record,  
19          made at any such hearing, the Bureau finds  
20          that any violation specified in the notice of  
21          charges has been established, the Bureau may  
22          issue and serve upon the covered person or  
23          service provider an order to cease and desist  
24          from the violation or practice. Such order may,  
25          by provisions which may be mandatory or other-

1           wise, require the covered person or service pro-  
2           vider to cease and desist from the subject activ-  
3           ity, and to take affirmative action to correct the  
4           conditions resulting from any such violation.

5           (2) EFFECTIVENESS OF ORDER.—A cease-and-  
6           desist order shall become effective at the expiration  
7           of 30 days after the date of service of an order  
8           under paragraph (1) upon the covered person or  
9           service provider concerned (except in the case of a  
10          cease-and-desist order issued upon consent, which  
11          shall become effective at the time specified therein),  
12          and shall remain effective and enforceable as pro-  
13          vided therein, except to such extent as the order is  
14          stayed, modified, terminated, or set aside by action  
15          of the Bureau or a reviewing court.

16          (3) DECISION AND APPEAL.—Any hearing pro-  
17          vided for in this subsection shall be held in the Fed-  
18          eral judicial district or in the territory in which the  
19          residence or principal office or place of business of  
20          the person is located unless the person consents to  
21          another place, and shall be conducted in accordance  
22          with the provisions of chapter 5 of title 5 of the  
23          United States Code. After such hearing, and within  
24          90 days after the Bureau has notified the parties  
25          that the case has been submitted to the Bureau for



1 final decision, the Bureau shall render its decision  
2 (which shall include findings of fact upon which its  
3 decision is predicated) and shall issue and serve  
4 upon each party to the proceeding an order or or-  
5 ders consistent with the provisions of this section.  
6 Judicial review of any such order shall be exclusively  
7 as provided in this subsection. Unless a petition for  
8 review is timely filed in a court of appeals of the  
9 United States, as provided in paragraph (4), and  
10 thereafter until the record in the proceeding has  
11 been filed as provided in paragraph (4), the Bureau  
12 may at any time, upon such notice and in such man-  
13 ner as the Bureau shall determine proper, modify,  
14 terminate, or set aside any such order. Upon filing  
15 of the record as provided, the Bureau may modify,  
16 terminate, or set aside any such order with permis-  
17 sion of the court.

18 (4) APPEAL TO COURT OF APPEALS.—Any  
19 party to any proceeding under this subsection may  
20 obtain a review of any order served pursuant to this  
21 subsection (other than an order issued with the con-  
22 sent of the person concerned) by the filing in the  
23 court of appeals of the United States for the circuit  
24 in which the principal office of the covered person is  
25 located, or in the United States Court of Appeals for

1 the District of Columbia Circuit, within 30 days  
2 after the date of service of such order, a written pe-  
3 tition praying that the order of the Bureau be modi-  
4 fied, terminated, or set aside. A copy of such peti-  
5 tion shall be forthwith transmitted by the clerk of  
6 the court to the Bureau, and thereupon the Bureau  
7 shall file in the court the record in the proceeding,  
8 as provided in section 2112 of title 28 of the United  
9 States Code. Upon the filing of such petition, such  
10 court shall have jurisdiction, which upon the filing of  
11 the record shall except as provided in the last sen-  
12 tence of paragraph (3) be exclusive, to affirm, mod-  
13 ify, terminate, or set aside, in whole or in part, the  
14 order of the Bureau. Review of such proceedings  
15 shall be had as provided in chapter 7 of title 5 of  
16 the United States Code. The judgment and decree of  
17 the court shall be final, except that the same shall  
18 be subject to review by the Supreme Court of the  
19 United States, upon certiorari, as provided in section  
20 1254 of title 28 of the United States Code.

21 (5) NO STAY.—The commencement of pro-  
22 ceedings for judicial review under paragraph (4)  
23 shall not, unless specifically ordered by the court,  
24 operate as a stay of any order issued by the Bureau.

1 (c) SPECIAL RULES FOR TEMPORARY CEASE-AND-  
2 DESIST PROCEEDINGS.—

3 (1) IN GENERAL.—Whenever the Bureau deter-  
4 mines that the violation specified in the notice of  
5 charges served upon a person, including a service  
6 provider, pursuant to subsection (b), or the continu-  
7 ation thereof, is likely to cause the person to be in-  
8 solvent or otherwise prejudice the interests of con-  
9 sumers before the completion of the proceedings con-  
10 ducted pursuant to subsection (b), the Bureau may  
11 issue a temporary order requiring the person to  
12 cease and desist from any such violation or practice  
13 and to take affirmative action to prevent or remedy  
14 such insolvency or other condition pending comple-  
15 tion of such proceedings. Such order may include  
16 any requirement authorized under this subtitle. Such  
17 order shall become effective upon service upon the  
18 person and, unless set aside, limited, or suspended  
19 by a court in proceedings authorized by paragraph  
20 (2), shall remain effective and enforceable pending  
21 the completion of the administrative proceedings  
22 pursuant to such notice and until such time as the  
23 Bureau shall dismiss the charges specified in such  
24 notice, or if a cease-and-desist order is issued

1       against the person, until the effective date of such  
2       order.

3           (2) APPEAL.—Not later than 10 days after the  
4       covered person or service provider concerned has  
5       been served with a temporary cease-and-desist order,  
6       the person may apply to the United States district  
7       court for the judicial district in which the residence  
8       or principal office or place of business of the person  
9       is located, or the United States District Court for  
10      the District of Columbia, for an injunction setting  
11      aside, limiting, or suspending the enforcement, oper-  
12      ation, or effectiveness of such order pending the  
13      completion of the administrative proceedings pursu-  
14      ant to the notice of charges served upon the person  
15      under subsection (b), and such court shall have ju-  
16      risdiction to issue such injunction.

17           (3) INCOMPLETE OR INACCURATE RECORDS.—

18           (A) TEMPORARY ORDER.—If a notice of  
19      charges served under subsection (b) specifies,  
20      on the basis of particular facts and cir-  
21      cumstances, that the books and records of a  
22      covered person or service provider are so incom-  
23      plete or inaccurate that the Bureau is unable to  
24      determine the financial condition of that person  
25      or the details or purpose of any transaction or

1 transactions that may have a material effect on  
2 the financial condition of that person, the Bu-  
3 reau may issue a temporary order requiring—

4 (i) the cessation of any activity or  
5 practice which gave rise, whether in whole  
6 or in part, to the incomplete or inaccurate  
7 state of the books or records; or

8 (ii) affirmative action to restore such  
9 books or records to a complete and accu-  
10 rate state, until the completion of the pro-  
11 ceedings under subsection (b)(1).

12 (B) EFFECTIVE PERIOD.—Any temporary  
13 order issued under subparagraph (A)—

14 (i) shall become effective upon service;  
15 and

16 (ii) unless set aside, limited, or sus-  
17 pended by a court in proceedings under  
18 paragraph (2), shall remain in effect and  
19 enforceable until the earlier of—

20 (I) the completion of the pro-  
21 ceeding initiated under subsection (b)  
22 in connection with the notice of  
23 charges; or

24 (II) the date the Bureau deter-  
25 mines, by examination or otherwise,

1                   that the books and records of the cov-  
2                   ered person or service provider are ac-  
3                   curate and reflect the financial condi-  
4                   tion thereof.

5           (d) SPECIAL RULES FOR ENFORCEMENT OF OR-  
6   DERS.—

7           (1) IN GENERAL.—The Bureau may in its dis-  
8           cretion apply to the United States district court  
9           within the jurisdiction of which the principal office  
10          or place of business of the person is located, for the  
11          enforcement of any effective and outstanding notice  
12          or order issued under this section, and such court  
13          shall have jurisdiction and power to order and re-  
14          quire compliance herewith.

15          (2) EXCEPTION.—Except as otherwise provided  
16          in this subsection, no court shall have jurisdiction to  
17          affect by injunction or otherwise the issuance or en-  
18          forcement of any notice or order or to review, mod-  
19          ify, suspend, terminate, or set aside any such notice  
20          or order.

21          (e) RULES.—The Bureau shall prescribe rules estab-  
22          lishing such procedures as may be necessary to carry out  
23          this section.

1 **SEC. 1054. LITIGATION AUTHORITY.**

2 (a) IN GENERAL.—If any person violates a Federal  
3 consumer financial law, the Bureau may, subject to sec-  
4 tions 1024, 1025, and 1026, commence a civil action  
5 against such person to impose a civil penalty or to seek  
6 all appropriate legal and equitable relief including a per-  
7 manent or temporary injunction as permitted by law.

8 (b) REPRESENTATION.—The Bureau may act in its  
9 own name and through its own attorneys in enforcing any  
10 provision of this title, rules thereunder, or any other law  
11 or regulation, or in any action, suit, or proceeding to which  
12 the Bureau is a party.

13 (c) COMPROMISE OF ACTIONS.—The Bureau may  
14 compromise or settle any action if such compromise is ap-  
15 proved by the court.

16 (d) NOTICE TO THE ATTORNEY GENERAL.—

17 (1) IN GENERAL.—When commencing a civil  
18 action under Federal consumer financial law, or any  
19 rule thereunder, the Bureau shall notify the Attor-  
20 ney General and, with respect to a civil action  
21 against an insured depository institution or insured  
22 credit union, the appropriate prudential regulator.

23 (2) NOTICE AND COORDINATION.—

24 (A) NOTICE OF OTHER ACTIONS.—In addi-  
25 tion to any notice required under paragraph  
26 (1), the Bureau shall notify the Attorney Gen-

1           eral concerning any action, suit, or proceeding  
2           to which the Bureau is a party, except an ac-  
3           tion, suit, or proceeding that involves the offer-  
4           ing or provision of consumer financial products  
5           or services.

6           (B) COORDINATION.—In order to avoid  
7           conflicts and promote consistency regarding liti-  
8           gation of matters under Federal law, the Attor-  
9           ney General and the Bureau shall consult re-  
10          garding the coordination of investigations and  
11          proceedings, including by negotiating an agree-  
12          ment for coordination by not later than 180  
13          days after the designated transfer date. The  
14          agreement under this subparagraph shall in-  
15          clude provisions to ensure that parallel inves-  
16          tigations and proceedings involving the Federal  
17          consumer financial laws are conducted in a  
18          manner that avoids conflicts and does not im-  
19          pede the ability of the Attorney General to  
20          prosecute violations of Federal criminal laws.

21          (C) RULE OF CONSTRUCTION.—Nothing in  
22          this paragraph shall be construed to limit the  
23          authority of the Bureau under this title, includ-  
24          ing the authority to interpret Federal consumer  
25          financial law.



1 (e) APPEARANCE BEFORE THE SUPREME COURT.—

2 The Bureau may represent itself in its own name before  
3 the Supreme Court of the United States, provided that  
4 the Bureau makes a written request to the Attorney Gen-  
5 eral within the 10-day period which begins on the date  
6 of entry of the judgment which would permit any party  
7 to file a petition for writ of certiorari, and the Attorney  
8 General concurs with such request or fails to take action  
9 within 60 days of the request of the Bureau.

10 (f) FORUM.—Any civil action brought under this title  
11 may be brought in a United States district court or in  
12 any court of competent jurisdiction of a state in a district  
13 in which the defendant is located or resides or is doing  
14 business, and such court shall have jurisdiction to enjoin  
15 such person and to require compliance with any Federal  
16 consumer financial law.

17 (g) TIME FOR BRINGING ACTION.—

18 (1) IN GENERAL.—Except as otherwise per-  
19 mitted by law or equity, no action may be brought  
20 under this title more than 3 years after the date of  
21 discovery of the violation to which an action relates.

22 (2) LIMITATIONS UNDER OTHER FEDERAL  
23 LAWS.—

24 (A) IN GENERAL.—For purposes of this  
25 subsection, an action arising under this title

1 does not include claims arising solely under  
2 enumerated consumer laws.

3 (B) BUREAU AUTHORITY.—In any action  
4 arising solely under an enumerated consumer  
5 law, the Bureau may commence, defend, or in-  
6 tervene in the action in accordance with the re-  
7 quirements of that provision of law, as applica-  
8 ble.

9 (C) TRANSFERRED AUTHORITY.—In any  
10 action arising solely under laws for which au-  
11 thorities were transferred under subtitles F and  
12 H, the Bureau may commence, defend, or inter-  
13 vene in the action in accordance with the re-  
14 quirements of that provision of law, as applica-  
15 ble.

16 **SEC. 1055. RELIEF AVAILABLE.**

17 (a) ADMINISTRATIVE PROCEEDINGS OR COURT AC-  
18 TIONS.—

19 (1) JURISDICTION.—The court (or the Bureau,  
20 as the case may be) in an action or adjudication pro-  
21 ceeding brought under Federal consumer financial  
22 law, shall have jurisdiction to grant any appropriate  
23 legal or equitable relief with respect to a violation of  
24 Federal consumer financial law, including a violation

1 of a rule or order prescribed under a Federal con-  
2 sumer financial law.

3 (2) RELIEF.—Relief under this section may in-  
4 clude, without limitation—

5 (A) rescission or reformation of contracts;

6 (B) refund of moneys or return of real  
7 property;

8 (C) restitution;

9 (D) disgorgement or compensation for un-  
10 just enrichment;

11 (E) payment of damages or other mone-  
12 tary relief;

13 (F) public notification regarding the viola-  
14 tion, including the costs of notification;

15 (G) limits on the activities or functions of  
16 the person; and

17 (H) civil money penalties, as set forth  
18 more fully in subsection (c).

19 (3) NO EXEMPLARY OR PUNITIVE DAMAGES.—

20 Nothing in this subsection shall be construed as au-  
21 thorizing the imposition of exemplary or punitive  
22 damages.

23 (b) RECOVERY OF COSTS.—In any action brought by  
24 the Bureau, a State attorney general, or any State regu-  
25 lator to enforce any Federal consumer financial law, the

1 Bureau, the State attorney general, or the State regulator  
2 may recover its costs in connection with prosecuting such  
3 action if the Bureau, the State attorney general, or the  
4 State regulator is the prevailing party in the action.

5 (c) CIVIL MONEY PENALTY IN COURT AND ADMINIS-  
6 TRATIVE ACTIONS.—

7 (1) IN GENERAL.—Any person that violates,  
8 through any act or omission, any provision of Fed-  
9 eral consumer financial law shall forfeit and pay a  
10 civil penalty pursuant to this subsection.

11 (2) PENALTY AMOUNTS.—

12 (A) FIRST TIER.—For any violation of a  
13 law, rule, or final order or condition imposed in  
14 writing by the Bureau, a civil penalty may not  
15 exceed \$5,000 for each day during which such  
16 violation or failure to pay continues.

17 (B) SECOND TIER.—Notwithstanding  
18 paragraph (A), for any person that recklessly  
19 engages in a violation of a Federal consumer fi-  
20 nancial law, a civil penalty may not exceed  
21 \$25,000 for each day during which such viola-  
22 tion continues.

23 (C) THIRD TIER.—Notwithstanding sub-  
24 paragraphs (A) and (B), for any person that  
25 knowingly violates a Federal consumer financial

1 law, a civil penalty may not exceed \$1,000,000  
2 for each day during which such violation con-  
3 tinues.

4 (3) MITIGATING FACTORS.—In determining the  
5 amount of any penalty assessed under paragraph  
6 (2), the Bureau or the court shall take into account  
7 the appropriateness of the penalty with respect to—

8 (A) the size of financial resources and good  
9 faith of the person charged;

10 (B) the gravity of the violation or failure  
11 to pay;

12 (C) the severity of the risks to or losses of  
13 the consumer, which may take into account the  
14 number of products or services sold or provided;

15 (D) the history of previous violations; and

16 (E) such other matters as justice may re-  
17 quire.

18 (4) AUTHORITY TO MODIFY OR REMIT PEN-  
19 ALTY.—The Bureau may compromise, modify, or  
20 remit any penalty which may be assessed or had al-  
21 ready been assessed under paragraph (2). The  
22 amount of such penalty, when finally determined,  
23 shall be exclusive of any sums owed by the person  
24 to the United States in connection with the costs of

1 the proceeding, and may be deducted from any sums  
2 owing by the United States to the person charged.

3 (5) NOTICE AND HEARING.—No civil penalty  
4 may be assessed under this subsection with respect  
5 to a violation of any Federal consumer financial law,  
6 unless—

7 (A) the Bureau gives notice and an oppor-  
8 tunity for a hearing to the person accused of  
9 the violation; or

10 (B) the appropriate court has ordered such  
11 assessment and entered judgment in favor of  
12 the Bureau.

13 **SEC. 1056. REFERRALS FOR CRIMINAL PROCEEDINGS.**

14 If the Bureau obtains evidence that any person, do-  
15 mestic or foreign, has engaged in conduct that may con-  
16 stitute a violation of Federal criminal law, the Bureau  
17 shall transmit such evidence to the Attorney General of  
18 the United States, who may institute criminal proceedings  
19 under appropriate law. Nothing in this section affects any  
20 other authority of the Bureau to disclose information.

21 **SEC. 1057. EMPLOYEE PROTECTION.**

22 (a) IN GENERAL.—No covered person or service pro-  
23 vider shall terminate or in any other way discriminate  
24 against, or cause to be terminated or discriminated  
25 against, any covered employee or any authorized rep-

1 representative of covered employees by reason of the fact that  
2 such employee or representative, whether at the initiative  
3 of the employee or in the ordinary course of the duties  
4 of the employee (or any person acting pursuant to a re-  
5 quest of the employee), has—

6           (1) provided, caused to be provided, or is about  
7           to provide or cause to be provided, information to  
8           the employer, the Bureau, or any other State, local,  
9           or Federal, government authority or law enforce-  
10          ment agency relating to any violation of, or any act  
11          or omission that the employee reasonably believes to  
12          be a violation of, any provision of this title or any  
13          other provision of law that is subject to the jurisdic-  
14          tion of the Bureau, or any rule, order, standard, or  
15          prohibition prescribed by the Bureau;

16          (2) testified or will testify in any proceeding re-  
17          sulting from the administration or enforcement of  
18          any provision of this title or any other provision of  
19          law that is subject to the jurisdiction of the Bureau,  
20          or any rule, order, standard, or prohibition pre-  
21          scribed by the Bureau;

22          (3) filed, instituted, or caused to be filed or in-  
23          stituted any proceeding under any Federal consumer  
24          financial law; or

1           (4) objected to, or refused to participate in, any  
2           activity, policy, practice, or assigned task that the  
3           employee (or other such person) reasonably believed  
4           to be in violation of any law, rule, order, standard,  
5           or prohibition, subject to the jurisdiction of, or en-  
6           forceable by, the Bureau.

7           (b) DEFINITION OF COVERED EMPLOYEE.—For the  
8           purposes of this section, the term “covered employee”  
9           means any individual performing tasks related to the of-  
10          fering or provision of a consumer financial product or  
11          service.

12          (c) PROCEDURES AND TIMETABLES.—

13           (1) COMPLAINT.—

14           (A) IN GENERAL.—A person who believes  
15           that he or she has been discharged or otherwise  
16           discriminated against by any person in violation  
17           of subsection (a) may, not later than 180 days  
18           after the date on which such alleged violation  
19           occurs, file (or have any person file on his or  
20           her behalf) a complaint with the Secretary of  
21           Labor alleging such discharge or discrimination  
22           and identifying the person responsible for such  
23           act.

24           (B) ACTIONS OF SECRETARY OF LABOR.—

25           Upon receipt of such a complaint, the Secretary



1 of Labor shall notify, in writing, the person  
2 named in the complaint who is alleged to have  
3 committed the violation, of—

4 (i) the filing of the complaint;

5 (ii) the allegations contained in the  
6 complaint;

7 (iii) the substance of evidence sup-  
8 porting the complaint; and

9 (iv) opportunities that will be afforded  
10 to such person under paragraph (2).

11 (2) INVESTIGATION BY SECRETARY OF  
12 LABOR.—

13 (A) IN GENERAL.—Not later than 60 days  
14 after the date of receipt of a complaint filed  
15 under paragraph (1), and after affording the  
16 complainant and the person named in the com-  
17 plaint who is alleged to have committed the vio-  
18 lation that is the basis for the complaint an op-  
19 portunity to submit to the Secretary of Labor  
20 a written response to the complaint and an op-  
21 portunity to meet with a representative of the  
22 Secretary of Labor to present statements from  
23 witnesses, the Secretary of Labor shall—

1 (i) initiate an investigation and deter-  
2 mine whether there is reasonable cause to  
3 believe that the complaint has merit; and

4 (ii) notify the complainant and the  
5 person alleged to have committed the viola-  
6 tion of subsection (a), in writing, of such  
7 determination.

8 (B) NOTICE OF RELIEF AVAILABLE.—If  
9 the Secretary of Labor concludes that there is  
10 reasonable cause to believe that a violation of  
11 subsection (a) has occurred, the Secretary of  
12 Labor shall, together with the notice under sub-  
13 paragraph (A)(ii), issue a preliminary order  
14 providing the relief prescribed by paragraph  
15 (4)(B).

16 (C) REQUEST FOR HEARING.—Not later  
17 than 30 days after the date of receipt of notifi-  
18 cation of a determination of the Secretary of  
19 Labor under this paragraph, either the person  
20 alleged to have committed the violation or the  
21 complainant may file objections to the findings  
22 or preliminary order, or both, and request a  
23 hearing on the record. The filing of such objec-  
24 tions shall not operate to stay any reinstatement  
25 remedy contained in the preliminary

1 order. Any such hearing shall be conducted ex-  
2 peditiously, and if a hearing is not requested in  
3 such 30-day period, the preliminary order shall  
4 be deemed a final order that is not subject to  
5 judicial review.

6 (3) GROUNDS FOR DETERMINATION OF COM-  
7 PLAINTS.—

8 (A) IN GENERAL.—The Secretary of Labor  
9 shall dismiss a complaint filed under this sub-  
10 section, and shall not conduct an investigation  
11 otherwise required under paragraph (2), unless  
12 the complainant makes a prima facie showing  
13 that any behavior described in paragraphs (1)  
14 through (4) of subsection (a) was a contrib-  
15 uting factor in the unfavorable personnel action  
16 alleged in the complaint.

17 (B) REBUTTAL EVIDENCE.—Notwith-  
18 standing a finding by the Secretary of Labor  
19 that the complainant has made the showing re-  
20 quired under subparagraph (A), no investiga-  
21 tion otherwise required under paragraph (2)  
22 shall be conducted, if the employer dem-  
23 onstrates, by clear and convincing evidence,  
24 that the employer would have taken the same

1 unfavorable personnel action in the absence of  
2 that behavior.

3 (C) EVIDENTIARY STANDARDS.—The Sec-  
4 retary of Labor may determine that a violation  
5 of subsection (a) has occurred only if the com-  
6 plainant demonstrates that any behavior de-  
7 scribed in paragraphs (1) through (4) of sub-  
8 section (a) was a contributing factor in the un-  
9 favorable personnel action alleged in the com-  
10 plaint. Relief may not be ordered under sub-  
11 paragraph (A) if the employer demonstrates by  
12 clear and convincing evidence that the employer  
13 would have taken the same unfavorable per-  
14 sonnel action in the absence of that behavior.

15 (4) ISSUANCE OF FINAL ORDERS; REVIEW PRO-  
16 CEDURES.—

17 (A) TIMING.—Not later than 120 days  
18 after the date of conclusion of any hearing  
19 under paragraph (2), the Secretary of Labor  
20 shall issue a final order providing the relief pre-  
21 scribed by this paragraph or denying the com-  
22 plaint. At any time before issuance of a final  
23 order, a proceeding under this subsection may  
24 be terminated on the basis of a settlement  
25 agreement entered into by the Secretary of

1 Labor, the complainant, and the person alleged  
2 to have committed the violation.

3 (B) PENALTIES.—

4 (i) ORDER OF SECRETARY OF  
5 LABOR.—If, in response to a complaint  
6 filed under paragraph (1), the Secretary of  
7 Labor determines that a violation of sub-  
8 section (a) has occurred, the Secretary of  
9 Labor shall order the person who com-  
10 mitted such violation—

11 (I) to take affirmative action to  
12 abate the violation;

13 (II) to reinstate the complainant  
14 to his or her former position, together  
15 with compensation (including back  
16 pay) and restore the terms, condi-  
17 tions, and privileges associated with  
18 his or her employment; and

19 (III) to provide compensatory  
20 damages to the complainant.

21 (ii) PENALTY.—If an order is issued  
22 under clause (i), the Secretary of Labor, at  
23 the request of the complainant, shall assess  
24 against the person against whom the order  
25 is issued, a sum equal to the aggregate

1 amount of all costs and expenses (includ-  
2 ing attorney fees and expert witness fees)  
3 reasonably incurred, as determined by the  
4 Secretary of Labor, by the complainant  
5 for, or in connection with, the bringing of  
6 the complaint upon which the order was  
7 issued.

8 (C) PENALTY FOR FRIVOLOUS CLAIMS.—If  
9 the Secretary of Labor finds that a complaint  
10 under paragraph (1) is frivolous or has been  
11 brought in bad faith, the Secretary of Labor  
12 may award to the prevailing employer a reason-  
13 able attorney fee, not exceeding \$1,000, to be  
14 paid by the complainant.

15 (D) DE NOVO REVIEW.—

16 (i) FAILURE OF THE SECRETARY TO  
17 ACT.—If the Secretary of Labor has not  
18 issued a final order within 210 days after  
19 the date of filing of a complaint under this  
20 subsection, or within 90 days after the  
21 date of receipt of a written determination,  
22 the complainant may bring an action at  
23 law or equity for de novo review in the ap-  
24 propriate district court of the United  
25 States having jurisdiction, which shall have

1 jurisdiction over such an action without re-  
2 gard to the amount in controversy, and  
3 which action shall, at the request of either  
4 party to such action, be tried by the court  
5 with a jury.

6 (ii) PROCEDURES.—A proceeding  
7 under clause (i) shall be governed by the  
8 same legal burdens of proof specified in  
9 paragraph (3). The court shall have juris-  
10 diction to grant all relief necessary to  
11 make the employee whole, including injunc-  
12 tive relief and compensatory damages, in-  
13 cluding—

14 (I) reinstatement with the same  
15 seniority status that the employee  
16 would have had, but for the discharge  
17 or discrimination;

18 (II) the amount of back pay, with  
19 interest; and

20 (III) compensation for any spe-  
21 cial damages sustained as a result of  
22 the discharge or discrimination, in-  
23 cluding litigation costs, expert witness  
24 fees, and reasonable attorney fees.

1           (E) OTHER APPEALS.—Unless the com-  
2           plainant brings an action under subparagraph  
3           (D), any person adversely affected or aggrieved  
4           by a final order issued under subparagraph (A)  
5           may file a petition for review of the order in the  
6           United States Court of Appeals for the circuit  
7           in which the violation with respect to which the  
8           order was issued, allegedly occurred or the cir-  
9           cuit in which the complainant resided on the  
10          date of such violation, not later than 60 days  
11          after the date of the issuance of the final order  
12          of the Secretary of Labor under subparagraph  
13          (A). Review shall conform to chapter 7 of title  
14          5, United States Code. The commencement of  
15          proceedings under this subparagraph shall not,  
16          unless ordered by the court, operate as a stay  
17          of the order. An order of the Secretary of  
18          Labor with respect to which review could have  
19          been obtained under this subparagraph shall  
20          not be subject to judicial review in any criminal  
21          or other civil proceeding.

22          (5) FAILURE TO COMPLY WITH ORDER.—

23                (A) ACTIONS BY THE SECRETARY.—If any  
24                person has failed to comply with a final order  
25                issued under paragraph (4), the Secretary of



1 Labor may file a civil action in the United  
2 States district court for the district in which  
3 the violation was found to have occurred, or in  
4 the United States district court for the District  
5 of Columbia, to enforce such order. In actions  
6 brought under this paragraph, the district  
7 courts shall have jurisdiction to grant all appro-  
8 priate relief including injunctive relief and com-  
9 pensatory damages.

10 (B) CIVIL ACTIONS TO COMPEL COMPLI-  
11 ANCE.—A person on whose behalf an order was  
12 issued under paragraph (4) may commence a  
13 civil action against the person to whom such  
14 order was issued to require compliance with  
15 such order. The appropriate United States dis-  
16 trict court shall have jurisdiction, without re-  
17 gard to the amount in controversy or the citi-  
18 zenship of the parties, to enforce such order.

19 (C) AWARD OF COSTS AUTHORIZED.—The  
20 court, in issuing any final order under this  
21 paragraph, may award costs of litigation (in-  
22 cluding reasonable attorney and expert witness  
23 fees) to any party, whenever the court deter-  
24 mines such award is appropriate.

1                   (D) MANDAMUS PROCEEDINGS.—Any non-  
2                   discretionary duty imposed by this section shall  
3                   be enforceable in a mandamus proceeding  
4                   brought under section 1361 of title 28, United  
5                   States Code.

6           (d) UNENFORCEABILITY OF CERTAIN AGREE-  
7           MENTS.—

8                   (1) NO WAIVER OF RIGHTS AND REMEDIES.—  
9                   Except as provided under paragraph (3), and not-  
10                  withstanding any other provision of law, the rights  
11                  and remedies provided for in this section may not be  
12                  waived by any agreement, policy, form, or condition  
13                  of employment, including by any predispute arbitra-  
14                  tion agreement.

15                  (2) NO PREDISPUTE ARBITRATION AGREE-  
16                  MENTS.—Except as provided under paragraph (3),  
17                  and notwithstanding any other provision of law, no  
18                  predispute arbitration agreement shall be valid or  
19                  enforceable to the extent that it requires arbitration  
20                  of a dispute arising under this section.

21                  (3) EXCEPTION.—Notwithstanding paragraphs  
22                  (1) and (2), an arbitration provision in a collective  
23                  bargaining agreement shall be enforceable as to dis-  
24                  putes arising under subsection (a)(4), unless the Bu-

1 reau determines, by rule, that such provision is in-  
2 consistent with the purposes of this title.

3 **SEC. 1058. EFFECTIVE DATE.**

4 This subtitle shall become effective on the designated  
5 transfer date.

6 **Subtitle F—Transfer of Functions**  
7 **and Personnel; Transitional**  
8 **Provisions**

9 **SEC. 1061. TRANSFER OF CONSUMER FINANCIAL PROTEC-**  
10 **TION FUNCTIONS.**

11 (a) **DEFINED TERMS.**—For purposes of this sub-  
12 title—

13 (1) the term “consumer financial protection  
14 functions” means—

15 (A) all authority to prescribe rules or issue  
16 orders or guidelines pursuant to any Federal  
17 consumer financial law, including performing  
18 appropriate functions to promulgate and review  
19 such rules, orders, and guidelines; and

20 (B) the examination authority described in  
21 subsection (c)(1), with respect to a person de-  
22 scribed in subsection 1025(a); and

23 (2) the terms “transferor agency” and “trans-  
24 feror agencies” mean, respectively—

1 (A) the Board of Governors (and any Fed-  
2 eral reserve bank, as the context requires), the  
3 Federal Deposit Insurance Corporation, the  
4 Federal Trade Commission, the National Credit  
5 Union Administration, the Office of the Comp-  
6 troller of the Currency, the Office of Thrift Su-  
7 pervision, and the Department of Housing and  
8 Urban Development, and the heads of those  
9 agencies; and

10 (B) the agencies listed in subparagraph  
11 (A), collectively.

12 (b) IN GENERAL.—Except as provided in subsection  
13 (c), consumer financial protection functions are trans-  
14 ferred as follows:

15 (1) BOARD OF GOVERNORS.—

16 (A) TRANSFER OF FUNCTIONS.—All con-  
17 sumer financial protection functions of the  
18 Board of Governors are transferred to the Bu-  
19 reau.

20 (B) BOARD OF GOVERNORS AUTHORITY.—  
21 The Bureau shall have all powers and duties  
22 that were vested in the Board of Governors, re-  
23 lating to consumer financial protection func-  
24 tions, on the day before the designated transfer  
25 date.

1 (2) COMPTROLLER OF THE CURRENCY.—

2 (A) TRANSFER OF FUNCTIONS.—All con-  
3 sumer financial protection functions of the  
4 Comptroller of the Currency are transferred to  
5 the Bureau.

6 (B) COMPTROLLER AUTHORITY.—The Bu-  
7 reau shall have all powers and duties that were  
8 vested in the Comptroller of the Currency, re-  
9 lating to consumer financial protection func-  
10 tions, on the day before the designated transfer  
11 date.

12 (3) DIRECTOR OF THE OFFICE OF THRIFT SU-  
13 PERVISION.—

14 (A) TRANSFER OF FUNCTIONS.—All con-  
15 sumer financial protection functions of the Di-  
16 rector of the Office of Thrift Supervision are  
17 transferred to the Bureau.

18 (B) DIRECTOR AUTHORITY.—The Bureau  
19 shall have all powers and duties that were vest-  
20 ed in the Director of the Office of Thrift Super-  
21 vision, relating to consumer financial protection  
22 functions, on the day before the designated  
23 transfer date.

24 (4) FEDERAL DEPOSIT INSURANCE CORPORA-  
25 TION.—

1           (A) TRANSFER OF FUNCTIONS.—All con-  
2           sumer financial protection functions of the Fed-  
3           eral Deposit Insurance Corporation are trans-  
4           ferred to the Bureau.

5           (B) CORPORATION AUTHORITY.—The Bu-  
6           reau shall have all powers and duties that were  
7           vested in the Federal Deposit Insurance Cor-  
8           poration, relating to consumer financial protec-  
9           tion functions, on the day before the designated  
10          transfer date.

11          (5) FEDERAL TRADE COMMISSION.—

12           (A) TRANSFER OF FUNCTIONS.—The au-  
13           thority of the Federal Trade Commission under  
14           an enumerated consumer law to prescribe rules,  
15           issue guidelines, or conduct a study or issue a  
16           report mandated under such law shall be trans-  
17           ferred to the Bureau on the designated transfer  
18           date. Nothing in this title shall be construed to  
19           require a mandatory transfer of any employee  
20           of the Federal Trade Commission.

21           (B) BUREAU AUTHORITY.—

22           (i) IN GENERAL.—The Bureau shall  
23           have all powers and duties under the enu-  
24           merated consumer laws to prescribe rules,  
25           issue guidelines, or to conduct studies or

1 issue reports mandated by such laws, that  
2 were vested in the Federal Trade Commis-  
3 sion on the day before the designated  
4 transfer date.

5 (ii) FEDERAL TRADE COMMISSION  
6 ACT.—Subject to subtitle B, the Bureau  
7 may enforce a rule prescribed under the  
8 Federal Trade Commission Act by the  
9 Federal Trade Commission with respect to  
10 an unfair or deceptive act or practice to  
11 the extent that such rule applies to a cov-  
12 ered person or service provider with re-  
13 spect to the offering or provision of a con-  
14 sumer financial product or service as if it  
15 were a rule prescribed under section 1031  
16 of this title.

17 (C) AUTHORITY OF THE FEDERAL TRADE  
18 COMMISSION.—

19 (i) IN GENERAL.—No provision of this  
20 title shall be construed as modifying, lim-  
21 iting, or otherwise affecting the authority  
22 of the Federal Trade Commission (includ-  
23 ing its authority with respect to affiliates  
24 described in section 1025(a)(1)) under the  
25 Federal Trade Commission Act or any

1 other law, other than the authority under  
2 an enumerated consumer law to prescribe  
3 rules, issue official guidelines, or conduct a  
4 study or issue a report mandated under  
5 such law.

6 (ii) COMMISSION AUTHORITY RELAT-  
7 ING TO RULES PRESCRIBED BY THE BU-  
8 REAU.—Subject to subtitle B, the Federal  
9 Trade Commission shall have authority to  
10 enforce under the Federal Trade Commis-  
11 sion Act (15 U.S.C. 41 et seq.) a rule pre-  
12 scribed by the Bureau under this title with  
13 respect to a covered person subject to the  
14 jurisdiction of the Federal Trade Commis-  
15 sion under that Act, and a violation of  
16 such a rule by such a person shall be treat-  
17 ed as a violation of a rule issued under sec-  
18 tion 18 of that Act (15 U.S.C. 57a) with  
19 respect to unfair or deceptive acts or prac-  
20 tices.

21 (D) COORDINATION.—To avoid duplication  
22 of or conflict between rules prescribed by the  
23 Bureau under section 1031 of this title and the  
24 Federal Trade Commission under section  
25 18(a)(1)(B) of the Federal Trade Commission



1 Act that apply to a covered person or service  
2 provider with respect to the offering or provi-  
3 sion of consumer financial products or services,  
4 the agencies shall negotiate an agreement with  
5 respect to rulemaking by each agency, including  
6 consultation with the other agency prior to pro-  
7 posing a rule and during the comment period.

8 (E) DEFERENCE.—No provision of this  
9 title shall be construed as altering, limiting, ex-  
10 panding, or otherwise affecting the deference  
11 that a court affords to the—

12 (i) Federal Trade Commission in  
13 making determinations regarding the  
14 meaning or interpretation of any provision  
15 of the Federal Trade Commission Act, or  
16 of any other Federal law for which the  
17 Commission has authority to prescribe  
18 rules; or

19 (ii) Bureau in making determinations  
20 regarding the meaning or interpretation of  
21 any provision of a Federal consumer finan-  
22 cial law (other than any law described in  
23 clause (i)).

24 (6) NATIONAL CREDIT UNION ADMINISTRA-  
25 TION.—

1           (A) TRANSFER OF FUNCTIONS.—All con-  
2           sumer financial protection functions of the Na-  
3           tional Credit Union Administration are trans-  
4           ferred to the Bureau.

5           (B) NATIONAL CREDIT UNION ADMINIS-  
6           TRATION AUTHORITY.—The Bureau shall have  
7           all powers and duties that were vested in the  
8           National Credit Union Administration, relating  
9           to consumer financial protection functions, on  
10          the day before the designated transfer date.

11          (7) DEPARTMENT OF HOUSING AND URBAN DE-  
12          VELOPMENT.—

13           (A) TRANSFER OF FUNCTIONS.—All con-  
14           sumer protection functions of the Secretary of  
15           the Department of Housing and Urban Devel-  
16           opment relating to the Real Estate Settlement  
17           Procedures Act of 1974 (12 U.S.C. 2601 et  
18           seq.), the Secure and Fair Enforcement for  
19           Mortgage Licensing Act of 2008 (12 U.S.C.  
20           5102 et seq.), and the Interstate Land Sales  
21           Full Disclosure Act (15 U.S.C. 1701 et seq.)  
22           are transferred to the Bureau.

23           (B) AUTHORITY OF THE DEPARTMENT OF  
24           HOUSING AND URBAN DEVELOPMENT.—The  
25           Bureau shall have all powers and duties that

1           were vested in the Secretary of the Department  
2           of Housing and Urban Development relating to  
3           the Real Estate Settlement Procedures Act of  
4           1974 (12 U.S.C. 2601 et seq.), the Secure and  
5           Fair Enforcement for Mortgage Licensing Act  
6           of 2008 (12 U.S.C. 5101 et seq.), and the  
7           Interstate Land Sales Full Disclosure Act (15  
8           U.S.C. 1701 et seq.), on the day before the des-  
9           ignated transfer date.

10       (c) AUTHORITIES OF THE PRUDENTIAL REGU-  
11   LATORS.—

12           (1) EXAMINATION.—A transferor agency that is  
13   a prudential regulator shall have—

14           (A) authority to require reports from and  
15   conduct examinations for compliance with Fed-  
16   eral consumer financial laws with respect to a  
17   person described in section 1025(a), that is in-  
18   cidental to the backup and enforcement proce-  
19   dures provided to the regulator under section  
20   1025(c); and

21           (B) exclusive authority (relative to the Bu-  
22   reau) to require reports from and conduct ex-  
23   aminations for compliance with Federal con-  
24   sumer financial laws with respect to a person  
25   described in section 1026(a), except as provided

1 to the Bureau under subsections (b) and (c) of  
2 section 1026.

3 (2) ENFORCEMENT.—

4 (A) LIMITATION.—The authority of a  
5 transferor agency that is a prudential regulator  
6 to enforce compliance with Federal consumer fi-  
7 nancial laws with respect to a person described  
8 in section 1025(a), shall be limited to the  
9 backup and enforcement procedures in de-  
10 scribed in section 1025(c).

11 (B) EXCLUSIVE AUTHORITY.—A transferor  
12 agency that is a prudential regulator shall have  
13 exclusive authority (relative to the Bureau) to  
14 enforce compliance with Federal consumer fi-  
15 nancial laws with respect to a person described  
16 in section 1026(a), except as provided to the  
17 Bureau under subsections (b) and (c) of section  
18 1026.

19 (C) STATUTORY ENFORCEMENT.—For pur-  
20 poses of carrying out the authorities under, and  
21 subject to the limitations of, subtitle B, each  
22 prudential regulator may enforce compliance  
23 with the requirements imposed under this title,  
24 and any rule or order prescribed by the Bureau  
25 under this title, under—

1 (i) the Federal Credit Union Act (12  
2 U.S.C. 1751 et seq.), by the National  
3 Credit Union Administration Board with  
4 respect to any covered person or service  
5 provider that is an insured credit union, or  
6 service provider thereto, or any affiliate of  
7 an insured credit union, who is subject to  
8 the jurisdiction of the Board under that  
9 Act; and

10 (ii) section 8 of the Federal Deposit  
11 Insurance Act (12 U.S.C. 1818), by the  
12 appropriate Federal banking agency, as de-  
13 fined in section 3(q) of the Federal De-  
14 posit Insurance Act (12 U.S.C. 1813(q)),  
15 with respect to a covered person or service  
16 provider that is a person described in sec-  
17 tion 3(q) of that Act and who is subject to  
18 the jurisdiction of that agency, as set forth  
19 in sections 3(q) and 8 of the Federal De-  
20 posit Insurance Act; or

21 (iii) the Bank Service Company Act  
22 (12 U.S.C. 1861 et seq.).

23 (d) EFFECTIVE DATE.—Subsections (b) and (c) shall  
24 become effective on the designated transfer date.

1 **SEC. 1062. DESIGNATED TRANSFER DATE.**

2 (a) IN GENERAL.—Not later than 60 days after the  
3 date of enactment of this Act, the Secretary shall—

4 (1) in consultation with the Chairman of the  
5 Board of Governors, the Chairperson of the Cor-  
6 poration, the Chairman of the Federal Trade Com-  
7 mission, the Chairman of the National Credit Union  
8 Administration Board, the Comptroller of the Cur-  
9 rency, the Director of the Office of Thrift Super-  
10 vision, the Secretary of the Department of Housing  
11 and Urban Development, and the Director of the Of-  
12 fice of Management and Budget, designate a single  
13 calendar date for the transfer of functions to the  
14 Bureau under section 1061; and

15 (2) publish notice of that designated date in the  
16 Federal Register.

17 (b) CHANGING DESIGNATION.—The Secretary—

18 (1) may, in consultation with the Chairman of  
19 the Board of Governors, the Chairperson of the Fed-  
20 eral Deposit Insurance Corporation, the Chairman  
21 of the Federal Trade Commission, the Chairman of  
22 the National Credit Union Administration Board,  
23 the Comptroller of the Currency, the Director of the  
24 Office of Thrift Supervision, the Secretary of the  
25 Department of Housing and Urban Development,  
26 and the Director of the Office of Management and

1 Budget, change the date designated under sub-  
2 section (a); and

3 (2) shall publish notice of any changed des-  
4 ignated date in the Federal Register.

5 (c) PERMISSIBLE DATES.—

6 (1) IN GENERAL.—Except as provided in para-  
7 graph (2), any date designated under this section  
8 shall be not earlier than 180 days, nor later than 12  
9 months, after the date of enactment of this Act.

10 (2) EXTENSION OF TIME.—The Secretary may  
11 designate a date that is later than 12 months after  
12 the date of enactment of this Act if the Secretary  
13 transmits to appropriate committees of Congress—

14 (A) a written determination that orderly  
15 implementation of this title is not feasible be-  
16 fore the date that is 12 months after the date  
17 of enactment of this Act;

18 (B) an explanation of why an extension is  
19 necessary for the orderly implementation of this  
20 title; and

21 (C) a description of the steps that will be  
22 taken to effect an orderly and timely implemen-  
23 tation of this title within the extended time pe-  
24 riod.

1           (3) EXTENSION LIMITED.—In no case may any  
2           date designated under this section be later than 18  
3           months after the date of enactment of this Act.

4 **SEC. 1063. SAVINGS PROVISIONS.**

5           (a) BOARD OF GOVERNORS.—

6           (1) EXISTING RIGHTS, DUTIES, AND OBLIGA-  
7           TIONS NOT AFFECTED.—Section 1061(b)(1) does  
8           not affect the validity of any right, duty, or obliga-  
9           tion of the United States, the Board of Governors  
10          (or any Federal reserve bank), or any other person  
11          that—

12                   (A) arises under any provision of law relat-  
13                   ing to any consumer financial protection func-  
14                   tion of the Board of Governors transferred to  
15                   the Bureau by this title; and

16                   (B) existed on the day before the des-  
17                   ignated transfer date.

18           (2) CONTINUATION OF SUITS.—No provision of  
19           this Act shall abate any proceeding commenced by  
20           or against the Board of Governors (or any Federal  
21           reserve bank) before the designated transfer date  
22           with respect to any consumer financial protection  
23           function of the Board of Governors (or any Federal  
24           reserve bank) transferred to the Bureau by this title,  
25           except that the Bureau, subject to sections 1024,



1       1025, and 1026, shall be substituted for the Board  
2       of Governors (or Federal reserve bank) as a party  
3       to any such proceeding as of the designated transfer  
4       date.

5       (b) FEDERAL DEPOSIT INSURANCE CORPORATION.—

6           (1) EXISTING RIGHTS, DUTIES, AND OBLIGA-  
7       TIONS NOT AFFECTED.—Section 1061(b)(4) does  
8       not affect the validity of any right, duty, or obliga-  
9       tion of the United States, the Federal Deposit In-  
10      surance Corporation, the Board of Directors of that  
11      Corporation, or any other person, that—

12           (A) arises under any provision of law relat-  
13      ing to any consumer financial protection func-  
14      tion of the Federal Deposit Insurance Corpora-  
15      tion transferred to the Bureau by this title; and

16           (B) existed on the day before the des-  
17      ignated transfer date.

18           (2) CONTINUATION OF SUITS.—No provision of  
19      this Act shall abate any proceeding commenced by  
20      or against the Federal Deposit Insurance Corpora-  
21      tion (or the Board of Directors of that Corporation)  
22      before the designated transfer date with respect to  
23      any consumer financial protection function of the  
24      Federal Deposit Insurance Corporation transferred  
25      to the Bureau by this title, except that the Bureau,

1 subject to sections 1024, 1025, and 1026, shall be  
2 substituted for the Federal Deposit Insurance Cor-  
3 poration (or Board of Directors) as a party to any  
4 such proceeding as of the designated transfer date.

5 (c) FEDERAL TRADE COMMISSION.—Section  
6 1061(b)(5) does not affect the validity of any right, duty,  
7 or obligation of the United States, the Federal Trade  
8 Commission, or any other person, that—

9 (1) arises under any provision of law relating to  
10 any consumer financial protection function of the  
11 Federal Trade Commission transferred to the Bu-  
12 reau by this title; and

13 (2) existed on the day before the designated  
14 transfer date.

15 (d) NATIONAL CREDIT UNION ADMINISTRATION.—

16 (1) EXISTING RIGHTS, DUTIES, AND OBLIGA-  
17 TIONS NOT AFFECTED.—Section 1061(b)(6) does  
18 not affect the validity of any right, duty, or obliga-  
19 tion of the United States, the National Credit Union  
20 Administration, the National Credit Union Adminis-  
21 tration Board, or any other person, that—

22 (A) arises under any provision of law relat-  
23 ing to any consumer financial protection func-  
24 tion of the National Credit Union Administra-  
25 tion transferred to the Bureau by this title; and

1 (B) existed on the day before the des-  
2 ignated transfer date.

3 (2) CONTINUATION OF SUITS.—No provision of  
4 this Act shall abate any proceeding commenced by  
5 or against the National Credit Union Administration  
6 (or the National Credit Union Administration  
7 Board) before the designated transfer date with re-  
8 spect to any consumer financial protection function  
9 of the National Credit Union Administration trans-  
10 ferred to the Bureau by this title, except that the  
11 Bureau, subject to sections 1024, 1025, and 1026,  
12 shall be substituted for the National Credit Union  
13 Administration (or National Credit Union Adminis-  
14 tration Board) as a party to any such proceeding as  
15 of the designated transfer date.

16 (e) OFFICE OF THE COMPTROLLER OF THE CUR-  
17 RENCY.—

18 (1) EXISTING RIGHTS, DUTIES, AND OBLIGA-  
19 TIONS NOT AFFECTED.—Section 1061(b)(2) does  
20 not affect the validity of any right, duty, or obliga-  
21 tion of the United States, the Comptroller of the  
22 Currency, the Office of the Comptroller of the Cur-  
23 rency, or any other person, that—

24 (A) arises under any provision of law relat-  
25 ing to any consumer financial protection func-

1           tion of the Comptroller of the Currency trans-  
2           ferred to the Bureau by this title; and

3                   (B) existed on the day before the des-  
4           ignated transfer date.

5           (2) CONTINUATION OF SUITS.—No provision of  
6           this Act shall abate any proceeding commenced by  
7           or against the Comptroller of the Currency (or the  
8           Office of the Comptroller of the Currency) with re-  
9           spect to any consumer financial protection function  
10          of the Comptroller of the Currency transferred to  
11          the Bureau by this title before the designated trans-  
12          fer date, except that the Bureau, subject to sections  
13          1024, 1025, and 1026, shall be substituted for the  
14          Comptroller of the Currency (or the Office of the  
15          Comptroller of the Currency) as a party to any such  
16          proceeding as of the designated transfer date.

17          (f) OFFICE OF THRIFT SUPERVISION.—

18                   (1) EXISTING RIGHTS, DUTIES, AND OBLIGA-  
19           TIONS NOT AFFECTED.—Section 1061(b)(3) does  
20           not affect the validity of any right, duty, or obliga-  
21           tion of the United States, the Director of the Office  
22           of Thrift Supervision, the Office of Thrift Super-  
23           vision, or any other person, that—

24                   (A) arises under any provision of law relat-  
25           ing to any consumer financial protection func-

1           tion of the Director of the Office of Thrift Su-  
2           pervision transferred to the Bureau by this  
3           title; and

4                   (B) that existed on the day before the des-  
5           ignated transfer date.

6           (2) CONTINUATION OF SUITS.—No provision of  
7           this Act shall abate any proceeding commenced by  
8           or against the Director of the Office of Thrift Su-  
9           pervision (or the Office of Thrift Supervision) with  
10          respect to any consumer financial protection func-  
11          tion of the Director of the Office of Thrift Super-  
12          vision transferred to the Bureau by this title before  
13          the designated transfer date, except that the Bu-  
14          reau, subject to sections 1024, 1025, and 1026,  
15          shall be substituted for the Director (or the Office  
16          of Thrift Supervision) as a party to any such pro-  
17          ceeding as of the designated transfer date.

18          (g) DEPARTMENT OF HOUSING AND URBAN DEVEL-  
19          OPMENT.—

20                   (1) EXISTING RIGHTS, DUTIES, AND OBLIGA-  
21          TIONS NOT AFFECTED.—Section 1061(b)(7) shall  
22          not affect the validity of any right, duty, or obliga-  
23          tion of the United States, the Secretary of the De-  
24          partment of Housing and Urban Development (or

1 the Department of Housing and Urban Develop-  
2 ment), or any other person, that—

3 (A) arises under any provision of law relat-  
4 ing to any function of the Secretary of the De-  
5 partment of Housing and Urban Development  
6 with respect to the Real Estate Settlement Pro-  
7 cedures Act of 1974 (12 U.S.C. 2601 et seq.),  
8 the Secure and Fair Enforcement for Mortgage  
9 Licensing Act of 2008 (12 U.S.C. 5102 et  
10 seq.), or the Interstate Land Sales Full Disclo-  
11 sure Act (15 U.S.C. 1701 et seq) transferred to  
12 the Bureau by this title; and

13 (B) existed on the day before the des-  
14 igned transfer date.

15 (2) CONTINUATION OF SUITS.—This title shall  
16 not abate any proceeding commenced by or against  
17 the Secretary of the Department of Housing and  
18 Urban Development (or the Department of Housing  
19 and Urban Development) with respect to any con-  
20 sumer financial protection function of the Secretary  
21 of the Department of Housing and Urban Develop-  
22 ment transferred to the Bureau by this title before  
23 the designated transfer date, except that the Bu-  
24 reau, subject to sections 1024, 1025, and 1026,  
25 shall be substituted for the Secretary of the Depart-

1       ment of Housing and Urban Development (or the  
2       Department of Housing and Urban Development) as  
3       a party to any such proceeding as of the designated  
4       transfer date.

5       (h) CONTINUATION OF EXISTING ORDERS, RULINGS,  
6 DETERMINATIONS, AGREEMENTS, AND RESOLUTIONS.—

7           (1) IN GENERAL.—Except as provided in para-  
8       graph (2) and under subsection (i), all orders, reso-  
9       lutions, determinations, agreements, and rulings that  
10      have been issued, made, prescribed, or allowed to be-  
11      come effective by any transferor agency or by a  
12      court of competent jurisdiction, in the performance  
13      of consumer financial protection functions that are  
14      transferred by this title and that are in effect on the  
15      day before the designated transfer date, shall con-  
16      tinue in effect according to the terms of those or-  
17      ders, resolutions, determinations, agreements, and  
18      rulings, and shall not be enforceable by or against  
19      the Bureau.

20           (2) EXCEPTION FOR ORDERS APPLICABLE TO  
21      PERSONS DESCRIBED IN SECTION 1025(a).—All or-  
22      ders, resolutions, determinations, agreements, and  
23      rulings that have been issued, made, prescribed, or  
24      allowed to become effective by any transferor agency  
25      or by a court of competent jurisdiction, in the per-

1 formance of consumer financial protection functions  
2 that are transferred by this title and that are in ef-  
3 fect on the day before the designated transfer date  
4 with respect to any person described in section  
5 1025(a), shall continue in effect according to the  
6 terms of those orders, resolutions, determinations,  
7 agreements, and rulings, and shall be enforceable by  
8 or against the Bureau or transferor agency.

9 (i) IDENTIFICATION OF RULES AND ORDERS CON-  
10 TINUED.—Not later than the designated transfer date, the  
11 Bureau—

12 (1) shall, after consultation with the head of  
13 each transferor agency, identify the rules and orders  
14 continued under subsection (h) that will be enforced  
15 by the Bureau; and

16 (2) shall publish a list of such rules and orders  
17 in the Federal Register.

18 (j) STATUS OF RULES PROPOSED OR NOT YET EF-  
19 FECTIVE.—

20 (1) PROPOSED RULES.—Any proposed rule of a  
21 transferor agency which that agency, in performing  
22 consumer financial protection functions transferred  
23 by this title, has proposed before the designated  
24 transfer date, but has not been published as a final



1 rule before that date, shall be deemed to be a pro-  
2 posed rule of the Bureau.

3 (2) RULES NOT YET EFFECTIVE.—Any interim  
4 or final rule of a transferor agency which that agen-  
5 cy, in performing consumer financial protection  
6 functions transferred by this title, has published be-  
7 fore the designated transfer date, but which has not  
8 become effective before that date, shall become effec-  
9 tive as a rule of the Bureau according to its terms.

10 **SEC. 1064. TRANSFER OF CERTAIN PERSONNEL.**

11 (a) IN GENERAL.—

12 (1) CERTAIN FEDERAL RESERVE SYSTEM EM-  
13 PLOYEES TRANSFERRED.—

14 (A) IDENTIFYING EMPLOYEES FOR TRANS-  
15 FER.—The Bureau and the Board of Governors  
16 shall—

17 (i) jointly determine the number of  
18 employees of the Board of Governors nec-  
19 essary to perform or support the consumer  
20 financial protection functions of the Board  
21 of Governors that are transferred to the  
22 Bureau by this title; and

23 (ii) consistent with the number deter-  
24 mined under clause (i), jointly identify em-  
25 ployees of the Board of Governors for

1 transfer to the Bureau, in a manner that  
2 the Bureau and the Board of Governors, in  
3 their sole discretion, determine equitable.

4 (B) IDENTIFIED EMPLOYEES TRANS-  
5 FERRED.—All employees of the Board of Gov-  
6 ernors identified under subparagraph (A)(ii)  
7 shall be transferred to the Bureau for employ-  
8 ment.

9 (C) FEDERAL RESERVE BANK EMPLOY-  
10 EES.—Employees of any Federal reserve bank  
11 who are performing consumer financial protec-  
12 tion functions on behalf of the Board of Gov-  
13 ernors shall be treated as employees of the  
14 Board of Governors for purposes of subpara-  
15 graphs (A) and (B).

16 (2) CERTAIN FDIC EMPLOYEES TRANS-  
17 FERRED.—

18 (A) IDENTIFYING EMPLOYEES FOR TRANS-  
19 FER.—The Bureau and the Board of Directors  
20 of the Federal Deposit Insurance Corporation  
21 shall—

22 (i) jointly determine the number of  
23 employees of that Corporation necessary to  
24 perform or support the consumer financial  
25 protection functions of the Corporation

1 that are transferred to the Bureau by this  
2 title; and

3 (ii) consistent with the number deter-  
4 mined under clause (i), jointly identify em-  
5 ployees of the Corporation for transfer to  
6 the Bureau, in a manner that the Bureau  
7 and the Board of Directors of the Corpora-  
8 tion, in their sole discretion, determine eq-  
9 uitable.

10 (B) IDENTIFIED EMPLOYEES TRANS-  
11 FERRED.—All employees of the Corporation  
12 identified under subparagraph (A)(ii) shall be  
13 transferred to the Bureau for employment.

14 (3) CERTAIN NCUA EMPLOYEES TRANS-  
15 FERRED.—

16 (A) IDENTIFYING EMPLOYEES FOR TRANS-  
17 FER.—The Bureau and the National Credit  
18 Union Administration Board shall—

19 (i) jointly determine the number of  
20 employees of the National Credit Union  
21 Administration necessary to perform or  
22 support the consumer financial protection  
23 functions of the National Credit Union Ad-  
24 ministration that are transferred to the  
25 Bureau by this title; and

1                   (ii) consistent with the number deter-  
2                   mined under clause (i), jointly identify em-  
3                   ployees of the National Credit Union Ad-  
4                   ministration for transfer to the Bureau, in  
5                   a manner that the Bureau and the Na-  
6                   tional Credit Union Administration Board,  
7                   in their sole discretion, determine equi-  
8                   table.

9                   (B) IDENTIFIED EMPLOYEES TRANS-  
10                  FERRED.—All employees of the National Credit  
11                  Union Administration identified under subpara-  
12                  graph (A)(ii) shall be transferred to the Bureau  
13                  for employment.

14                  (4) CERTAIN OFFICE OF THE COMPTROLLER OF  
15                  THE CURRENCY EMPLOYEES TRANSFERRED.—

16                  (A) IDENTIFYING EMPLOYEES FOR TRANS-  
17                  FER.—The Bureau and the Comptroller of the  
18                  Currency shall—

19                         (i) jointly determine the number of  
20                         employees of the Office of the Comptroller  
21                         of the Currency necessary to perform or  
22                         support the consumer financial protection  
23                         functions of the Office of the Comptroller  
24                         of the Currency that are transferred to the  
25                         Bureau by this title; and

1 (ii) consistent with the number deter-  
2 mined under clause (i), jointly identify em-  
3 ployees of the Office of the Comptroller of  
4 the Currency for transfer to the Bureau, in  
5 a manner that the Bureau and the Office  
6 of the Comptroller of the Currency, in  
7 their sole discretion, determine equitable.

8 (B) IDENTIFIED EMPLOYEES TRANS-  
9 FERRED.—All employees of the Office of the  
10 Comptroller of the Currency identified under  
11 subparagraph (A)(ii) shall be transferred to the  
12 Bureau for employment.

13 (5) CERTAIN OFFICE OF THRIFT SUPERVISION  
14 EMPLOYEES TRANSFERRED.—

15 (A) IDENTIFYING EMPLOYEES FOR TRANS-  
16 FER.—The Bureau and the Director of the Of-  
17 fice of Thrift Supervision shall—

18 (i) jointly determine the number of  
19 employees of the Office of Thrift Super-  
20 vision necessary to perform or support the  
21 consumer financial protection functions of  
22 the Office of Thrift Supervision that are  
23 transferred to the Bureau by this title; and

24 (ii) consistent with the number deter-  
25 mined under clause (i), jointly identify em-

1 employees of the Office of Thrift Supervision  
2 for transfer to the Bureau, in a manner  
3 that the Bureau and the Office of Thrift  
4 Supervision, in their sole discretion, deter-  
5 mine equitable.

6 (B) IDENTIFIED EMPLOYEES TRANS-  
7 FERRED.—All employees of the Office of Thrift  
8 Supervision identified under subparagraph  
9 (A)(ii) shall be transferred to the Bureau for  
10 employment.

11 (6) CERTAIN EMPLOYEES OF DEPARTMENT OF  
12 HOUSING AND URBAN DEVELOPMENT TRANS-  
13 FERRED.—

14 (A) IDENTIFYING EMPLOYEES FOR TRANS-  
15 FER.—The Bureau and the Secretary of the  
16 Department of Housing and Urban Develop-  
17 ment shall—

18 (i) jointly determine the number of  
19 employees of the Department of Housing  
20 and Urban Development necessary to per-  
21 form or support the consumer protection  
22 functions of the Department that are  
23 transferred to the Bureau by this title; and

24 (ii) consistent with the number deter-  
25 mined under clause (i), jointly identify em-

1 employees of the Department of Housing and  
2 Urban Development for transfer to the Bu-  
3 reau in a manner that the Bureau and the  
4 Secretary of the Department of Housing  
5 and Urban Development, in their sole dis-  
6 cretion, deem equitable.

7 (B) IDENTIFIED EMPLOYEES TRANS-  
8 FERRED.—All employees of the Department of  
9 Housing and Urban Development identified  
10 under subparagraph (A)(ii) shall be transferred  
11 to the Bureau for employment.

12 (7) CONSUMER EDUCATION, FINANCIAL LIT-  
13 ERACY, CONSUMER COMPLAINTS, AND RESEARCH  
14 FUNCTIONS.—The Bureau and each of the trans-  
15 feror agencies shall jointly determine the number of  
16 employees and the types and grades of employees  
17 necessary to perform the functions of the Bureau  
18 under subtitle A, including consumer education, fi-  
19 nancial literacy, policy analysis, responses to con-  
20 sumer complaints and inquiries, research, and simi-  
21 lar functions. All employees jointly identified under  
22 this paragraph shall be transferred to the Bureau  
23 for employment.

24 (8) AUTHORITY OF THE PRESIDENT TO RE-  
25 SOLVE DISPUTES.—

1           (A) ACTION AUTHORIZED.—In the event  
2           that the Bureau and a transferor agency are  
3           unable to reach an agreement under paragraphs  
4           (1) through (7) by the designated transfer date,  
5           the President, or the designee thereof, may  
6           issue an order or directive to the transferor  
7           agency to effect the transfer of personnel and  
8           property under this subtitle.

9           (B) TRANSMITTAL TO CONGRESS RE-  
10          QUIRED.—If an order or directive is issued  
11          under subparagraph (A), the President shall  
12          transmit a copy of the written determination  
13          made with respect to such order or directive, in-  
14          cluding an explanation for the need for the  
15          order or directive, to the Committee on Bank-  
16          ing, Housing, and Urban Affairs and the Com-  
17          mittee on Appropriations of the Senate and the  
18          Committee on Financial Services and the Com-  
19          mittee on Appropriations of the House of Rep-  
20          resentatives.

21          (C) SUNSET.—The authority provided in  
22          this paragraph shall terminate 3 years after the  
23          designated transfer date.



1           (9) APPOINTMENT AUTHORITY FOR EXCEPTED  
2 SERVICE AND SENIOR EXECUTIVE SERVICE TRANS-  
3 FERRED.—

4           (A) IN GENERAL.—In the case of an em-  
5 ployee occupying a position in the excepted  
6 service or the Senior Executive Service, any ap-  
7 pointment authority established pursuant to law  
8 or regulations of the Office of Personnel Man-  
9 agement for filling such positions shall be  
10 transferred, subject to subparagraph (B).

11           (B) DECLINING TRANSFERS ALLOWED.—  
12 An agency or entity may decline to make a  
13 transfer of authority under subparagraph (A)  
14 (and the employees appointed pursuant thereto)  
15 to the extent that such authority relates to posi-  
16 tions excepted from the competitive service be-  
17 cause of their confidential, policy-making, pol-  
18 icy-determining, or policy-advocating character,  
19 and non-career positions in the Senior Execu-  
20 tive Service (within the meaning of section  
21 3132(a)(7) of title 5, United States Code).

22           (b) TIMING OF TRANSFERS AND POSITION ASSIGN-  
23 MENTS.—Each employee to be transferred under this sec-  
24 tion shall—

1           (1) be transferred not later than 90 days after  
2           the designated transfer date; and

3           (2) receive notice of a position assignment not  
4           later than 120 days after the effective date of his or  
5           her transfer.

6           (c) TRANSFER OF FUNCTION.—

7           (1) IN GENERAL.—Notwithstanding any other  
8           provision of law, the transfer of employees shall be  
9           deemed a transfer of functions for the purpose of  
10          section 3503 of title 5, United States Code.

11          (2) PRIORITY OF THIS TITLE.—If any provi-  
12          sions of this title conflict with any protection pro-  
13          vided to transferred employees under section 3503 of  
14          title 5, United States Code, the provisions of this  
15          title shall control.

16          (d) EQUAL STATUS AND TENURE POSITIONS.—

17          (1) EMPLOYEES TRANSFERRED FROM THE  
18          FEDERAL RESERVE SYSTEM, FDIC, HUD, NCUA, OCC,  
19          AND OTS.—Each employee transferred to the Bu-  
20          reau from the Board of Governors, a Federal reserve  
21          bank, the Federal Deposit Insurance Corporation,  
22          the Department of Housing and Urban Develop-  
23          ment, the National Credit Union Administration, the  
24          Office of the Comptroller of the Currency, or the Of-  
25          fice of Thrift Supervision shall be placed in a posi-

1           tion at the Bureau with the same status and tenure  
2           as that employee held on the day before the des-  
3           ignated transfer date.

4           (2) EMPLOYEES TRANSFERRED FROM THE  
5           FEDERAL RESERVE SYSTEM.—For purposes of de-  
6           termining the status and position placement of a  
7           transferred employee, any period of service with the  
8           Board of Governors or a Federal reserve bank shall  
9           be credited as a period of service with a Federal  
10          agency.

11          (e) ADDITIONAL CERTIFICATION REQUIREMENTS  
12          LIMITED.—Examiners transferred to the Bureau are not  
13          subject to any additional certification requirements before  
14          being placed in a comparable examiner position at the Bu-  
15          reau examining the same types of institutions as they ex-  
16          amined before they were transferred.

17          (f) PERSONNEL ACTIONS LIMITED.—

18               (1) 2-YEAR PROTECTION.—Except as provided  
19               in paragraph (2), each transferred employee holding  
20               a permanent position on the day before the des-  
21               ignated transfer date may not, during the 2-year pe-  
22               riod beginning on the designated transfer date, be  
23               involuntarily separated, or involuntarily reassigned  
24               outside his or her locality pay area.

1           (2) EXCEPTIONS.—Paragraph (1) does not  
2           limit the right of the Bureau—

3                   (A) to separate an employee for cause or  
4                   for unacceptable performance;

5                   (B) to terminate an appointment to a posi-  
6                   tion excepted from the competitive service be-  
7                   cause of its confidential policy-making, policy-  
8                   determining, or policy-advocating character; or

9                   (C) to reassign a supervisory employee out-  
10                  side of his or her locality pay area when the  
11                  Bureau determines that the reassignment is  
12                  necessary for the efficient operation of the Bu-  
13                  reau.

14          (g) PAY.—

15                  (1) 2-YEAR PROTECTION.—

16                   (A) IN GENERAL.—Except as provided in  
17                   paragraph (2), each transferred employee shall,  
18                   during the 2-year period beginning on the des-  
19                   ignated transfer date, receive pay at a rate  
20                   equal to not less than the basic rate of pay (in-  
21                   cluding any geographic differential) that the  
22                   employee received during the pay period imme-  
23                   diately preceding the date of transfer.

24                   (B) LIMITATION.—Notwithstanding sub-  
25                   paragraph (A), if the employee was receiving a

1 higher rate of basic pay on a temporary basis  
2 (because of a temporary assignment, temporary  
3 promotion, or other temporary action) imme-  
4 diately before the date of transfer, the Bureau  
5 may reduce the rate of basic pay on the date  
6 on which the rate would have been reduced but  
7 for the transfer, and the protected rate for the  
8 remainder of the 2-year period shall be the re-  
9 duced rate that would have applied, but for the  
10 transfer.

11 (2) EXCEPTIONS.—Paragraph (1) does not  
12 limit the right of the Bureau to reduce the rate of  
13 basic pay of a transferred employee—

- 14 (A) for cause;  
15 (B) for unacceptable performance; or  
16 (C) with the consent of the employee.

17 (3) PROTECTION ONLY WHILE EMPLOYED.—  
18 Paragraph (1) applies to a transferred employee  
19 only while that employee remains employed by the  
20 Bureau.

21 (4) PAY INCREASES PERMITTED.—Paragraph  
22 (1) does not limit the authority of the Bureau to in-  
23 crease the pay of a transferred employee.

24 (h) REORGANIZATION.—

25 (1) BETWEEN 1ST AND 3RD YEAR.—

1           (A) IN GENERAL.—If the Bureau deter-  
2 mines, during the 2-year period beginning 1  
3 year after the designated transfer date, that a  
4 reorganization of the staff of the Bureau is re-  
5 quired—

6           (i) that reorganization shall be  
7 deemed a “substantial reorganization” for  
8 purposes of affording affected employees  
9 retirement under section 8336(d)(2) or  
10 8414(b)(1)(B) of title 5, United States  
11 Code;

12           (ii) before the reorganization occurs,  
13 all employees in the same locality pay area  
14 as defined by the Office of Personnel Man-  
15 agement shall be placed in a uniform posi-  
16 tion classification system; and

17           (iii) any resulting reduction in force  
18 shall be governed by the provisions of  
19 chapter 35 of title 5, United States Code,  
20 except that the Bureau shall—

21           (I) establish competitive areas  
22 (as that term is defined in regulations  
23 issued by the Office of Personnel  
24 Management) to include at a min-  
25 imum all employees in the same local-

1                   ity pay area as defined by the Office  
2                   of Personnel Management;

3                   (II) establish competitive levels  
4                   (as that term is defined in regulations  
5                   issued by the Office of Personnel  
6                   Management) without regard to  
7                   whether the particular employees have  
8                   been appointed to positions in the  
9                   competitive service or the excepted  
10                  service; and

11                  (III) afford employees appointed  
12                  to positions in the excepted service  
13                  (other than to a position excepted  
14                  from the competitive service because  
15                  of its confidential policy-making, pol-  
16                  icy-determining, or policy-advocating  
17                  character) the same assignment rights  
18                  to positions within the Bureau as em-  
19                  ployees appointed to positions in the  
20                  competitive service.

21                  (B) SERVICE CREDIT FOR REDUCTIONS IN  
22                  FORCE.—For purposes of this paragraph, peri-  
23                  ods of service with a Federal home loan bank,  
24                  a joint office of the Federal home loan banks,  
25                  the Board of Governors, a Federal reserve

1 bank, the Federal Deposit Insurance Corpora-  
2 tion, or the National Credit Union Administra-  
3 tion shall be credited as periods of service with  
4 a Federal agency.

5 (2) AFTER 3RD YEAR.—

6 (A) IN GENERAL.—If the Bureau deter-  
7 mines, at any time after the 3-year period be-  
8 ginning on the designated transfer date, that a  
9 reorganization of the staff of the Bureau is re-  
10 quired, any resulting reduction in force shall be  
11 governed by the provisions of chapter 35 of title  
12 5, United States Code, except that the Bureau  
13 shall establish competitive levels (as that term  
14 is defined in regulations issued by the Office of  
15 Personnel Management) without regard to  
16 types of appointment held by particular employ-  
17 ees transferred under this section.

18 (B) SERVICE CREDIT FOR REDUCTIONS IN  
19 FORCE.—For purposes of this paragraph, peri-  
20 ods of service with a Federal home loan bank,  
21 a joint office of the Federal home loan banks,  
22 the Board of Governors, a Federal reserve  
23 bank, the Federal Deposit Insurance Corpora-  
24 tion, or the National Credit Union Administra-



1           tion shall be credited as periods of service with  
2           a Federal agency.

3           (i) BENEFITS.—

4           (1) RETIREMENT BENEFITS FOR TRANSFERRED  
5           EMPLOYEES.—

6           (A) IN GENERAL.—

7           (i) CONTINUATION OF EXISTING RE-  
8           TIREMENT PLAN.—Unless an election is  
9           made under clause (iii) or subparagraph  
10          (B), each employee transferred pursuant to  
11          this subtitle shall remain enrolled in the  
12          existing retirement plan of that employee  
13          as of the date of transfer, through any pe-  
14          riod of continuous employment with the  
15          Bureau.

16          (ii) EMPLOYER CONTRIBUTION.—The  
17          Bureau shall pay any employer contribu-  
18          tions to the existing retirement plan of  
19          each transferred employee, as required  
20          under that plan.

21          (iii) OPTION TO ELECT INTO THE  
22          FEDERAL RESERVE SYSTEM RETIREMENT  
23          PLAN AND FEDERAL RESERVE SYSTEM  
24          THRIFT PLAN.—Any employee transferred  
25          or appointed pursuant to this subtitle may,

1           during the 1-year period beginning 6  
2           months after the designated transfer date,  
3           elect to end their participation and benefit  
4           accruals under their existing retirement  
5           plan or plans and elect to participate in  
6           both the Federal Reserve System Retirement  
7           Plan and the Federal Reserve System Thrift  
8           Plan, through any period of  
9           continuous employment with the Bureau,  
10          under the same terms as are applicable to  
11          Federal Reserve System transferred em-  
12          ployees, as provided in subparagraph (C).  
13          An election of coverage by the Federal Re-  
14          serve System Retirement Plan and the  
15          Federal Reserve System Thrift Plan shall  
16          begin on the day following the end of the  
17          18-month period beginning on the des-  
18          ignated transfer date, and benefit accruals  
19          under the existing retirement plan of the  
20          transferred employee shall end on the last  
21          day of the 18-month period beginning on  
22          the designated transfer date. If an em-  
23          ployee elects to participate in the Federal  
24          Reserve System Retirement Plan and the  
25          Federal Reserve System Thrift Plan, all of

1 the service of the employee that was cred-  
2 itable under their existing retirement plan  
3 shall be transferred to the Federal Reserve  
4 System Retirement Plan on the day fol-  
5 lowing the end of the 18-month period be-  
6 ginning on the designated transfer date.

7 (iv) BUREAU CONTRIBUTION.—The  
8 Bureau shall pay an employer contribution  
9 to the Federal Reserve System Retirement  
10 Plan, in the amount established as an em-  
11 ployer contribution under the Federal Em-  
12 ployees Retirement System, as established  
13 under chapter 84 of title 5, United States  
14 Code, for each Bureau employee who elects  
15 to participate in the Federal Reserve Sys-  
16 tem Retirement Plan under this subpara-  
17 graph. The Bureau shall pay an employer  
18 contribution to the Federal Reserve Sys-  
19 tem Thrift Plan for each Bureau employee  
20 who elects to participate in such plan, as  
21 required under the terms of the Federal  
22 Reserve System Thrift Plan.

23 (v) ADDITIONAL FUNDING.—The Bu-  
24 reau shall transfer to the Federal Reserve  
25 System Retirement Plan an amount deter-

1           mined by the Board of Governors, in con-  
2           sultation with the Bureau, to be necessary  
3           to reimburse the Federal Reserve System  
4           Retirement Plan for the costs to such plan  
5           of providing benefits to employees electing  
6           coverage under the Federal Reserve Sys-  
7           tem Retirement Plan under subparagraph  
8           (iii), and who were transferred to the Bu-  
9           reau from outside of the Federal Reserve  
10          System.

11                   (vi) OPTION TO ELECT INTO THRIFT  
12                   PLAN CREATED BY THE BUREAU.—If the  
13                   Bureau chooses to establish a thrift plan,  
14                   the employees transferred pursuant to this  
15                   subtitle shall have the option to elect,  
16                   under such terms and conditions as the  
17                   Bureau may establish, coverage under such  
18                   a thrift plan established by the Bureau.  
19                   Transferred employees may not remain in  
20                   the thrift plan of the agency from which  
21                   the employee transferred under this sub-  
22                   title, if the employee elects to participate  
23                   in a thrift plan established by the Bureau.

24                   (B) OPTION FOR EMPLOYEES TRANS-  
25                   FERRED FROM FEDERAL RESERVE SYSTEM TO

1 BE SUBJECT TO THE FEDERAL EMPLOYEE RE-  
2 TIREMENT PROGRAM.—

3 (i) ELECTION.—Any Federal Reserve  
4 System transferred employee who was en-  
5 rolled in the Federal Reserve System Re-  
6 tirement Plan on the day before the date  
7 of his or her transfer to the Bureau may,  
8 during the 1-year period beginning 6  
9 months after the designated transfer date,  
10 elect to be subject to the Federal Employee  
11 Retirement Program.

12 (ii) EFFECTIVE DATE OF COV-  
13 ERAGE.—An election of coverage by the  
14 Federal Employee Retirement Program  
15 under this subparagraph shall begin on the  
16 day following the end of the 18-month pe-  
17 riod beginning on the designated transfer  
18 date, and benefit accruals under the exist-  
19 ing retirement plan of the Federal Reserve  
20 System transferred employee shall end on  
21 the last day of the 18-month period begin-  
22 ning on the designated transfer date.

23 (C) BUREAU PARTICIPATION IN FEDERAL  
24 RESERVE SYSTEM RETIREMENT PLAN.—

1                   (i) BENEFITS PROVIDED.—Federal  
2 Reserve System employees transferred pur-  
3 suant to this subtitle shall continue to be  
4 eligible to participate in the Federal Re-  
5 serve System Retirement Plan and Federal  
6 Reserve System Thrift Plan through any  
7 period of continuous employment with the  
8 Bureau, unless the employee makes an  
9 election under subparagraph (A)(vi) or  
10 (B). The retirement benefits, formulas,  
11 and features offered to the Federal Re-  
12 serve System transferred employees shall  
13 be the same as those offered to employees  
14 of the Board of Governors who participate  
15 in the Federal Reserve System Retirement  
16 Plan and the Federal Reserve System  
17 Thrift Plan, as amended from time to  
18 time.

19                   (ii) LIMITATION.—The Bureau shall  
20 not have responsibility or authority—

21                   (I) to amend an existing retire-  
22 ment plan (including the Federal Re-  
23 serve System Retirement Plan or Fed-  
24 eral Reserve System Thrift Plan);

1 (II) for administering an existing  
2 retirement plan (including the Federal  
3 Reserve System Retirement Plan or  
4 Federal Reserve System Thrift Plan);  
5 or

6 (III) for ensuring the plans com-  
7 ply with applicable laws, fiduciary  
8 rules, and related responsibilities.

9 (iii) TAX QUALIFIED STATUS.—Not-  
10 withstanding any other provision of law,  
11 providing benefits to Federal Reserve Sys-  
12 tem employees transferred to the Bureau  
13 pursuant to this subtitle, and to employees  
14 who elect coverage pursuant to subpara-  
15 graph (A)(iii) or under section  
16 1013(a)(2)(B), shall not cause any existing  
17 retirement plan (including the Federal Re-  
18 serve System Retirement Plan and the  
19 Federal Reserve System Thrift Plan) to  
20 lose its tax-qualified status under sections  
21 401(a) and 501(a) of the Internal Revenue  
22 Code of 1986.

23 (iv) BUREAU CONTRIBUTION.—The  
24 Bureau shall pay any employer contribu-  
25 tions to the existing retirement plan (in-

1 including the Federal Reserve System Re-  
2 tirement Plan and the Federal Reserve  
3 System Thrift Plan) for each Federal Re-  
4 serve System transferred employee partici-  
5 pating in those plans, as required under  
6 the plan, after the designated transfer  
7 date.

8 (v) CONTROLLED GROUP STATUS.—  
9 The Bureau is the same employer as the  
10 Federal Reserve System (as comprised of  
11 the Board of Governors and each of the 12  
12 Federal reserve banks prior to the date of  
13 enactment of this Act) for purposes of sub-  
14 sections (b), (c), (m), and (o) of section  
15 414 of the Internal Revenue Code of 1986  
16 (26 U.S.C. 414).

17 (D) DEFINITIONS.—For purposes of this  
18 paragraph—

19 (i) the term “existing retirement  
20 plan” means, with respect to an employee  
21 transferred pursuant to this subtitle, the  
22 retirement plan (including the Financial  
23 Institutions Retirement Fund) and any as-  
24 sociated thrift savings plan, of the agency  
25 from which the employee was transferred



1 under this subtitle, in which the employee  
2 was enrolled on the day before the date on  
3 which the employee was transferred;

4 (ii) the term “Federal Employee Re-  
5 tirement Program” means either the Civil  
6 Service Retirement System established  
7 under chapter 83 of title 5, United States  
8 Code, or the Federal Employees Retire-  
9 ment System established under chapter 84  
10 of title 5, United States Code, depending  
11 upon the service history of the individual;

12 (iii) the term “Federal Reserve Sys-  
13 tem transferred employee” means a trans-  
14 ferred employee who is an employee of the  
15 Board of Governors or a Federal reserve  
16 bank on the day before the designated  
17 transfer date, and who is transferred to  
18 the Bureau on the designated transfer date  
19 pursuant to this subtitle;

20 (iv) the term “Federal Reserve Sys-  
21 tem Retirement Plan” means the Retire-  
22 ment Plan for Employees of the Federal  
23 Reserve System; and

1 (v) the term “Federal Reserve System  
2 Thrift Plan” means the Thrift Plan for  
3 Employees of the Federal Reserve System.

4 (2) BENEFITS OTHER THAN RETIREMENT BEN-  
5 EFITS FOR TRANSFERRED EMPLOYEES.—

6 (A) DURING 1ST YEAR.—

7 (i) EXISTING PLANS CONTINUE.—

8 Each employee transferred pursuant to  
9 this subtitle may, for 1 year after the des-  
10 ignated transfer date, retain membership  
11 in any other employee benefit program of  
12 the agency or bank from which the em-  
13 ployee transferred, including a medical,  
14 dental, vision, long term care, or life insur-  
15 ance program, to which the employee be-  
16 longed on the day before the designated  
17 transfer date.

18 (ii) EMPLOYER CONTRIBUTION.—The  
19 Bureau shall reimburse the agency or bank  
20 from which an employee was transferred  
21 for any cost incurred by that agency or  
22 bank in continuing to extend coverage in  
23 the benefit program to the employee, as re-  
24 quired under that program or negotiated  
25 agreements.

1 (B) MEDICAL, DENTAL, VISION, OR LIFE  
2 INSURANCE AFTER FIRST YEAR.—If, at the end  
3 of the 1-year period beginning on the des-  
4 ignated transfer date, the Bureau has not es-  
5 tablished its own, or arranged for participation  
6 in another entity's, medical, dental, vision, or  
7 life insurance program, an employee transferred  
8 pursuant to this subtitle who was a member of  
9 such a program at the agency or Federal re-  
10 serve bank from which the employee transferred  
11 may, before the coverage of that employee ends  
12 under subparagraph (A)(i), elect to enroll, with-  
13 out regard to any regularly scheduled open sea-  
14 son, in—

15 (i) the enhanced dental benefits pro-  
16 gram established under chapter 89A of  
17 title 5, United States Code;

18 (ii) the enhanced vision benefits estab-  
19 lished under chapter 89B of title 5, United  
20 States Code;

21 (iii) the Federal Employees Group  
22 Life Insurance Program established under  
23 chapter 87 of title 5, United States Code,  
24 without regard to any requirement of in-  
25 surability; and

1 (iv) the Federal Employees Health  
2 Benefits Program established under chap-  
3 ter 89 of title 5, United States Code.

4 (C) LONG TERM CARE INSURANCE AFTER  
5 1ST YEAR.—If, at the end of the 1-year period  
6 beginning on the designated transfer date, the  
7 Bureau has not established its own, or arranged  
8 for participation in another entity's, long term  
9 care insurance program, an employee trans-  
10 ferred pursuant to this subtitle who was a  
11 member of such a program at the agency or  
12 Federal reserve bank from which the employee  
13 transferred may, before the coverage of that  
14 employee ends under subparagraph (A)(i), elect  
15 to apply for coverage under the Federal Long  
16 Term Care Insurance Program established  
17 under chapter 90 of title 5, United States Code,  
18 under the underwriting requirements applicable  
19 to a new active workforce member (as defined  
20 in part 875 of title 5, Code of Federal Regula-  
21 tions).

22 (D) EMPLOYEE CONTRIBUTION.—An indi-  
23 vidual enrolled in the Federal Employees  
24 Health Benefits program shall pay any em-  
25 ployee contribution required by the plan.

1           (E) ADDITIONAL FUNDING.—The Bureau  
2 shall transfer to the Federal Employees Health  
3 Benefits Fund established under section 8909  
4 of title 5, United States Code, an amount deter-  
5 mined by the Director of the Office of Per-  
6 sonnel Management, after consultation with the  
7 Bureau and the Office of Management and  
8 Budget, to be necessary to reimburse the Fund  
9 for the cost to the Fund of providing benefits  
10 under this paragraph.

11           (F) CREDIT FOR TIME ENROLLED IN  
12 OTHER PLANS.—For employees transferred  
13 under this title, enrollment in a health benefits  
14 plan administered by a transferor agency or a  
15 Federal reserve bank, as the case may be, im-  
16 mediately before enrollment in a health benefits  
17 plan under chapter 89 of title 5, United States  
18 Code, shall be considered as enrollment in a  
19 health benefits plan under that chapter for pur-  
20 poses of section 8905(b)(1)(A) of title 5, United  
21 States Code.

22           (G) SPECIAL PROVISIONS TO ENSURE CON-  
23 TINUATION OF LIFE INSURANCE BENEFITS.—

24           (i) IN GENERAL.—An annuitant (as  
25 defined in section 8901(3) of title 5,

1 United States Code) who is enrolled in a  
2 life insurance plan administered by a  
3 transferor agency on the day before the  
4 designated transfer date shall be eligible  
5 for coverage by a life insurance plan under  
6 sections 8706(b), 8714a, 8714b, and  
7 8714c of title 5, United States Code, or in  
8 a life insurance plan established by the  
9 Bureau, without regard to any regularly  
10 scheduled open season and requirement of  
11 insurability.

12 (ii) EMPLOYEE CONTRIBUTION.—An  
13 individual enrolled in a life insurance plan  
14 under this subparagraph shall pay any em-  
15 ployee contribution required by the plan.

16 (iii) ADDITIONAL FUNDING.—The Bu-  
17 reau shall transfer to the Employees' Life  
18 Insurance Fund established under section  
19 8714 of title 5, United States Code, an  
20 amount determined by the Director of the  
21 Office of Personnel Management, after  
22 consultation with the Bureau and the Of-  
23 fice of Management and Budget, to be nec-  
24 essary to reimburse the Fund for the cost  
25 to the Fund of providing benefits under

1           this subparagraph not otherwise paid for  
2           by the employee under clause (ii).

3                   (iv) CREDIT FOR TIME ENROLLED IN  
4           OTHER PLANS.—For employees transferred  
5           under this title, enrollment in a life insur-  
6           ance plan administered by a transferor  
7           agency immediately before enrollment in a  
8           life insurance plan under chapter 87 of  
9           title 5, United States Code, shall be con-  
10          sidered as enrollment in a life insurance  
11          plan under that chapter for purposes of  
12          section 8706(b)(1)(A) of title 5, United  
13          States Code.

14                   (3) OPM RULES.—The Office of Personnel  
15          Management shall issue such rules as are necessary  
16          to carry out this subsection.

17                   (j) IMPLEMENTATION OF UNIFORM PAY AND CLASSI-  
18          FICATION SYSTEM.—Not later than 2 years after the des-  
19          ignated transfer date, the Bureau shall implement a uni-  
20          form pay and classification system for all employees trans-  
21          ferred under this title.

22                   (k) EQUITABLE TREATMENT.—In administering the  
23          provisions of this section, the Bureau—

24                           (1) shall take no action that would unfairly dis-  
25          advantage transferred employees relative to each

1 other based on their prior employment by the Board  
2 of Governors, the Federal Deposit Insurance Cor-  
3 poration, the Department of Housing and Urban  
4 Development, the National Credit Union Adminis-  
5 tration, the Office of the Comptroller of the Cur-  
6 rency, the Office of Thrift Supervision, a Federal re-  
7 serve bank, a Federal home loan bank, or a joint of-  
8 fice of the Federal home loan banks; and

9 (2) may take such action as is appropriate in  
10 individual cases so that employees transferred under  
11 this section receive equitable treatment, with respect  
12 to the status, tenure, pay, benefits (other than bene-  
13 fits under programs administered by the Office of  
14 Personnel Management), and accrued leave or vaca-  
15 tion time of those employees, for prior periods of  
16 service with any Federal agency, including the  
17 Board of Governors, the Corporation, the Depart-  
18 ment of Housing and Urban Development, the Na-  
19 tional Credit Union Administration, the Office of the  
20 Comptroller of the Currency, the Office of Thrift  
21 Supervision, a Federal reserve bank, a Federal home  
22 loan bank, or a joint office of the Federal home loan  
23 banks.

24 (1) IMPLEMENTATION.—In implementing the provi-  
25 sions of this section, the Bureau shall coordinate with the



1 Office of Personnel Management and other entities having  
2 expertise in matters related to employment to ensure a  
3 fair and orderly transition for affected employees.

4 **SEC. 1065. INCIDENTAL TRANSFERS.**

5 (a) INCIDENTAL TRANSFERS AUTHORIZED.—The Di-  
6 rector of the Office of Management and Budget, in con-  
7 sultation with the Secretary, shall make such additional  
8 incidental transfers and dispositions of assets and liabil-  
9 ities held, used, arising from, available, or to be made  
10 available, in connection with the functions transferred by  
11 this title, as the Director may determine necessary to ac-  
12 complish the purposes of this title.

13 (b) SUNSET.—The authority provided in this section  
14 shall terminate 5 years after the date of enactment of this  
15 Act.

16 **SEC. 1066. INTERIM AUTHORITY OF THE SECRETARY.**

17 (a) IN GENERAL.—The Secretary is authorized to  
18 perform the functions of the Bureau under this subtitle  
19 until the Director of the Bureau is confirmed by the Sen-  
20 ate in accordance with section 1011.

21 (b) INTERIM ADMINISTRATIVE SERVICES BY THE  
22 DEPARTMENT OF THE TREASURY.—The Department of  
23 the Treasury may provide administrative services nec-  
24 essary to support the Bureau before the designated trans-  
25 fer date.

1 **SEC. 1067. TRANSITION OVERSIGHT.**

2 (a) PURPOSE.—The purpose of this section is to en-  
3 sure that the Bureau—

4 (1) has an orderly and organized startup;

5 (2) attracts and retains a qualified workforce;

6 and

7 (3) establishes comprehensive employee training  
8 and benefits programs.

9 (b) REPORTING REQUIREMENT.—

10 (1) IN GENERAL.—The Bureau shall submit an  
11 annual report to the Committee on Banking, Hous-  
12 ing, and Urban Affairs of the Senate and the Com-  
13 mittee on Financial Services of the House of Rep-  
14 resentatives that includes the plans described in  
15 paragraph (2).

16 (2) PLANS.—The plans described in this para-  
17 graph are as follows:

18 (A) TRAINING AND WORKFORCE DEVELOP-  
19 MENT PLAN.—The Bureau shall submit a train-  
20 ing and workforce development plan that in-  
21 cludes, to the extent practicable—

22 (i) identification of skill and technical  
23 expertise needs and actions taken to meet  
24 those requirements;

25 (ii) steps taken to foster innovation  
26 and creativity;

- 1 (iii) leadership development and suc-  
2 cession planning; and  
3 (iv) effective use of technology by em-  
4 ployees.

5 (B) WORKPLACE FLEXIBILITIES PLAN.—

6 The Bureau shall submit a workforce flexibility  
7 plan that includes, to the extent practicable—

- 8 (i) telework;  
9 (ii) flexible work schedules;  
10 (iii) phased retirement;  
11 (iv) reemployed annuitants;  
12 (v) part-time work;  
13 (vi) job sharing;  
14 (vii) parental leave benefits and  
15 childcare assistance;  
16 (viii) domestic partner benefits;  
17 (ix) other workplace flexibilities; or  
18 (x) any combination of the items de-  
19 scribed in clauses (i) through (ix).

20 (C) RECRUITMENT AND RETENTION

21 PLAN.—The Bureau shall submit a recruitment  
22 and retention plan that includes, to the extent  
23 practicable, provisions relating to—

1 (i) the steps necessary to target highly  
2 qualified applicant pools with diverse back-  
3 grounds;

4 (ii) streamlined employment applica-  
5 tion processes;

6 (iii) the provision of timely notifica-  
7 tion of the status of employment applica-  
8 tions to applicants; and

9 (iv) the collection of information to  
10 measure indicators of hiring effectiveness.

11 (c) EXPIRATION.—The reporting requirement under  
12 subsection (b) shall terminate 5 years after the date of  
13 enactment of this Act.

14 (d) RULE OF CONSTRUCTION.—Nothing in this sec-  
15 tion may be construed to affect—

16 (1) a collective bargaining agreement, as that  
17 term is defined in section 7103(a)(8) of title 5,  
18 United States Code, that is in effect on the date of  
19 enactment of this Act; or

20 (2) the rights of employees under chapter 71 of  
21 title 5, United States Code.

22 (e) PARTICIPATION IN EXAMINATIONS.—In order to  
23 prepare the Bureau to conduct examinations under section  
24 1025 upon the designated transfer date, the Bureau and  
25 the applicable prudential regulator may agree to include,

1 on a sampling basis, examiners on examinations of the  
2 compliance with Federal consumer financial law of institu-  
3 tions described in section 1025(a) conducted by the pru-  
4 dential regulators prior to the designated transfer date.

5 **Subtitle G—Regulatory**  
6 **Improvements**

7 **SEC. 1071. SMALL BUSINESS DATA COLLECTION.**

8 (a) IN GENERAL.—The Equal Credit Opportunity  
9 Act (15 U.S.C. 1691 et seq.) is amended by inserting after  
10 section 704A the following:

11 **“SEC. 704B. SMALL BUSINESS LOAN DATA COLLECTION.**

12 “(a) PURPOSE.—The purpose of this section is to fa-  
13 cilitate enforcement of fair lending laws and enable com-  
14 munities, governmental entities, and creditors to identify  
15 business and community development needs and opportu-  
16 nities of women-owned, minority-owned, and small busi-  
17 nesses.

18 “(b) INFORMATION GATHERING.—Subject to the re-  
19 quirements of this section, in the case of any application  
20 to a financial institution for credit for women-owned, mi-  
21 nority-owned, or small business, the financial institution  
22 shall—

23 “(1) inquire whether the business is a women-  
24 owned, minority-owned, or small business, without  
25 regard to whether such application is received in

1 person, by mail, by telephone, by electronic mail or  
2 other form of electronic transmission, or by any  
3 other means, and whether or not such application is  
4 in response to a solicitation by the financial institu-  
5 tion; and

6 “(2) maintain a record of the responses to such  
7 inquiry, separate from the application and accom-  
8 panying information.

9 “(c) RIGHT TO REFUSE.—Any applicant for credit  
10 may refuse to provide any information requested pursuant  
11 to subsection (b) in connection with any application for  
12 credit.

13 “(d) NO ACCESS BY UNDERWRITERS.—

14 “(1) LIMITATION.—Where feasible, no loan un-  
15 derwriter or other officer or employee of a financial  
16 institution, or any affiliate of a financial institution,  
17 involved in making any determination concerning an  
18 application for credit shall have access to any infor-  
19 mation provided by the applicant pursuant to a re-  
20 quest under subsection (b) in connection with such  
21 application.

22 “(2) LIMITED ACCESS.—If a financial institu-  
23 tion determines that a loan underwriter or other of-  
24 ficer or employee of a financial institution, or any  
25 affiliate of a financial institution, involved in making

1       any determination concerning an application for  
2       credit should have access to any information pro-  
3       vided by the applicant pursuant to a request under  
4       subsection (b), the financial institution shall provide  
5       notice to the applicant of the access of the under-  
6       writer to such information, along with notice that  
7       the financial institution may not discriminate on the  
8       basis of such information.

9       “(e) FORM AND MANNER OF INFORMATION.—

10           “(1) IN GENERAL.—Each financial institution  
11       shall compile and maintain, in accordance with regu-  
12       lations of the Bureau, a record of the information  
13       provided by any loan applicant pursuant to a request  
14       under subsection (b).

15           “(2) ITEMIZATION.—Information compiled and  
16       maintained under paragraph (1) shall be itemized in  
17       order to clearly and conspicuously disclose—

18           “(A) the number of the application and the  
19       date on which the application was received;

20           “(B) the type and purpose of the loan or  
21       other credit being applied for;

22           “(C) the amount of the credit or credit  
23       limit applied for, and the amount of the credit  
24       transaction or the credit limit approved for such  
25       applicant;

1           “(D) the type of action taken with respect  
2           to such application, and the date of such action;

3           “(E) the census tract in which is located  
4           the principal place of business of the women-  
5           owned, minority-owned, or small business loan  
6           applicant;

7           “(F) the gross annual revenue of the busi-  
8           ness in the last fiscal year of the women-owned,  
9           minority-owned, or small business loan appli-  
10          cant preceding the date of the application;

11          “(G) the race, sex, and ethnicity of the  
12          principal owners of the business; and

13          “(H) any additional data that the Bureau  
14          determines would aid in fulfilling the purposes  
15          of this section.

16          “(3) NO PERSONALLY IDENTIFIABLE INFORMA-  
17          TION.—In compiling and maintaining any record of  
18          information under this section, a financial institution  
19          may not include in such record the name, specific  
20          address (other than the census tract required under  
21          paragraph (1)(E)), telephone number, electronic  
22          mail address, or any other personally identifiable in-  
23          formation concerning any individual who is, or is  
24          connected with, the women-owned, minority-owned,  
25          or small business loan applicant.



1           “(4) DISCRETION TO DELETE OR MODIFY PUB-  
2           LICLY AVAILABLE DATA.—The Bureau may, at its  
3           discretion, delete or modify data collected under this  
4           section which is or will be available to the public, if  
5           the Bureau determines that the deletion or modifica-  
6           tion of the data would advance a privacy interest.

7           “(f) AVAILABILITY OF INFORMATION.—

8           “(1) SUBMISSION TO BUREAU.—The data re-  
9           quired to be compiled and maintained under this  
10          section by any financial institution shall be sub-  
11          mitted annually to the Bureau.

12          “(2) AVAILABILITY OF INFORMATION.—Infor-  
13          mation compiled and maintained under this section  
14          shall be—

15                 “(A) retained for not less than 3 years  
16                 after the date of preparation;

17                 “(B) made available to any member of the  
18                 public, upon request, in the form required  
19                 under regulations prescribed by the Bureau;

20                 “(C) annually made available to the public  
21                 generally by the Bureau, in such form and in  
22                 such manner as is determined by the Bureau,  
23                 by regulation.

24          “(3) COMPILATION OF AGGREGATE DATA.—The  
25          Bureau may, at its discretion—

1           “(A) compile and aggregate data collected  
2           under this section for its own use; and

3           “(B) make public such compilations of ag-  
4           gregate data.

5           “(g) BUREAU ACTION.—

6           “(1) IN GENERAL.—The Bureau shall prescribe  
7           such rules and issue such guidance as may be nec-  
8           essary to carry out, enforce, and compile data pursu-  
9           ant to this section.

10          “(2) EXCEPTIONS.—The Bureau, by rule or  
11          order, may adopt exceptions to any requirement of  
12          this section and may, conditionally or uncondition-  
13          ally, exempt any financial institution or class of fi-  
14          nancial institutions from the requirements of this  
15          section, as the Bureau deems necessary or appro-  
16          priate to carry out the purposes of this section.

17          “(3) GUIDANCE.—The Bureau shall issue guid-  
18          ance designed to facilitate compliance with the re-  
19          quirements of this section, including assisting finan-  
20          cial institutions in working with applicants to deter-  
21          mine whether the applicants are women-owned, mi-  
22          nority-owned, or small businesses for purposes of  
23          this section.

24          “(h) DEFINITIONS.—For purposes of this section, the  
25          following definitions shall apply:

1           “(1) FINANCIAL INSTITUTION.—The term ‘fi-  
2           nancial institution’ means any partnership, com-  
3           pany, corporation, association (incorporated or unin-  
4           corporated), trust, estate, cooperative organization,  
5           or other entity that engages in any financial activity.

6           “(2) SMALL BUSINESS.—The term ‘small busi-  
7           ness’ has the same meaning as the term ‘small busi-  
8           ness concern’ in section 3 of the Small Business Act  
9           (15 U.S.C. 632).

10           “(3) SMALL BUSINESS LOAN.—The term ‘small  
11           business loan’ means a loan made to a small busi-  
12           ness.

13           “(4) MINORITY.—The term ‘minority’ has the  
14           same meaning as in section 1204(c)(3) of the Finan-  
15           cial Institutions Reform, Recovery, and Enforcement  
16           Act of 1989.

17           “(5) MINORITY-OWNED BUSINESS.—The term  
18           ‘minority-owned business’ means a business—

19                   “(A) more than 50 percent of the owner-  
20                   ship or control of which is held by 1 or more  
21                   minority individuals; and

22                   “(B) more than 50 percent of the net prof-  
23                   it or loss of which accrues to 1 or more minor-  
24                   ity individuals.

1           “(6) WOMEN-OWNED BUSINESS.—The term  
2           ‘women-owned business’ means a business—

3                   “(A) more than 50 percent of the owner-  
4                   ship or control of which is held by 1 or more  
5                   women; and

6                   “(B) more than 50 percent of the net prof-  
7                   it or loss of which accrues to 1 or more  
8                   women.”.

9           (b) TECHNICAL AND CONFORMING AMENDMENTS.—  
10          Section 701(b) of the Equal Credit Opportunity Act (15  
11          U.S.C. 1691(b)) is amended—

12                   (1) in paragraph (3), by striking “or” at the  
13                   end;

14                   (2) in paragraph (4), by striking the period at  
15                   the end and inserting “; or”; and

16                   (3) by inserting after paragraph (4), the fol-  
17                   lowing:

18                   “(5) to make an inquiry under section 704B, in  
19                   accordance with the requirements of that section.”.

20           (c) CLERICAL AMENDMENT.—The table of sections  
21          for title VII of the Consumer Credit Protection Act is  
22          amended by inserting after the item relating to section  
23          704A the following new item:

                  “704B. Small business loan data collection.”.

24           (d) EFFECTIVE DATE.—This section shall become ef-  
25          fective on the designated transfer date.

1 **SEC. 1072. ASSISTANCE FOR ECONOMICALLY VULNERABLE**  
2 **INDIVIDUALS AND FAMILIES.**

3 (a) HERA AMENDMENTS.—Section 1132 of the  
4 Housing and Economic Recovery Act of 2008 (12 U.S.C.  
5 1701x note) is amended—

6 (1) in subsection (a), by inserting in each of  
7 paragraphs (1), (2), (3), and (4) “or economically  
8 vulnerable individuals and families” after “home-  
9 buyers” each place that term appears;

10 (2) in subsection (b)(1), by inserting “or eco-  
11 nomically vulnerable individuals and families” after  
12 “homebuyers”;

13 (3) in subsection (c)(1)—

14 (A) in subparagraph (A), by striking “or”  
15 at the end;

16 (B) in subparagraph (B), by striking the  
17 period at the end and inserting “; or”; and

18 (C) by adding at the end the following:

19 “(C) a nonprofit corporation that—

20 “(i) is exempt from taxation under  
21 section 501(c)(3) of the Internal Revenue  
22 Code of 1986; and

23 “(ii) specializes or has expertise in  
24 working with economically vulnerable indi-  
25 viduals and families, but whose primary

1                   purpose is not provision of credit coun-  
2                   seling services.”; and

3                   (4) in subsection (d)(1), by striking “not more  
4                   than 5”.

5                   (b) APPLICABILITY.—Amendments made by sub-  
6                   section (a) shall not apply to programs authorized by sec-  
7                   tion 1132 of the Housing and Economic Recovery Act of  
8                   2008 (12 U.S.C. 1701x note) that are funded with appro-  
9                   priations prior to fiscal year 2011.

10 **SEC. 1073. REMITTANCE TRANSFERS.**

11                   (a) TREATMENT OF REMITTANCE TRANSFERS.—The  
12                   Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.)  
13                   is amended—

14                   (1) in section 902(b) (15 U.S.C. 1693(b)), by  
15                   inserting “and remittance” after “electronic fund”;

16                   (2) in section 904(c) (15 U.S.C. 1693b(c)), in  
17                   the first sentence, by inserting “or remittance trans-  
18                   fers” after “electronic fund transfers”;

19                   (3) by redesignating sections 919, 920, 921,  
20                   and 922 as sections 920, 921, 922, and 923, respec-  
21                   tively; and

22                   (4) by inserting after section 918 the following:

23 **“SEC. 919. REMITTANCE TRANSFERS.**

24                   “(a) DISCLOSURES REQUIRED FOR REMITTANCE  
25                   TRANSFERS.—

1           “(1) IN GENERAL.—Each remittance transfer  
2 provider shall make disclosures as required under  
3 this section and in accordance with rules prescribed  
4 by the Board. Disclosures required under this sec-  
5 tion shall be in addition to any other disclosures ap-  
6 plicable under this title.

7           “(2) DISCLOSURES.—Subject to rules pre-  
8 scribed by the Board, a remittance transfer provider  
9 shall provide, in writing and in a form that the send-  
10 er may keep, to each sender requesting a remittance  
11 transfer, as applicable to the transaction—

12           “(A) at the time at which the sender re-  
13 quests a remittance transfer to be initiated, and  
14 prior to the sender making any payment in con-  
15 nection with the remittance transfer, a disclo-  
16 sure describing—

17           “(i) the amount of currency that will  
18 be received by the designated recipient,  
19 using the values of the currency into which  
20 the funds will be exchanged;

21           “(ii) the amount of transfer and any  
22 other fees charged by the remittance trans-  
23 fer provider for the remittance transfer;  
24 and

1                   “(iii) any exchange rate to be used by  
2                   the remittance transfer provider for the re-  
3                   mittance transfer, to the nearest 1/100th  
4                   of a point; and

5                   “(B) at the time at which the sender  
6                   makes payment in connection with the remit-  
7                   tance transfer—

8                   “(i) a receipt showing—

9                   “(I) the information described in  
10                  subparagraph (A);

11                  “(II) the promised date of deliv-  
12                  ery to the designated recipient; and

13                  “(III) the name and either the  
14                  telephone number or the address of  
15                  the designated recipient, if either the  
16                  telephone number or the address of  
17                  the designated recipient is provided by  
18                  the sender; and

19                  “(ii) a statement containing—

20                  “(I) information about the rights  
21                  of the sender under this section re-  
22                  garding the resolution of errors; and

23                  “(II) appropriate contact infor-  
24                  mation for—



1                   “(aa) the remittance trans-  
2                   fer provider; and

3                   “(bb) the State agency that  
4                   regulates the remittance transfer  
5                   provider and the Board, includ-  
6                   ing the toll-free telephone num-  
7                   ber established under section  
8                   1013 of the Consumer Financial  
9                   Protection Act of 2010.

10                   “(3) REQUIREMENTS RELATING TO DISCLO-  
11                   SURES.—With respect to each disclosure required to  
12                   be provided under paragraph (2) a remittance trans-  
13                   fer provider shall—

14                   “(A) provide an initial notice and receipt,  
15                   as required by subparagraphs (A) and (B) of  
16                   paragraph (2), and an error resolution state-  
17                   ment, as required by subsection (d), that clearly  
18                   and conspicuously describe the information re-  
19                   quired to be disclosed therein; and

20                   “(B) with respect to any transaction that  
21                   a sender conducts electronically, comply with  
22                   the Electronic Signatures in Global and Na-  
23                   tional Commerce Act (15 U.S.C. 7001 et seq.).

24                   “(4) EXCEPTION FOR DISCLOSURES OF  
25                   AMOUNT RECEIVED.—

1           “(A) IN GENERAL.—Subject to the rules  
2           prescribed by the Board, and except as provided  
3           under subparagraph (B), the disclosures re-  
4           quired regarding the amount of currency that  
5           will be received by the designated recipient shall  
6           be deemed to be accurate, so long as the dislo-  
7           sures provide a reasonably accurate estimate of  
8           the foreign currency to be received. This para-  
9           graph shall apply only to a remittance transfer  
10          provider who is an insured depository institu-  
11          tion, as defined in section 3 of the Federal De-  
12          posit Insurance Act (12 U.S.C. 1813), or an in-  
13          sured credit union, as defined in section 101 of  
14          the Federal Credit Union Act (12 U.S.C.  
15          1752), and if—

16                   “(i) a remittance transfer is con-  
17                   ducted through a demand deposit, savings  
18                   deposit, or other asset account that the  
19                   sender holds with such remittance transfer  
20                   provider; and

21                   “(ii) at the time at which the sender  
22                   requests the transaction, the remittance  
23                   transfer provider is unable to know, for  
24                   reasons beyond its control, the amount of

1           currency that will be made available to the  
2           designated recipient.

3           “(B) DEADLINE.—The application of sub-  
4           paragraph (A) shall terminate 5 years after the  
5           date of enactment of the Consumer Financial  
6           Protection Act of 2010, unless the Board deter-  
7           mines that termination of such provision would  
8           negatively affect the ability of remittance trans-  
9           fer providers described in subparagraph (A) to  
10          send remittances to locations in foreign coun-  
11          tries, in which case, the Board may, by rule, ex-  
12          tend the application of subparagraph (A) to not  
13          longer than 10 years after the date of enact-  
14          ment of the Consumer Financial Protection Act  
15          of 2010.

16          “(5) EXEMPTION AUTHORITY.—The Board  
17          may, by rule, permit a remittance transfer provider  
18          to satisfy the requirements of—

19                 “(A) paragraph (2)(A) orally, if the trans-  
20                 action is conducted entirely by telephone;

21                 “(B) paragraph (2)(B), in the case of a  
22                 transaction conducted entirely by telephone, by  
23                 mailing the disclosures required under such  
24                 subparagraph to the sender, not later than 1  
25                 business day after the date on which the trans-

1           action is conducted, or by including such docu-  
2           ments in the next periodic statement, if the  
3           telephone transaction is conducted through a  
4           demand deposit, savings deposit, or other asset  
5           account that the sender holds with the remit-  
6           tance transfer provider;

7           “(C) subparagraphs (A) and (B) of para-  
8           graph (2) together in one written disclosure,  
9           but only to the extent that the information pro-  
10          vided in accordance with paragraph (3)(A) is  
11          accurate at the time at which payment is made  
12          in connection with the subject remittance trans-  
13          fer; and

14          “(D) paragraph (2)(A), without compliance  
15          with section 101(c) of the Electronic Signatures  
16          in Global Commerce Act, if a sender initiates  
17          the transaction electronically and the informa-  
18          tion is displayed electronically in a manner that  
19          the sender can keep.

20          “(6) STOREFRONT AND INTERNET NOTICES.—

21                  “(A) IN GENERAL.—

22                          “(i) PROMINENT POSTING.—Subject  
23                          to subparagraph (B), the Board may pre-  
24                          scribe rules to require a remittance trans-  
25                          fer provider to prominently post, and time-

1 ly update, a notice describing a model re-  
2 mittance transfer for one or more  
3 amounts, as the Board may determine,  
4 which notice shall show the amount of cur-  
5 rency that will be received by the des-  
6 ignated recipient, using the values of the  
7 currency into which the funds will be ex-  
8 changed.

9 “(ii) ONSITE DISPLAYS.—The Board  
10 may require the notice prescribed under  
11 this subparagraph to be displayed in every  
12 physical storefront location owned or con-  
13 trolled by the remittance transfer provider.

14 “(iii) INTERNET NOTICES.—Subject to  
15 paragraph (3), the Board shall prescribe  
16 rules to require a remittance transfer pro-  
17 vider that provides remittance transfers via  
18 the Internet to provide a notice, com-  
19 parable to a storefront notice described in  
20 this subparagraph, located on the home  
21 page or landing page (with respect to such  
22 remittance transfer services) owned or con-  
23 trolled by the remittance transfer provider.

24 “(iv) RULEMAKING AUTHORITY.—In  
25 prescribing rules under this subparagraph,

1           the Board may impose standards or re-  
2           quirements regarding the provision of the  
3           storefront and Internet notices required  
4           under this subparagraph and the provision  
5           of the disclosures required under para-  
6           graphs (2) and (3).

7           “(B) STUDY AND ANALYSIS.—Prior to pro-  
8           posing rules under subparagraph (A), the  
9           Board shall undertake appropriate studies and  
10          analyses, which shall be consistent with section  
11          904(a)(2), and may include an advanced notice  
12          of proposed rulemaking, to determine whether a  
13          storefront notice or Internet notice facilitates  
14          the ability of a consumer—

15                 “(i) to compare prices for remittance  
16                 transfers; and

17                 “(ii) to understand the types and  
18                 amounts of any fees or costs imposed on  
19                 remittance transfers.

20          “(b) FOREIGN LANGUAGE DISCLOSURES.—The dis-  
21          losures required under this section shall be made in  
22          English and in each of the foreign languages principally  
23          used by the remittance transfer provider, or any of its  
24          agents, to advertise, solicit, or market, either orally or in  
25          writing, at that office.

1           “(c) REGULATIONS REGARDING TRANSFERS TO CER-  
2 TAIN NATIONS.—If the Board determines that a recipient  
3 nation does not legally allow, or the method by which  
4 transactions are made in the recipient country do not  
5 allow, a remittance transfer provider to know the amount  
6 of currency that will be received by the designated recipi-  
7 ent, the Board may prescribe rules (not later than 18  
8 months after the date of enactment of the Consumer Fi-  
9 nancial Protection Act of 2010) addressing the issue,  
10 which rules shall include standards for a remittance trans-  
11 fer provider to provide—

12           “(1) a receipt that is consistent with sub-  
13 sections (a) and (b); and

14           “(2) a reasonably accurate estimate of the for-  
15 eign currency to be received, based on the rate pro-  
16 vided to the sender by the remittance transfer pro-  
17 vider at the time at which the transaction was initi-  
18 ated by the sender.

19           “(d) REMITTANCE TRANSFER ERRORS.—

20           “(1) ERROR RESOLUTION.—

21           “(A) IN GENERAL.—If a remittance trans-  
22 fer provider receives oral or written notice from  
23 the sender within 180 days of the promised  
24 date of delivery that an error occurred with re-  
25 spect to a remittance transfer, including the

1 amount of currency designated in subsection  
2 (a)(3)(A) that was to be sent to the designated  
3 recipient of the remittance transfer, using the  
4 values of the currency into which the funds  
5 should have been exchanged, but was not made  
6 available to the designated recipient in the for-  
7 eign country, the remittance transfer provider  
8 shall resolve the error pursuant to this sub-  
9 section and investigate the reason for the error.

10 “(B) REMEDIES.—Not later than 90 days  
11 after the date of receipt of a notice from the  
12 sender pursuant to subparagraph (A), the re-  
13 mittance transfer provider shall, as applicable  
14 to the error and as designated by the sender—

15 “(i) refund to the sender the total  
16 amount of funds tendered by the sender in  
17 connection with the remittance transfer  
18 which was not properly transmitted;

19 “(ii) make available to the designated  
20 recipient, without additional cost to the  
21 designated recipient or to the sender, the  
22 amount appropriate to resolve the error;

23 “(iii) provide such other remedy, as  
24 determined appropriate by rule of the  
25 Board for the protection of senders; or



1                   “(iv) provide written notice to the  
2                   sender that there was no error with an ex-  
3                   planation responding to the specific com-  
4                   plaint of the sender.

5                   “(2) RULES.—The Board shall establish, by  
6                   rule issued not later than 18 months after the date  
7                   of enactment of the Consumer Financial Protection  
8                   Act of 2010, clear and appropriate standards for re-  
9                   mittance transfer providers with respect to error res-  
10                  olution relating to remittance transfers, to protect  
11                  senders from such errors. Standards prescribed  
12                  under this paragraph shall include appropriate  
13                  standards regarding record keeping, as required, in-  
14                  cluding documentation—

15                   “(A) of the complaint of the sender;

16                   “(B) that the sender provides the remit-  
17                  tance transfer provider with respect to the al-  
18                  leged error; and

19                   “(C) of the findings of the remittance  
20                  transfer provider regarding the investigation of  
21                  the alleged error that the sender brought to  
22                  their attention.

23                   “(3) CANCELLATION AND REFUND POLICY  
24                  RULES.—Not later than 18 months after the date of  
25                  enactment of the Consumer Financial Protection Act

1 of 2010, the Board shall issue final rules regarding  
2 appropriate remittance transfer cancellation and re-  
3 fund policies for consumers.

4 “(e) APPLICABILITY OF THIS TITLE.—

5 “(1) IN GENERAL.—A remittance transfer that  
6 is not an electronic fund transfer, as defined in sec-  
7 tion 903, shall not be subject to any of the provi-  
8 sions of sections 905 through 913. A remittance  
9 transfer that is an electronic fund transfer, as de-  
10 fined in section 903, shall be subject to all provisions  
11 of this title, except for section 908, that are other-  
12 wise applicable to electronic fund transfers under  
13 this title.

14 “(2) RULE OF CONSTRUCTION.—Nothing in  
15 this section shall be construed—

16 “(A) to affect the application to any trans-  
17 action, to any remittance provider, or to any  
18 other person of any of the provisions of sub-  
19 chapter II of chapter 53 of title 31, United  
20 States Code, section 21 of the Federal Deposit  
21 Insurance Act (12 U.S.C. 1829b), or chapter 2  
22 of title I of Public Law 91–508 (12 U.S.C.  
23 1951–1959), or any regulations promulgated  
24 thereunder; or

1           “(B) to cause any fund transfer that would  
2           not otherwise be treated as such under para-  
3           graph (1) to be treated as an electronic fund  
4           transfer, or as otherwise subject to this title, for  
5           the purposes of any of the provisions referred to  
6           in subparagraph (A) or any regulations promul-  
7           gated thereunder.

8           “(f) ACTS OF AGENTS.—

9           “(1) IN GENERAL.—A remittance transfer pro-  
10          vider shall be liable for any violation of this section  
11          by any agent, authorized delegate, or person affili-  
12          ated with such provider, when such agent, author-  
13          ized delegate, or affiliate acts for that remittance  
14          transfer provider.

15          “(2) OBLIGATIONS OF REMITTANCE TRANSFER  
16          PROVIDERS.—The Board shall prescribe rules to im-  
17          plement appropriate standards or conditions of, li-  
18          ability of a remittance transfer provider, including a  
19          provider who acts through an agent or authorized  
20          delegate. An agency charged with enforcing the re-  
21          quirements of this section, or rules prescribed by the  
22          Board under this section, may consider, in any ac-  
23          tion or other proceeding against a remittance trans-  
24          fer provider, the extent to which the provider had es-  
25          tablished and maintained policies or procedures for

1 compliance, including policies, procedures, or other  
2 appropriate oversight measures designed to assure  
3 compliance by an agent or authorized delegate act-  
4 ing for such provider.

5 “(g) DEFINITIONS.—As used in this section—

6 “(1) the term ‘designated recipient’ means any  
7 person located in a foreign country and identified by  
8 the sender as the authorized recipient of a remit-  
9 tance transfer to be made by a remittance transfer  
10 provider, except that a designated recipient shall not  
11 be deemed to be a consumer for purposes of this  
12 Act;

13 “(2) the term ‘remittance transfer’—

14 “(A) means the electronic (as defined in  
15 section 106(2) of the Electronic Signatures in  
16 Global and National Commerce Act (15 U.S.C.  
17 7006(2))) transfer of funds requested by a  
18 sender located in any State to a designated re-  
19 cipient that is initiated by a remittance transfer  
20 provider, whether or not the sender holds an ac-  
21 count with the remittance transfer provider or  
22 whether or not the remittance transfer is also  
23 an electronic fund transfer, as defined in sec-  
24 tion 903; and

1           “(B) does not include a transfer described  
2           in subparagraph (A) in an amount that is equal  
3           to or lesser than the amount of a small-value  
4           transaction determined, by rule, to be excluded  
5           from the requirements under section 906(a);

6           “(3) the term ‘remittance transfer provider’  
7           means any person or financial institution that pro-  
8           vides remittance transfers for a consumer in the nor-  
9           mal course of its business, whether or not the con-  
10          sumer holds an account with such person or finan-  
11          cial institution; and

12          “(4) the term ‘sender’ means a consumer who  
13          requests a remittance provider to send a remittance  
14          transfer for the consumer to a designated recipi-  
15          ent.”.

16          (b) AUTOMATED CLEARINGHOUSE SYSTEM.—

17               (1) EXPANSION OF SYSTEM.—The Board of  
18          Governors shall work with the Federal reserve banks  
19          and the Department of the Treasury to expand the  
20          use of the automated clearinghouse system and  
21          other payment mechanisms for remittance transfers  
22          to foreign countries, with a focus on countries that  
23          receive significant remittance transfers from the  
24          United States, based on—

1 (A) the number, volume, and size of such  
2 transfers;

3 (B) the significance of the volume of such  
4 transfers relative to the external financial flows  
5 of the receiving country, including—

6 (i) the total amount transferred; and

7 (ii) the total volume of payments  
8 made by United States Government agen-  
9 cies to beneficiaries and retirees living  
10 abroad;

11 (C) the feasibility of such an expansion;

12 and

13 (D) the ability of the Federal Reserve Sys-  
14 tem to establish payment gateways in different  
15 geographic regions and currency zones to re-  
16 ceive remittance transfers and route them  
17 through the payments systems in the destina-  
18 tion countries.

19 (2) REPORT TO CONGRESS.—Not later than one  
20 calendar year after the date of enactment of this  
21 Act, and on April 30 biennially thereafter during the  
22 10-year period beginning on that date of enactment,  
23 the Board of Governors shall submit a report to the  
24 Committee on Banking, Housing, and Urban Affairs  
25 of the Senate and the Committee on Financial Serv-

1       ices of the House of Representatives on the status  
2       of the automated clearinghouse system and its  
3       progress in complying with the requirements of this  
4       subsection. The report shall include an analysis of  
5       adoption rates of International ACH Transactions  
6       rules and formats, the efficacy of increasing adop-  
7       tion rates, and potential recommendations to in-  
8       crease adoption.

9       (c) EXPANSION OF FINANCIAL INSTITUTION PROVI-  
10      SION OF REMITTANCE TRANSFERS.—

11           (1) PROVISION OF GUIDELINES TO INSTITU-  
12      TIONS.—Each of the Federal banking agencies and  
13      the National Credit Union Administration shall pro-  
14      vide guidelines to financial institutions under the ju-  
15      risdiction of the agency regarding the offering of  
16      low-cost remittance transfers and no-cost or low-cost  
17      basic consumer accounts, as well as agency services  
18      to remittance transfer providers.

19           (2) ASSISTANCE TO FINANCIAL LITERACY COM-  
20      MISSION.—As part of its duties as members of the  
21      Financial Literacy and Education Commission, the  
22      Bureau, the Federal banking agencies, and the Na-  
23      tional Credit Union Administration shall assist the  
24      Financial Literacy and Education Commission in  
25      executing the Strategy for Assuring Financial Em-

1 powerment (or the “SAFE Strategy”), as it relates  
2 to remittances.

3 (d) FEDERAL CREDIT UNION ACT CONFORMING  
4 AMENDMENT.—Paragraph (12) of section 107 of the Fed-  
5 eral Credit Union Act (12 U.S.C. 1757) is amended to  
6 read as follows:

7 “(12) in accordance with regulations prescribed  
8 by the Board—

9 “(A) to sell, to persons in the field of  
10 membership, negotiable checks (including trav-  
11 elers checks), money orders, and other similar  
12 money transfer instruments (including inter-  
13 national and domestic electronic fund transfers  
14 and remittance transfers, as defined in section  
15 919 of the Electronic Fund Transfer Act); and

16 “(B) to cash checks and money orders for  
17 persons in the field of membership for a fee;”.

18 (e) REPORT ON FEASIBILITY OF AND IMPEDIMENTS  
19 TO USE OF REMITTANCE HISTORY IN CALCULATION OF  
20 CREDIT SCORE.—Before the end of the 365-day period  
21 beginning on the date of enactment of this Act, the Direc-  
22 tor shall submit a report to the President, the Committee  
23 on Banking, Housing, and Urban Affairs of the Senate,  
24 and the Committee on Financial Services of the House of  
25 Representatives regarding—



1           (1) the manner in which the remittance history  
2 of a consumer could be used to enhance the credit  
3 score of the consumer;

4           (2) the current legal and business model bar-  
5 riers and impediments that impede the use of the re-  
6 mittance history of the consumer to enhance the  
7 credit score of the consumer; and

8           (3) recommendations on the manner in which  
9 maximum transparency and disclosure to consumers  
10 of exchange rates for remittance transfers subject to  
11 this title and the amendments made by this title  
12 may be accomplished, whether or not such exchange  
13 rates are known at the time of origination or pay-  
14 ment by the consumer for the remittance transfer,  
15 including disclosure to the sender of the actual ex-  
16 change rate used and the amount of currency that  
17 the recipient of the remittance transfer received,  
18 using the values of the currency into which the  
19 funds were exchanged, as contained in sections  
20 919(a)(2)(D) and 919(a)(3) of the Electronic Fund  
21 Transfer Act (as amended by this section).

1 **SEC. 1074. DEPARTMENT OF THE TREASURY STUDY ON**  
2 **ENDING THE CONSERVATORSHIP OF FANNIE**  
3 **MAE, FREDDIE MAC, AND REFORMING THE**  
4 **HOUSING FINANCE SYSTEM.**

5 (a) STUDY REQUIRED.—

6 (1) IN GENERAL.—The Secretary of the Treas-  
7 ury shall conduct a study of and develop rec-  
8 ommendations regarding the options for ending the  
9 conservatorship of the Federal National Mortgage  
10 Association (in this section referred to as “Fannie  
11 Mae”) and the Federal Home Loan Mortgage Cor-  
12 poration (in this section referred to as “Freddie  
13 Mac”), while minimizing the cost to taxpayers, in-  
14 cluding such options as—

15 (A) the gradual wind-down and liquidation  
16 of such entities;

17 (B) the privatization of such entities;

18 (C) the incorporation of the functions of  
19 such entities into a Federal agency;

20 (D) the dissolution of Fannie Mae and  
21 Freddie Mac into smaller companies; or

22 (E) any other measures the Secretary de-  
23 termines appropriate.

24 (2) ANALYSES.—The study required under  
25 paragraph (1) shall include an analysis of—

1 (A) the role of the Federal Government in  
2 supporting a stable, well-functioning housing fi-  
3 nance system, and whether and to what extent  
4 the Federal Government should bear risks in  
5 meeting Federal housing finance objectives;

6 (B) how the current structure of the hous-  
7 ing finance system can be improved;

8 (C) how the housing finance system should  
9 support the continued availability of mortgage  
10 credit to all segments of the market;

11 (D) how the housing finance system should  
12 be structured to ensure that consumers con-  
13 tinue to have access to 30-year, fixed rate, pre-  
14 payable mortgages and other mortgage products  
15 that have simple terms that can be easily un-  
16 derstood;

17 (E) the role of the Federal Housing Ad-  
18 ministration and the Department of Veterans  
19 Affairs in a future housing system;

20 (F) the impact of reforms of the housing  
21 finance system on the financing of rental hous-  
22 ing;

23 (G) the impact of reforms of the housing  
24 finance system on secondary market liquidity;

1 (H) the role of standardization in the  
2 housing finance system;

3 (I) how housing finance systems in other  
4 countries offer insights that can help inform op-  
5 tions for reform in the United States; and

6 (J) the options for transition to a reformed  
7 housing finance system.

8 (b) REPORT AND RECOMMENDATIONS.—Not later  
9 than January 31, 2011, the Secretary of the Treasury  
10 shall submit the report and recommendations required  
11 under subsection (a) to the Committee on Banking, Hous-  
12 ing, and Urban Affairs of the Senate and the Committee  
13 on Financial Services of the House of Representatives.

14 **SEC. 1075. REASONABLE FEES AND RULES FOR PAYMENT**  
15 **CARD TRANSACTIONS.**

16 (a) IN GENERAL.—The Electronic Fund Transfer  
17 Act (15 U.S.C. 1693 et seq.) is amended—

18 (1) by redesignating sections 920 and 921 as  
19 sections 921 and 922, respectively; and

20 (2) by inserting after section 919 the following:

21 **“SEC. 920. REASONABLE FEES AND RULES FOR PAYMENT**  
22 **CARD TRANSACTIONS.**

23 **“(a) REASONABLE INTERCHANGE TRANSACTION**  
24 **FEES FOR ELECTRONIC DEBIT TRANSACTIONS.—**

1           “(1) REGULATORY AUTHORITY OVER INTER-  
2 CHANGE TRANSACTION FEES.—The Board may pre-  
3 scribe regulations, pursuant to section 553 of title 5,  
4 United States Code, regarding any interchange  
5 transaction fee that an issuer may receive or charge  
6 with respect to an electronic debit transaction, to  
7 implement this subsection (including related defini-  
8 tions), and to prevent circumvention or evasion of  
9 this subsection.

10           “(2) REASONABLE INTERCHANGE TRANSACTION  
11 FEES.—The amount of any interchange transaction  
12 fee that an issuer may receive or charge with respect  
13 to an electronic debit transaction shall be reasonable  
14 and proportional to the cost incurred by the issuer  
15 with respect to the transaction.

16           “(3) RULEMAKING REQUIRED.—

17           “(A) IN GENERAL.—The Board shall pre-  
18 scribe regulations in final form not later than  
19 9 months after the date of enactment of the  
20 Consumer Financial Protection Act of 2010, to  
21 establish standards for assessing whether the  
22 amount of any interchange transaction fee de-  
23 scribed in paragraph (2) is reasonable and pro-  
24 portional to the cost incurred by the issuer with  
25 respect to the transaction.

1           “(B) INFORMATION COLLECTION.—The  
2           Board may require any issuer (or agent of an  
3           issuer) or payment card network to provide the  
4           Board with such information as may be nec-  
5           essary to carry out the provisions of this sub-  
6           section and the Board, in issuing rules under  
7           subparagraph (A) and on at least a bi-annual  
8           basis thereafter, shall disclose such aggregate  
9           or summary information concerning the costs  
10          incurred, and interchange transaction fees  
11          charged or received, by issuers or payment card  
12          networks in connection with the authorization,  
13          clearance or settlement of electronic debit  
14          transactions as the Board considers appropriate  
15          and in the public interest.

16          “(4) CONSIDERATIONS; CONSULTATION.—In  
17          prescribing regulations under paragraph (3)(A), the  
18          Board shall—

19                 “(A) consider the functional similarity be-  
20                 tween—

21                         “(i) electronic debit transactions; and

22                         “(ii) checking transactions that are  
23                         required within the Federal Reserve bank  
24                         system to clear at par;

25                 “(B) distinguish between—

1           “(i) the incremental cost incurred by  
2           an issuer for the role of the issuer in the  
3           authorization, clearance, or settlement of a  
4           particular electronic debit transaction,  
5           which cost shall be considered under para-  
6           graph (2); and

7           “(ii) other costs incurred by an issuer  
8           which are not specific to a particular elec-  
9           tronic debit transaction, which costs shall  
10          not be considered under paragraph (2);  
11          and

12          “(C) consult, as appropriate, with the  
13          Comptroller of the Currency, the Board of Di-  
14          rectors of the Federal Deposit Insurance Cor-  
15          poration, the Director of the Office of Thrift  
16          Supervision, the National Credit Union Admin-  
17          istration Board, the Administrator of the Small  
18          Business Administration, and the Director of  
19          the Bureau of Consumer Financial Protection.

20          “(5) ADJUSTMENTS TO INTERCHANGE TRANS-  
21          ACTION FEES FOR FRAUD PREVENTION COSTS.—

22          “(A) ADJUSTMENTS.—The Board may  
23          allow for an adjustment to the fee amount re-  
24          ceived or charged by an issuer under paragraph  
25          (2), if—

1           “(i) such adjustment is reasonably  
2           necessary to make allowance for costs in-  
3           curred by the issuer in preventing fraud in  
4           relation to electronic debit transactions in-  
5           volving that issuer; and

6           “(ii) the issuer complies with the  
7           fraud-related standards established by the  
8           Board under subparagraph (B), which  
9           standards shall—

10                   “(I) be designed to ensure that  
11                   any fraud-related adjustment of the  
12                   issuer is limited to the amount de-  
13                   scribed in clause (i) and takes into ac-  
14                   count any fraud-related reimburse-  
15                   ments (including amounts from  
16                   charge-backs) received from con-  
17                   sumers, merchants, or payment card  
18                   networks in relation to electronic debit  
19                   transactions involving the issuer; and

20                   “(II) require issuers to take ef-  
21                   fective steps to reduce the occurrence  
22                   of, and costs from, fraud in relation  
23                   to electronic debit transactions, in-  
24                   cluding through the development and



1 implementation of cost-effective fraud  
2 prevention technology.

3 “(B) RULEMAKING REQUIRED.—

4 “(i) IN GENERAL.—The Board shall  
5 prescribe regulations in final form not later  
6 than 9 months after the date of enactment  
7 of the Consumer Financial Protection Act  
8 of 2010, to establish standards for making  
9 adjustments under this paragraph.

10 “(ii) FACTORS FOR CONSIDER-  
11 ATION.—In issuing the standards and pre-  
12 scribing regulations under this paragraph,  
13 the Board shall consider—

14 “(I) the nature, type, and occur-  
15 rence of fraud in electronic debit  
16 transactions;

17 “(II) the extent to which the oc-  
18 currence of fraud depends on whether  
19 authorization in an electronic debit  
20 transaction is based on signature,  
21 PIN, or other means;

22 “(III) the available and economi-  
23 cal means by which fraud on elec-  
24 tronic debit transactions may be re-  
25 duced;

1                   “(IV) the fraud prevention and  
2                   data security costs expended by each  
3                   party involved in electronic debit  
4                   transactions (including consumers,  
5                   persons who accept debit cards as a  
6                   form of payment, financial institu-  
7                   tions, retailers and payment card net-  
8                   works);

9                   “(V) the costs of fraudulent  
10                   transactions absorbed by each party  
11                   involved in such transactions (includ-  
12                   ing consumers, persons who accept  
13                   debit cards as a form of payment, fi-  
14                   nancial institutions, retailers and pay-  
15                   ment card networks);

16                   “(VI) the extent to which inter-  
17                   change transaction fees have in the  
18                   past reduced or increased incentives  
19                   for parties involved in electronic debit  
20                   transactions to reduce fraud on such  
21                   transactions; and

22                   “(VII) such other factors as the  
23                   Board considers appropriate.

24                   “(6) EXEMPTION FOR SMALL ISSUERS.—

1           “(A) IN GENERAL.—This subsection shall  
2 not apply to any issuer that, together with its  
3 affiliates, has assets of less than  
4 \$10,000,000,000, and the Board shall exempt  
5 such issuers from regulations prescribed under  
6 paragraph (3)(A).

7           “(B) DEFINITION.—For purposes of this  
8 paragraph, the term “issuer” shall be limited to  
9 the person holding the asset account that is  
10 debited through an electronic debit transaction.

11           “(7) EXEMPTION FOR GOVERNMENT-ADMINIS-  
12 TERED PAYMENT PROGRAMS AND RELOADABLE PRE-  
13 PAID CARDS.—

14           “(A) IN GENERAL.—This subsection shall  
15 not apply to an interchange transaction fee  
16 charged or received with respect to an electronic  
17 debit transaction in which a person uses—

18                   “(i) a debit card or general-use pre-  
19 paid card that has been provided to a per-  
20 son pursuant to a Federal, State or local  
21 government-administered payment pro-  
22 gram, in which the person may only use  
23 the debit card or general-use prepaid card  
24 to transfer or debit funds, monetary value,

1 or other assets that have been provided  
2 pursuant to such program; or

3 “(ii) a plastic card, payment code, or  
4 device that is—

5 “(I) linked to funds, monetary  
6 value, or assets which are purchased  
7 or loaded on a prepaid basis;

8 “(II) not issued or approved for  
9 use to access or debit any account  
10 held by or for the benefit of the card  
11 holder (other than a subaccount or  
12 other method of recording or tracking  
13 funds purchased or loaded on the card  
14 on a prepaid basis);

15 “(III) redeemable at multiple,  
16 unaffiliated merchants or service pro-  
17 viders, or automated teller machines;

18 “(IV) used to transfer or debit  
19 funds, monetary value, or other as-  
20 sets; and

21 “(V) reloadable and not mar-  
22 keted or labeled as a gift card or gift  
23 certificate.

24 “(B) EXCEPTION.—Notwithstanding sub-  
25 paragraph (A), after the end of the 1-year pe-



1                   “(ii) any network of automated teller  
2                   machines identified by the issuer that pro-  
3                   vides reasonable and convenient access to  
4                   the issuer’s customers.

5                   “(D) REPORTING.—Beginning 12 months  
6                   after the date of enactment of the Consumer  
7                   Financial Protection Act of 2010, the Board  
8                   shall annually provide a report to the Congress  
9                   regarding —

10                   “(i) the prevalence of the use of gen-  
11                   eral-use prepaid cards in Federal, State or  
12                   local government-administered payment  
13                   programs; and

14                   “(ii) the interchange transaction fees  
15                   and cardholder fees charged with respect  
16                   to the use of such general-use prepaid  
17                   cards.

18                   “(8) REGULATORY AUTHORITY OVER NETWORK  
19                   FEES.—

20                   “(A) IN GENERAL.—The Board may pre-  
21                   scribe regulations, pursuant to section 553 of  
22                   title 5, United States Code, regarding any net-  
23                   work fee.

1           “(B) LIMITATION.—The authority under  
2           subparagraph (A) to prescribe regulations shall  
3           be limited to regulations to ensure that—

4                   “(i) a network fee is not used to di-  
5                   rectly or indirectly compensate an issuer  
6                   with respect to an electronic debit trans-  
7                   action; and

8                   “(ii) a network fee is not used to cir-  
9                   cumvent or evade the restrictions of this  
10                  subsection and regulations prescribed  
11                  under such subsection.

12           “(C) RULEMAKING REQUIRED.—The  
13           Board shall prescribe regulations in final form  
14           before the end of the 9-month period beginning  
15           on the date of the enactment of the Consumer  
16           Financial Protection Act of 2010, to carry out  
17           the authorities provided under subparagraph  
18           (A).

19           “(9) EFFECTIVE DATE.—This subsection shall  
20           take effect at the end of the 12-month period begin-  
21           ning on the date of the enactment of the Consumer  
22           Financial Protection Act of 2010.

23           “(b) LIMITATION ON PAYMENT CARD NETWORK RE-  
24           STRICTIONS.—

1           “(1) PROHIBITIONS AGAINST EXCLUSIVITY AR-  
2           RANGEMENTS.—

3           “(A) NO EXCLUSIVE NETWORK.—The  
4           Board shall, before the end of the 1-year period  
5           beginning on the date of the enactment of the  
6           Consumer Financial Protection Act of 2010,  
7           prescribe regulations providing that an issuer or  
8           payment card network shall not directly or  
9           through any agent, processor, or licensed mem-  
10          ber of a payment card network, by contract, re-  
11          quirement, condition, penalty, or otherwise, re-  
12          strict the number of payment card networks on  
13          which an electronic debit transaction may be  
14          processed to—

15                   “(i) 1 such network; or

16                   “(ii) 2 or more such networks which  
17                   are owned, controlled, or otherwise oper-  
18                   ated by —

19                           “(I) affiliated persons; or

20                           “(II) networks affiliated with  
21                           such issuer.

22           “(B) NO ROUTING RESTRICTIONS.—The  
23           Board shall, before the end of the 1-year period  
24           beginning on the date of the enactment of the  
25           Consumer Financial Protection Act of 2010,



1           prescribe regulations providing that an issuer or  
2           payment card network shall not, directly or  
3           through any agent, processor, or licensed mem-  
4           ber of the network, by contract, requirement,  
5           condition, penalty, or otherwise, inhibit the abil-  
6           ity of any person who accepts debit cards for  
7           payments to direct the routing of electronic  
8           debit transactions for processing over any pay-  
9           ment card network that may process such  
10          transactions.

11           “(2) LIMITATION ON RESTRICTIONS ON OFFER-  
12          ING DISCOUNTS FOR USE OF A FORM OF PAY-  
13          MENT.—

14           “(A) IN GENERAL.—A payment card net-  
15          work shall not, directly or through any agent,  
16          processor, or licensed member of the network,  
17          by contract, requirement, condition, penalty, or  
18          otherwise, inhibit the ability of any person to  
19          provide a discount or in-kind incentive for pay-  
20          ment by the use of cash, checks, debit cards, or  
21          credit cards to the extent that—

22           “(i) in the case of a discount or in-  
23          kind incentive for payment by the use of  
24          debit cards, the discount or in-kind incen-

1                   tive does not differentiate on the basis of  
2                   the issuer or the payment card network;

3                   “(ii) in the case of a discount or in-  
4                   kind incentive for payment by the use of  
5                   credit cards, the discount or in-kind incen-  
6                   tive does not differentiate on the basis of  
7                   the issuer or the payment card network;  
8                   and

9                   “(iii) to the extent required by Fed-  
10                  eral law and applicable State law, such dis-  
11                  count or in-kind incentive is offered to all  
12                  prospective buyers and disclosed clearly  
13                  and conspicuously.

14                  “(B) **LAWFUL DISCOUNTS.**—For purposes  
15                  of this paragraph, the network may not penalize  
16                  any person for the providing of a discount that  
17                  is in compliance with Federal law and applica-  
18                  ble State law.

19                  “(3) **LIMITATION ON RESTRICTIONS ON SET-**  
20                  **TING TRANSACTION MINIMUMS OR MAXIMUMS.**—

21                  “(A) **IN GENERAL.**—A payment card net-  
22                  work shall not, directly or through any agent,  
23                  processor, or licensed member of the network,  
24                  by contract, requirement, condition, penalty, or  
25                  otherwise, inhibit the ability—

1                   “(i) of any person to set a minimum  
2                   dollar value for the acceptance by that per-  
3                   son of credit cards, to the extent that —

4                                 “(I) such minimum dollar value  
5                                 does not differentiate between issuers  
6                                 or between payment card networks;  
7                                 and

8                                 “(II) such minimum dollar value  
9                                 does not exceed \$10.00; or

10                   “(ii) of any Federal agency or institu-  
11                   tion of higher education to set a maximum  
12                   dollar value for the acceptance by that  
13                   Federal agency or institution of higher  
14                   education of credit cards, to the extent  
15                   that such maximum dollar value does not  
16                   differentiate between issuers or between  
17                   payment card networks.

18                   “(B) INCREASE IN MINIMUM DOLLAR  
19                   AMOUNT.—The Board may, by regulation pre-  
20                   scribed pursuant to section 553 of title 5,  
21                   United States Code, increase the amount of the  
22                   dollar value listed in subparagraph (A)(i)(II).

23                   “(4) RULE OF CONSTRUCTION:—No provision  
24                   of this subsection shall be construed to authorize  
25                   any person—

1           “(A) to discriminate between debit cards  
2           within a payment card network on the basis of  
3           the issuer that issued the debit card; or

4           “(B) to discriminate between credit cards  
5           within a payment card network on the basis of  
6           the issuer that issued the credit card.

7           “(c) DEFINITIONS.—For purposes of this section, the  
8           following definitions shall apply:

9           “(1) AFFILIATE.—The term ‘affiliate’ means  
10          any company that controls, is controlled by, or is  
11          under common control with another company.

12          “(2) DEBIT CARD.—The term ‘debit card’—

13                 “(A) means any card, or other payment  
14                 code or device, issued or approved for use  
15                 through a payment card network to debit an  
16                 asset account (regardless of the purpose for  
17                 which the account is established), whether au-  
18                 thorization is based on signature, PIN, or other  
19                 means;

20                 “(B) includes a general-use prepaid card,  
21                 as that term is defined in section 915(a)(2)(A);  
22                 and

23                 “(C) does not include paper checks.

1           “(3) CREDIT CARD.—The term ‘credit card’ has  
2 the same meaning as in section 103 of the Truth in  
3 Lending Act.

4           “(4) DISCOUNT.—The term ‘discount’—

5                 “(A) means a reduction made from the  
6 price that customers are informed is the regular  
7 price; and

8                 “(B) does not include any means of in-  
9 creasing the price that customers are informed  
10 is the regular price.

11           “(5) ELECTRONIC DEBIT TRANSACTION.—The  
12 term ‘electronic debit transaction’ means a trans-  
13 action in which a person uses a debit card.

14           “(6) FEDERAL AGENCY.—The term ‘Federal  
15 agency’ means—

16                 “(A) an agency (as defined in section 101  
17 of title 31, United States Code); and

18                 “(B) a Government corporation (as defined  
19 in section 103 of title 5, United States Code).

20           “(7) INSTITUTION OF HIGHER EDUCATION.—  
21 The term ‘institution of higher education’ has the  
22 same meaning as in 101 and 102 of the Higher  
23 Education Act of 1965 (20 U.S.C. 1001, 1002).

24           “(8) INTERCHANGE TRANSACTION FEE.—The  
25 term ‘interchange transaction fee’ means any fee es-

1        tablished, charged or received by a payment card  
2        network for the purpose of compensating an issuer  
3        for its involvement in an electronic debit transaction.

4            “(9) ISSUER.—The term ‘issuer’ means any  
5        person who issues a debit card, or credit card, or the  
6        agent of such person with respect to such card.

7            “(10) NETWORK FEE.—The term ‘network fee’  
8        means any fee charged and received by a payment  
9        card network with respect to an electronic debit  
10       transaction, other than an interchange transaction  
11       fee.

12           “(11) PAYMENT CARD NETWORK.—The term  
13        ‘payment card network’ means an entity that di-  
14        rectly, or through licensed members, processors, or  
15        agents, provides the proprietary services, infrastruc-  
16        ture, and software that route information and data  
17        to conduct debit card or credit card transaction au-  
18        thorization, clearance, and settlement, and that a  
19        person uses in order to accept as a form of payment  
20        a brand of debit card, credit card or other device  
21        that may be used to carry out debit or credit trans-  
22        actions.

23           “(d) ENFORCEMENT.—

1           “(1) IN GENERAL.—Compliance with the re-  
2           quirements imposed under this section shall be en-  
3           forced under section 918.

4           “(2) EXCEPTION.—Sections 916 and 917 shall  
5           not apply with respect to this section or the require-  
6           ments imposed pursuant to this section.”.

7           (b) AMENDMENT TO THE FOOD AND NUTRITION ACT  
8           OF 2008.—Section 7(h)(10) of the Food and Nutrition  
9           Act of 2008 (7 U.S.C. 2016(h)(10)) is amended to read  
10          as follows:

11           “(10) FEDERAL LAW NOT APPLICABLE.—Sec-  
12           tion 920 of the Electronic Fund Transfer Act shall  
13           not apply to electronic benefit transfer or reimburse-  
14           ment systems under this Act.”.

15           (c) AMENDMENT TO THE FARM SECURITY AND  
16           RURAL INVESTMENT ACT OF 2002.—Section 4402 of the  
17           Farm Security and Rural Investment Act of 2002 (7  
18           U.S.C. 3007) is amended by adding at the end the fol-  
19           lowing new subsection:

20           “(f) FEDERAL LAW NOT APPLICABLE.—Section 920  
21           of the Electronic Fund Transfer Act shall not apply to  
22           electronic benefit transfer systems established under this  
23           section.”.

24           (d) AMENDMENT TO THE CHILD NUTRITION ACT OF  
25           1966.—Section 11 of the Child Nutrition Act of 1966 (42

1 U.S.C. 1780) is amended by adding at the end the fol-  
2 lowing:

3 “(c) FEDERAL LAW NOT APPLICABLE.—Section 920  
4 of the Electronic Fund Transfer Act shall not apply to  
5 electronic benefit transfer systems established under this  
6 Act or the Richard B. Russell National School Lunch Act  
7 (42 U.S.C. 1751 et seq.).”.

8 **SEC. 1076. USE OF CONSUMER REPORTS.**

9 Section 615 of the Fair Credit Reporting Act (15  
10 U.S.C. 1681m) is amended—

11 (1) in subsection (a)—

12 (A) by redesignating paragraphs (2) and  
13 (3) as paragraphs (3) and (4), respectively;

14 (B) by inserting after paragraph (1) the  
15 following:

16 “(2) provide to the consumer written or elec-  
17 tronic disclosure—

18 “(A) of a numerical credit score as defined  
19 in section 609(f)(2)(A) used by such person in  
20 taking any adverse action based in whole or in  
21 part on any information in a consumer report;  
22 and

23 “(B) of the information set forth in sub-  
24 paragraphs (B) through (E) of section  
25 609(f)(1);”; and



1 (C) in paragraph (4) (as so redesignated),  
2 by striking “paragraph (2)” and inserting  
3 “paragraph (3)”; and  
4 (2) in subsection (h)(5)—

5 (A) in subparagraph (C), by striking “;  
6 and” and inserting a semicolon;

7 (B) in subparagraph (D), by striking the  
8 period and inserting “; and”; and

9 (C) by inserting at the end the following:  
10 “(E) include a statement informing the  
11 consumer of—

12 “(i) a numerical credit score as de-  
13 fined in section 609(f)(2)(A), used by such  
14 person in making the credit decision de-  
15 scribed in paragraph (1) based in whole or  
16 in part on any information in a consumer  
17 report; and

18 “(ii) the information set forth in sub-  
19 paragraphs (B) through (E) of section  
20 609(f)(1).”.

21 **SEC. 1077. REVERSE MORTGAGE STUDY AND REGULATIONS.**

22 (a) **STUDY.**—Not later than 1 year after the des-  
23 igned transfer date, the Bureau shall conduct a study  
24 on reverse mortgage transactions.

25 (b) **REGULATIONS.**—

1           (1) IN GENERAL.—If the Bureau determines  
2 through the study required under subsection (a) that  
3 conditions or limitations on reverse mortgage trans-  
4 actions are necessary or appropriate for accom-  
5 plishing the purposes and objectives of this title, in-  
6 cluding protecting borrowers with respect to the ob-  
7 taining of reverse mortgage loans for the purpose of  
8 funding investments, annuities, and other investment  
9 products and the suitability of a borrower in obtain-  
10 ing a reverse mortgage for such purpose.

11           (2) IDENTIFIED PRACTICES AND INTEGRATED  
12 DISCLOSURES.—The regulations prescribed under  
13 paragraph (1) may, as the Bureau may so deter-  
14 mine—

15           (A) identify any practice as unfair, decep-  
16 tive, or abusive in connection with a reverse  
17 mortgage transaction; and

18           (B) provide for an integrated disclosure  
19 standard and model disclosures for reverse  
20 mortgage transactions, consistent with section  
21 4302(d), that combines the relevant disclosures  
22 required under the Truth in Lending Act (15  
23 U.S.C. 1601 et seq.) and the Real Estate Set-  
24 tlement Procedures Act, with the disclosures re-  
25 quired to be provided to consumers for Home

1           Equity Conversion Mortgages under section 255  
2           of the National Housing Act.

3           (c) **RULE OF CONSTRUCTION.**—This section shall not  
4 be construed as limiting the authority of the Bureau to  
5 issue regulations, orders, or guidance that apply to reverse  
6 mortgages prior to the completion of the study required  
7 under subsection (a).

8   **SEC. 1078. REPORT ON PRIVATE EDUCATION LOANS AND**  
9                           **PRIVATE EDUCATIONAL LENDERS.**

10          (a) **REPORT.**—Not later than 2 years after the date  
11 of enactment of this Act, the Director and the Secretary  
12 of Education, in consultation with the Commissioners of  
13 the Federal Trade Commission, and the Attorney General  
14 of the United States, shall submit a report to the Com-  
15 mittee on Banking, Housing, and Urban Affairs and the  
16 Committee on Health, Education, Labor, and Pensions of  
17 the Senate and the Committee on Financial Services and  
18 the Committee on Education and Labor of the House of  
19 Representatives, on private education loans (as that term  
20 is defined in section 140 of the Truth in Lending Act (15  
21 U.S.C. 1650)) and private educational lenders (as that  
22 term is defined in such section).

23          (b) **CONTENT.**—The report required by this section  
24 shall examine, at a minimum—

1           (1) the growth and changes of the private edu-  
2           cation loan market in the United States;

3           (2) factors influencing such growth and  
4           changes;

5           (3) the extent to which students and parents of  
6           students rely on private education loans to finance  
7           postsecondary education and the private education  
8           loan indebtedness of borrowers;

9           (4) the characteristics of private education loan  
10          borrowers, including—

11           (A) the types of institutions of higher edu-  
12           cation that they attend;

13           (B) socioeconomic characteristics (includ-  
14           ing income and education levels, racial charac-  
15           teristics, geographical background, age, and  
16           gender);

17           (C) what other forms of financing bor-  
18           rowers use to pay for education;

19           (D) whether they exhaust their Federal  
20           loan options before taking out a private loan;

21           (E) whether such borrowers are dependent  
22           or independent students (as determined under  
23           part F of title IV of the Higher Education Act  
24           of 1965) or parents of such students;

1 (F) whether such borrowers are students  
2 enrolled in a program leading to a certificate, li-  
3 cense, or credential other than a degree, an as-  
4 sociates degree, a baccalaureate degree, or a  
5 graduate or professional degree; and

6 (G) if practicable, employment and repay-  
7 ment behaviors;

8 (5) the characteristics of private educational  
9 lenders, including whether such creditors are for-  
10 profit, non-profit, or institutions of higher education;

11 (6) the underwriting criteria used by private  
12 educational lenders, including the use of cohort de-  
13 fault rate (as such term is defined in section 435(m)  
14 of the Higher Education Act of 1965);

15 (7) the terms, conditions, and pricing of private  
16 education loans;

17 (8) the consumer protections available to pri-  
18 vate education loan borrowers, including the effec-  
19 tiveness of existing disclosures and requirements and  
20 borrowers' awareness and understanding about  
21 terms and conditions of various financial products;

22 (9) whether Federal regulators and the public  
23 have access to information sufficient to provide them  
24 with assurances that private education loans are  
25 provided in accord with the Nation's fair lending

1 laws and that allows public officials to determine  
2 lender compliance with fair lending laws; and

3 (10) any statutory or legislative recommenda-  
4 tions necessary to improve consumer protections for  
5 private education loan borrowers and to better en-  
6 able Federal regulators and the public to ascertain  
7 private educational lender compliance with fair lend-  
8 ing laws.

9 **SEC. 1079. STUDY AND REPORT ON CREDIT SCORES.**

10 (a) **STUDY.**—The Bureau shall conduct a study on  
11 the nature, range, and size of variations between the credit  
12 scores sold to creditors and those sold to consumers by  
13 consumer reporting agencies that compile and maintain  
14 files on consumers on a nationwide basis (as defined in  
15 section 603(p) of the Fair Credit Reporting Act; 15  
16 U.S.C. 1681a(p)), and whether such variations disadvan-  
17 tage consumers.

18 (b) **REPORT TO CONGRESS.**—The Bureau shall sub-  
19 mit a report to Congress on the results of the study con-  
20 ducted under subsection (a) not later than 1 year after  
21 the date of enactment of this Act.

22 **SEC. 1079A. REVIEW, REPORT, AND PROGRAM WITH RE-**  
23 **SPECT TO EXCHANGE FACILITATORS.**

24 (a) **REVIEW.**—The Director shall review all Federal  
25 laws and regulations relating to the protection of con-

1 sumers who use exchange facilitators for transactions pri-  
2 marily for personal, family, or household purposes.

3 (b) REPORT.—Not later than 1 year after the des-  
4 ignated transfer date, the Director shall submit to Con-  
5 gress a report describing—

6 (1) recommendations for legislation to ensure  
7 the appropriate protection of consumers who use ex-  
8 change facilitators for transactions primarily for per-  
9 sonal, family, or household purposes;

10 (2) recommendations for updating the regula-  
11 tions of Federal departments and agencies to ensure  
12 the appropriate protection of such consumers; and

13 (3) recommendations for regulations to ensure  
14 the appropriate protection of such consumers.

15 (c) PROGRAM.—Not later than 2 years after the date  
16 of the submission of the report under subsection (b), the  
17 Bureau shall, consistent with subtitle B, propose regula-  
18 tions or otherwise establish a program to protect con-  
19 sumers who use exchange facilitators.

20 (d) EXCHANGE FACILITATOR DEFINED.—In this sec-  
21 tion, the term “exchange facilitator” means a person  
22 that—

23 (1) facilitates, for a fee, an exchange of like  
24 kind property by entering into an agreement with a  
25 taxpayer by which the exchange facilitator acquires

1 from the taxpayer the contractual rights to sell the  
2 taxpayer's relinquished property and transfers a re-  
3 placement property to the taxpayer as a qualified  
4 intermediary (within the meaning of Treasury Regu-  
5 lations section 1.1031(k)-1(g)(4)) or enters into an  
6 agreement with the taxpayer to take title to a prop-  
7 erty as an exchange accommodation titleholder  
8 (within the meaning of Revenue Procedure 2000-37)  
9 or enters into an agreement with a taxpayer to act  
10 as a qualified trustee or qualified escrow holder  
11 (within the meaning of Treasury Regulations section  
12 1.1031(k)-1(g)(3));

13 (2) maintains an office for the purpose of solici-  
14 ting business to perform the services described in  
15 paragraph (1); or

16 (3) advertises any of the services described in  
17 paragraph (1) or solicits clients in printed publica-  
18 tions, direct mail, television or radio advertisements,  
19 telephone calls, facsimile transmissions, or other  
20 electronic communications directed to the general  
21 public for purposes of providing any such services.

22 **SEC. 1079B. FINANCIAL FRAUD PROVISIONS.**

23 (a) SENTENCING GUIDELINES.—

24 (1) SECURITIES FRAUD.—





1 (II) the need for an effective de-  
2 terrent and appropriate punishment  
3 to prevent the offenses; and

4 (III) the effectiveness of incarcer-  
5 ation in furthering the objectives de-  
6 scribed in subclauses (I) and (II);

7 (ii) consider the extent to which the  
8 guidelines appropriately account for the  
9 potential and actual harm to the public  
10 and the financial markets resulting from  
11 the offenses;

12 (iii) ensure reasonable consistency  
13 with other relevant directives and guide-  
14 lines and Federal statutes;

15 (iv) make any necessary conforming  
16 changes to guidelines; and

17 (v) ensure that the guidelines ade-  
18 quately meet the purposes of sentencing,  
19 as set forth in section 3553(a)(2) of title  
20 18, United States Code.

21 (2) FINANCIAL INSTITUTION FRAUD.—

22 (A) DIRECTIVE.—Pursuant to its authority  
23 under section 994 of title 28, United States  
24 Code, and in accordance with this paragraph,  
25 the United States Sentencing Commission shall

1 review and, if appropriate, amend the Federal  
2 Sentencing Guidelines and policy statements  
3 applicable to persons convicted of fraud offenses  
4 relating to financial institutions or federally re-  
5 lated mortgage loans and any other similar pro-  
6 visions of law, to reflect the intent of Congress  
7 that the penalties for the offenses under the  
8 guidelines and policy statements ensure appro-  
9 priate terms of imprisonment for offenders in-  
10 volved in substantial bank frauds or other  
11 frauds relating to financial institutions.

12 (B) REQUIREMENTS.—In making any  
13 amendments to the Federal Sentencing Guide-  
14 lines and policy statements under subparagraph  
15 (A), the United States Sentencing Commission  
16 shall—

17 (i) ensure that the guidelines and pol-  
18 icy statements reflect—

19 (I) the serious nature of the of-  
20 fenses described in subparagraph (A);

21 (II) the need for an effective de-  
22 terrent and appropriate punishment  
23 to prevent the offenses; and

1 (III) the effectiveness of incarceration  
2 ation in furthering the objectives de-  
3 scribed in subclauses (I) and (II);

4 (ii) consider the extent to which the  
5 guidelines appropriately account for the  
6 potential and actual harm to the public  
7 and the financial markets resulting from  
8 the offenses;

9 (iii) ensure reasonable consistency  
10 with other relevant directives and guide-  
11 lines and Federal statutes;

12 (iv) make any necessary conforming  
13 changes to guidelines; and

14 (v) ensure that the guidelines ade-  
15 quately meet the purposes of sentencing,  
16 as set forth in section 3553(a)(2) of title  
17 18, United States Code.

18 (b) EXTENSION OF STATUTE OF LIMITATIONS FOR  
19 SECURITIES FRAUD VIOLATIONS.—

20 (1) IN GENERAL.—Chapter 213 of title 18,  
21 United States Code, is amended by adding at the  
22 end the following:

1 **“§ 3301. Securities fraud offenses**

2 “(a) DEFINITION.—In this section, the term ‘securi-  
3 ties fraud offense’ means a violation of, or a conspiracy  
4 or an attempt to violate—

5 “(1) section 1348;

6 “(2) section 32(a) of the Securities Exchange  
7 Act of 1934 (15 U.S.C. 78ff(a));

8 “(3) section 24 of the Securities Act of 1933  
9 (15 U.S.C. 77x);

10 “(4) section 217 of the Investment Advisers Act  
11 of 1940 (15 U.S.C. 80b–17);

12 “(5) section 49 of the Investment Company Act  
13 of 1940 (15 U.S.C. 80a–48); or

14 “(6) section 325 of the Trust Indenture Act of  
15 1939 (15 U.S.C. 77yyy).

16 “(b) LIMITATION.—No person shall be prosecuted,  
17 tried, or punished for a securities fraud offense, unless the  
18 indictment is found or the information is instituted within  
19 6 years after the commission of the offense.”.

20 (2) TECHNICAL AND CONFORMING AMEND-  
21 MENT.—The table of sections for chapter 213 of  
22 title 18, United States Code, is amended by adding  
23 at the end the following:

“3301. Securities fraud offenses.”.

1 (c) AMENDMENTS TO THE FALSE CLAIMS ACT RE-  
2 LATING TO LIMITATIONS ON ACTIONS.—Section 3730(h)  
3 of title 31, United States Code, is amended—

4 (1) in paragraph (1), by striking “or agent on  
5 behalf of the employee, contractor, or agent or asso-  
6 ciated others in furtherance of other efforts to stop  
7 1 or more violations of this subchapter” and insert-  
8 ing “agent or associated others in furtherance of an  
9 action under this section or other efforts to stop 1  
10 or more violations of this subchapter”; and

11 (2) by adding at the end the following:

12 “(3) LIMITATION ON BRINGING CIVIL AC-  
13 TION.—A civil action under this subsection may not  
14 be brought more than 3 years after the date when  
15 the retaliation occurred.”.

## 16 **Subtitle H—Conforming** 17 **Amendments**

### 18 **SEC. 1081. AMENDMENTS TO THE INSPECTOR GENERAL** 19 **ACT.**

20 Effective on the date of enactment of this Act, the  
21 Inspector General Act of 1978 (5 U.S.C. App. 3) is  
22 amended—

23 (1) in section 8G(a)(2), by inserting “and the  
24 Bureau of Consumer Financial Protection” after

1 “Board of Governors of the Federal Reserve Sys-  
2 tem”;

3 (2) in section 8G(c), by adding at the end the  
4 following: “For purposes of implementing this sec-  
5 tion, the Chairman of the Board of Governors of the  
6 Federal Reserve System shall appoint the Inspector  
7 General of the Board of Governors of the Federal  
8 Reserve System and the Bureau of Consumer Finan-  
9 cial Protection. The Inspector General of the Board  
10 of Governors of the Federal Reserve System and the  
11 Bureau of Consumer Financial Protection shall have  
12 all of the authorities and responsibilities provided by  
13 this Act with respect to the Bureau of Consumer Fi-  
14 nancial Protection, as if the Bureau were part of the  
15 Board of Governors of the Federal Reserve Sys-  
16 tem.”; and

17 (3) in section 8G(g)(3), by inserting “and the  
18 Bureau of Consumer Financial Protection” after  
19 “Board of Governors of the Federal Reserve Sys-  
20 tem” the first place that term appears.

21 **SEC. 1082. AMENDMENTS TO THE PRIVACY ACT OF 1974.**

22 Effective on the date of enactment of this Act, section  
23 552a of title 5, United States Code, is amended by adding  
24 at the end the following:

1           “(w) APPLICABILITY TO BUREAU OF CONSUMER FI-  
2   NANCIAL PROTECTION.—Except as provided in the Con-  
3   sumer Financial Protection Act of 2010, this section shall  
4   apply with respect to the Bureau of Consumer Financial  
5   Protection.”.

6   **SEC. 1083. AMENDMENTS TO THE ALTERNATIVE MORT-**  
7                           **GAGE TRANSACTION PARITY ACT OF 1982.**

8           (a) IN GENERAL.—The Alternative Mortgage Trans-  
9   action Parity Act of 1982 (12 U.S.C. 3801 et seq.) is  
10   amended—

11           (1) in section 803 (12 U.S.C. 3802(1)), by  
12   striking “1974” and all that follows through “de-  
13   scribed and defined” and inserting the following:  
14   “1974), in which the interest rate or finance charge  
15   may be adjusted or renegotiated, described and de-  
16   fined”; and

17           (2) in section 804 (12 U.S.C. 3803)—

18           (A) in subsection (a)—

19           (i) in each of paragraphs (1), (2), and  
20           (3), by inserting after “transactions made”  
21           each place that term appears “on or before  
22           the designated transfer date, as deter-  
23           mined under section 1062 of the Consumer  
24           Financial Protection Act of 2010,”;



1 (ii) in paragraph (2), by striking  
2 “and” at the end;

3 (iii) in paragraph (3), by striking the  
4 period at the end and inserting “; and”;  
5 and

6 (iv) by adding at the end the following  
7 new paragraph:

8 “(4) with respect to transactions made after the  
9 designated transfer date, only in accordance with  
10 regulations governing alternative mortgage trans-  
11 actions, as issued by the Bureau of Consumer Fi-  
12 nancial Protection for federally chartered housing  
13 creditors, in accordance with the rulemaking author-  
14 ity granted to the Bureau of Consumer Financial  
15 Protection with regard to federally chartered hous-  
16 ing creditors under provisions of law other than this  
17 section.”;

18 (B) by striking subsection (c) and insert-  
19 ing the following:

20 “(c) PREEMPTION OF STATE LAW.—An alternative  
21 mortgage transaction may be made by a housing creditor  
22 in accordance with this section, notwithstanding any State  
23 constitution, law, or regulation that prohibits an alter-  
24 native mortgage transaction. For purposes of this sub-  
25 section, a State constitution, law, or regulation that pro-

1 hibits an alternative mortgage transaction does not in-  
2 clude any State constitution, law, or regulation that regu-  
3 lates mortgage transactions generally, including any re-  
4 striction on prepayment penalties or late charges.”; and

5 (C) by adding at the end the following:

6 “(d) BUREAU ACTIONS.—The Bureau of Consumer  
7 Financial Protection shall—

8 “(1) review the regulations identified by the  
9 Comptroller of the Currency and the National Credit  
10 Union Administration, (as those rules exist on the  
11 designated transfer date), as applicable under para-  
12 graphs (1) through (3) of subsection (a);

13 “(2) determine whether such regulations are  
14 fair and not deceptive and otherwise meet the objec-  
15 tives of the Consumer Financial Protection Act of  
16 2010; and

17 “(3) promulgate regulations under subsection  
18 (a)(4) after the designated transfer date.

19 “(e) DESIGNATED TRANSFER DATE.—As used in  
20 this section, the term ‘designated transfer date’ means the  
21 date determined under section 1062 of the Consumer Fi-  
22 nancial Protection Act of 2010.”.

23 (b) EFFECTIVE DATE.—This section and the amend-  
24 ments made by this section shall become effective on the  
25 designated transfer date.

1 (c) RULE OF CONSTRUCTION.—The amendments  
2 made by subsection (a) shall not affect any transaction  
3 covered by the Alternative Mortgage Transaction Parity  
4 Act of 1982 (12 U.S.C. 3801 et seq.) and entered into on  
5 or before the designated transfer date.

6 **SEC. 1084. AMENDMENTS TO THE ELECTRONIC FUND**  
7 **TRANSFER ACT.**

8 The Electronic Fund Transfer Act (15 U.S.C. 1693  
9 et seq.) is amended—

10 (1) by striking “Board” each place that term  
11 appears and inserting “Bureau”, except in sub-  
12 sections (a) and (e) of section 904 (as amended in  
13 paragraph (3) of this section) and in 918 (15 U.S.C.  
14 1693o) (as so designated by the Credit Card Act of  
15 2009) and section 920 (as added by section 1076);

16 (2) in section 903 (15 U.S.C. 1693a)—

17 (A) by redesignating paragraphs (3)  
18 through (11) as paragraphs (4) through (12),  
19 respectively; and

20 (B) by inserting after paragraph (3) the  
21 following:

22 “(4) the term ‘Bureau’ means the Bureau of  
23 Consumer Financial Protection;”;

24 (3) in section 904 (15 U.S.C. 1693b)—

1           (A) in subsection (a), by striking “(a)  
2           PRESCRIPTION BY BOARD.—The Board shall  
3           prescribe regulations to carry out the purposes  
4           of this title.” and inserting the following:

5           “(a) PRESCRIPTION BY THE BUREAU AND THE  
6 BOARD.—

7           “(1) IN GENERAL.—Except as provided in para-  
8           graph (2), the Bureau shall prescribe rules to carry  
9           out the purposes of this title.

10           “(2) AUTHORITY OF THE BOARD.—The Board  
11           shall have sole authority to prescribe rules—

12           “(A) to carry out the purposes of this title  
13           with respect to a person described in section  
14           1029(a) of the Consumer Financial Protection  
15           Act of 2010; and

16           “(B) to carry out the purposes of section  
17           920.”; and

18           (B) by adding at the end the following new  
19           subsection:

20           “(e) DEFERENCE.—No provision of this title may be  
21           construed as altering, limiting, or otherwise affecting the  
22           deference that a court affords to—

23           “(1) the Bureau in making determinations re-  
24           garding the meaning or interpretation of any provi-

1 sion of this title for which the Bureau has authority  
2 to prescribe regulations; or

3 “(2) the Board in making determinations re-  
4 garding the meaning or interpretation of section  
5 920.”.

6 (4) in section 916(d) (15 U.S.C. 1693m) (as so  
7 designated by the Credit CARD Act of 2009)—

8 (A) in the subsection heading, by striking  
9 “OF BOARD OR APPROVAL OF DULY AUTHOR-  
10 IZED OFFICIAL OR EMPLOYEE OF FEDERAL  
11 RESERVE SYSTEM”;

12 (B) by inserting “Bureau or the” before  
13 “Board” each place that term appears; and

14 (C) by inserting “Bureau of Consumer Fi-  
15 nancial Protection or the” before “Federal Re-  
16 serve System”; and

17 (5) in section 918 (15 U.S.C. 1693o) (as so  
18 designated by the Credit CARD Act of 2009)—

19 (A) in subsection (a)—

20 (i) by striking “Compliance” and in-  
21 serting “Subject to subtitle B of the Con-  
22 sumer Financial Protection Act of 2010,  
23 compliance”;

24 (ii) by striking paragraphs (1) and  
25 (2), and inserting the following:

1           “(1) section 8 of the Federal Deposit Insurance  
2 Act, by the appropriate Federal banking agency, as  
3 defined in section 3(q) of the Federal Deposit Insur-  
4 ance Act (12 U.S.C. 1813(q)), with respect to—

5           “(A) national banks, Federal savings asso-  
6 ciations, and Federal branches and Federal  
7 agencies of foreign banks;

8           “(B) member banks of the Federal Reserve  
9 System (other than national banks), branches  
10 and agencies of foreign banks (other than Fed-  
11 eral branches, Federal agencies, and insured  
12 State branches of foreign banks), commercial  
13 lending companies owned or controlled by for-  
14 eign banks, and organizations operating under  
15 section 25 or 25A of the Federal Reserve Act;  
16 and

17           “(C) banks and State savings associations  
18 insured by the Federal Deposit Insurance Cor-  
19 poration (other than members of the Federal  
20 Reserve System), and insured State branches of  
21 foreign banks;”;

22           (iii) by redesignating paragraphs (3)  
23 through (5) as paragraphs (2) through (4),  
24 respectively;

1 (iv) in paragraph (2) (as so redesignated),  
2 nated), by striking the period at the end  
3 and inserting a semicolon;

4 (v) in paragraph (3) (as so redesignated),  
5 by striking “and” at the end;

6 (vi) in paragraph (4) (as so redesignated),  
7 by striking the period at the end  
8 and inserting “and”; and

9 (vii) by adding at the end the following:  
10

11 “(5) subtitle E of the Consumer Financial Protection  
12 Act of 2010, by the Bureau, with respect to  
13 any person subject to that subtitle E, except that  
14 the Bureau shall not have authority to enforce the  
15 requirements of section 920 or any regulations prescribed  
16 by the Board under section 920.”;

17 (B) in subsection (b), by inserting “any of  
18 paragraphs (1) through (4) of” before “subsection  
19 (a)” each place that term appears; and

20 (C) by striking subsection (c) and inserting  
21 the following:

22 “(c) OVERALL ENFORCEMENT AUTHORITY OF THE  
23 FEDERAL TRADE COMMISSION.—Except to the extent  
24 that enforcement of the requirements imposed under this  
25 title is specifically committed to some other Government

1 agency under any of paragraphs (1) through (4) of sub-  
2 section (a), and subject to subtitle B of the Consumer Fi-  
3 nancial Protection Act of 2010, the Federal Trade Com-  
4 mission shall be authorized to enforce such requirements.  
5 For the purpose of the exercise by the Federal Trade  
6 Commission of its functions and powers under the Federal  
7 Trade Commission Act, a violation of any requirement im-  
8 posed under this title shall be deemed a violation of a re-  
9 quirement imposed under that Act. All of the functions  
10 and powers of the Federal Trade Commission under the  
11 Federal Trade Commission Act are available to the Fed-  
12 eral Trade Commission to enforce compliance by any per-  
13 son subject to the jurisdiction of the Federal Trade Com-  
14 mission with the requirements imposed under this title,  
15 irrespective of whether that person is engaged in com-  
16 merce or meets any other jurisdictional tests under the  
17 Federal Trade Commission Act.”.

18 **SEC. 1085. AMENDMENTS TO THE EQUAL CREDIT OPPOR-**  
19 **TUNITY ACT.**

20 The Equal Credit Opportunity Act (15 U.S.C. 1691  
21 et seq.) is amended—

22 (1) by striking “Board” each place that term  
23 appears, other than in section 704(a)(4) (15 U.S.C.  
24 1691e(a)(4)), and inserting “Bureau”;



1           (2) in section 702 (15 U.S.C. 1691a), by strik-  
2           ing subsection (c) and inserting the following:

3           “(c) The term ‘Bureau’ means the Bureau of Con-  
4           sumer Financial Protection.”;

5           (3) in section 703 (15 U.S.C. 1691b)—

6           (A) by striking the section heading and in-  
7           serting the following:

8           **“SEC. 703. PROMULGATION OF REGULATIONS BY THE BU-  
9           REAU.”;**

10           (B) by striking “(a) REGULATIONS.—”;

11           (C) by striking subsection (b);

12           (D) by redesignating paragraphs (1)  
13           through (5) as subsections (a) through (e), re-  
14           spectively;

15           (E) in subsection (c), as so redesignated,  
16           by striking “paragraph (2)” and inserting “sub-  
17           section (b)”;

18           (F) by adding at the end the following:

19           “(f) BOARD AUTHORITY.—Notwithstanding sub-  
20           section (a), the Board shall prescribe regulations to carry  
21           out the purposes of this title with respect to a person de-  
22           scribed in section 1029(a) of the Consumer Financial Pro-  
23           tection Act of 2010. These regulations may contain but  
24           are not limited to such classifications, differentiation, or  
25           other provision, and may provide for such adjustments and

1 exceptions for any class of transactions, as in the judg-  
2 ment of the Board are necessary or proper to effectuate  
3 the purposes of this title, to prevent circumvention or eva-  
4 sion thereof, or to facilitate or substantiate compliance  
5 therewith.

6 “(g) DEFERENCE.—Notwithstanding any power  
7 granted to any Federal agency under this title, the def-  
8 erence that a court affords to a Federal agency with re-  
9 spect to a determination made by such agency relating to  
10 the meaning or interpretation of any provision of this title  
11 that is subject to the jurisdiction of such agency shall be  
12 applied as if that agency were the only agency authorized  
13 to apply, enforce, interpret, or administer the provisions  
14 of this title”;

15 (4) in section 704 (15 U.S.C. 1691c)—

16 (A) in subsection (a)—

17 (i) by striking “Compliance” and in-  
18 sserting “Subject to subtitle B of the Con-  
19 sumer Protection Financial Protection Act  
20 of 2010”;

21 (ii) by striking paragraphs (1) and (2)  
22 and inserting the following:

23 “(1) section 8 of the Federal Deposit Insurance  
24 Act, by the appropriate Federal banking agency, as

1 defined in section 3(q) of the Federal Deposit Insur-  
2 ance Act (12 U.S.C. 1813(q)), with respect to—

3 “(A) national banks, Federal savings asso-  
4 ciations, and Federal branches and Federal  
5 agencies of foreign banks;

6 “(B) member banks of the Federal Reserve  
7 System (other than national banks), branches  
8 and agencies of foreign banks (other than Fed-  
9 eral branches, Federal agencies, and insured  
10 State branches of foreign banks), commercial  
11 lending companies owned or controlled by for-  
12 eign banks, and organizations operating under  
13 section 25 or 25A of the Federal Reserve Act;  
14 and

15 “(C) banks and State savings associations  
16 insured by the Federal Deposit Insurance Cor-  
17 poration (other than members of the Federal  
18 Reserve System), and insured State branches of  
19 foreign banks;”;

20 (iii) by redesignating paragraphs (3)  
21 through (9) as paragraphs (2) through (8),  
22 respectively;

23 (iv) in paragraph (7) (as so redesign-  
24 nated), by striking “and” at the end;

1 (v) in paragraph (8) (as so redesignig-  
2 nated), by striking the period at the end,  
3 and inserting “; and”; and

4 (vi) by adding at the end the fol-  
5 lowing:

6 “(9) Subtitle E of the Consumer Financial Pro-  
7 tection Act of 2010, by the Bureau, with respect to  
8 any person subject to this title.”;

9 (B) by striking subsection (c) and insert-  
10 ing the following:

11 “(c) OVERALL ENFORCEMENT AUTHORITY OF FED-  
12 ERAL TRADE COMMISSION.—Except to the extent that en-  
13 forcement of the requirements imposed under this title is  
14 specifically committed to some other Government agency  
15 under any of paragraphs (1) through (8) of subsection (a),  
16 and subject to subtitle B of the Consumer Financial Pro-  
17 tection Act of 2010, the Federal Trade Commission shall  
18 be authorized to enforce such requirements. For the pur-  
19 pose of the exercise by the Federal Trade Commission of  
20 its functions and powers under the Federal Trade Com-  
21 mission Act (15 U.S.C. 41 et seq.), a violation of any re-  
22 quirement imposed under this subchapter shall be deemed  
23 a violation of a requirement imposed under that Act. All  
24 of the functions and powers of the Federal Trade Commis-  
25 sion under the Federal Trade Commission Act are avail-

1 able to the Federal Trade Commission to enforce compli-  
2 ance by any person with the requirements imposed under  
3 this title, irrespective of whether that person is engaged  
4 in commerce or meets any other jurisdictional tests under  
5 the Federal Trade Commission Act, including the power  
6 to enforce any rule prescribed by the Bureau under this  
7 title in the same manner as if the violation had been a  
8 violation of a Federal Trade Commission trade regulation  
9 rule.”; and

10 (C) in subsection (d), by striking “Board”  
11 and inserting “Bureau”;

12 (5) in section 706(e) (15 U.S.C. 1691e(e))—

13 (A) in the subsection heading—

14 (i) by striking “BOARD” each place  
15 that term appears and inserting “BU-  
16 REAU”; and

17 (ii) by striking “FEDERAL RESERVE  
18 SYSTEM” and inserting “BUREAU OF CON-  
19 SUMER FINANCIAL PROTECTION”; and

20 (B) by striking “Federal Reserve System”  
21 and inserting “Bureau of Consumer Financial  
22 Protection”;

23 (6) in section 706(g) (15 U.S.C. 1691e(g)), by  
24 striking “(3)” and inserting “(9)”; and

1           (7) in section 706(f) (15 U.S.C. 1691e(f)), by  
2           striking “two years from” each place that term ap-  
3           pears and inserting “5 years after”.

4 **SEC. 1086. AMENDMENTS TO THE EXPEDITED FUNDS**  
5 **AVAILABILITY ACT.**

6           (a) AMENDMENT TO SECTION 603.—Section  
7 603(d)(1) of the Expedited Funds Availability Act (12  
8 U.S.C. 4002) is amended by inserting after “Board” the  
9 following “, jointly with the Director of the Bureau of  
10 Consumer Financial Protection,”.

11           (b) AMENDMENTS TO SECTION 604.—Section 604 of  
12 the Expedited Funds Availability Act (12 U.S.C. 4003)  
13 is amended—

14           (1) by inserting after “Board” each place that  
15 term appears, other than in subsection (f), the fol-  
16 lowing: “, jointly with the Director of the Bureau of  
17 Consumer Financial Protection,”; and

18           (2) in subsection (f), by striking “Board.” each  
19 place that term appears and inserting the following:  
20 “Board, jointly with the Director of the Bureau of  
21 Consumer Financial Protection.”.

22           (c) AMENDMENTS TO SECTION 605.—Section 605 of  
23 the Expedited Funds Availability Act (12 U.S.C. 4004)  
24 is amended—

1           (1) by inserting after “Board” each place that  
2           term appears, other than in the heading for section  
3           605(f)(1), the following: “, jointly with the Director  
4           of the Bureau of Consumer Financial Protection,”;  
5           and

6           (2) in subsection (f)(1), in the paragraph head-  
7           ing, by inserting “AND BUREAU” after “BOARD”.

8           (d) AMENDMENTS TO SECTION 609.—Section 609 of  
9           the Expedited Funds Availability Act (12 U.S.C. 4008)  
10          is amended:

11           (1) in subsection (a), by inserting after  
12           “Board” the following “, jointly with the Director of  
13           the Bureau of Consumer Financial Protection,”; and

14           (2) by striking subsection (e) and inserting the  
15           following:

16           “(e) CONSULTATIONS.—In prescribing regulations  
17           under subsections (a) and (b), the Board and the Director  
18           of the Bureau of Consumer Financial Protection, in the  
19           case of subsection (a), and the Board, in the case of sub-  
20           section (b), shall consult with the Comptroller of the Cur-  
21           rency, the Board of Directors of the Federal Deposit In-  
22           surance Corporation, and the National Credit Union Ad-  
23           ministration Board.”.

1 (e) EXPEDITED FUNDS AVAILABILITY IMPROVE-  
2 MENTS.—Section 603 of the Expedited Funds Availability  
3 Act (12 U.S.C. 4002) is amended—

4 (1) in subsection (a)(2)(D), by striking “\$100”  
5 and inserting “\$200”; and

6 (2) in subsection (b)(3)(C), in the subpara-  
7 graph heading, by striking “\$100” and inserting  
8 “\$200”; and

9 (3) in subsection (c)(1)(B)(iii), in the clause  
10 heading, by striking “\$100” and inserting “\$200”.

11 (f) REGULAR ADJUSTMENTS FOR INFLATION.—Sec-  
12 tion 607 of the Expedited Funds Availability Act (12  
13 U.S.C. 4006) is amended by adding at the end the fol-  
14 lowing:

15 “(f) ADJUSTMENTS TO DOLLAR AMOUNTS FOR IN-  
16 FLATION.—The dollar amounts under this title shall be  
17 adjusted every 5 years after December 31, 2011, by the  
18 annual percentage increase in the Consumer Price Index  
19 for Urban Wage Earners and Clerical Workers, as pub-  
20 lished by the Bureau of Labor Statistics, rounded to the  
21 nearest multiple of \$25.”.

22 **SEC. 1087. AMENDMENTS TO THE FAIR CREDIT BILLING**  
23 **ACT.**

24 The Fair Credit Billing Act (15 U.S.C. 1666–1666j)  
25 is amended by striking “Board” each place that term ap-



1   pears, other than in section 105(i) (as added by this sub-  
2   title) and inserting “Bureau”.

3   **SEC. 1088. AMENDMENTS TO THE FAIR CREDIT REPORTING**  
4                   **ACT AND THE FAIR AND ACCURATE CREDIT**  
5                   **TRANSACTIONS ACT OF 2003.**

6           (a) FAIR CREDIT REPORTING ACT.—The Fair Credit  
7   Reporting Act (15 U.S.C. 1681 et seq.) is amended—

8               (1) in section 603 (15 U.S.C. 1681a)—

9                   (A) by redesignating subsections (w) and  
10                  (x) as subsections (x) and (y), respectively; and

11                  (B) by inserting after subsection (v) the  
12                  following:

13                  “(w) The term ‘Bureau’ means the Bureau of Con-  
14   sumer Financial Protection.”; and

15               (2) except as otherwise specifically provided in  
16   this subsection—

17                   (A) by striking “Federal Trade Commis-  
18                  sion” each place that term appears and insert-  
19                  ing “Bureau”;

20                   (B) by striking “FTC” each place that  
21                  term appears and inserting “Bureau”;

22                   (C) by striking “the Commission” each  
23                  place that term appears, other than sections  
24                  615(e) (15 U.S.C. 1681m(e)) and 628(a)(1)

1 (15 U.S.C. 1681w(a)(1)), and inserting “the  
2 Bureau”; and

3 (D) by striking “The Federal banking  
4 agencies, the National Credit Union Adminis-  
5 tration, and the Commission shall jointly” each  
6 place that term appears, other than section  
7 615(e)(1) (15 U.S.C. 1681m(e)) and section  
8 628(a)(1) (15 U.S.C. 1681w(a)(1)), and insert-  
9 ing “The Bureau shall”;

10 (3) in section 603(k)(2) (15 U.S.C.  
11 1681a(k)(2)), by striking “Board of Governors of  
12 the Federal Reserve System” and inserting “Bu-  
13 reau”;

14 (4) in section 604(g) (15 U.S.C. 1681b(g))—

15 (A) in paragraph (3), by striking subpara-  
16 graph (C) and inserting the following:

17 “(C) as otherwise determined to be nec-  
18 essary and appropriate, by regulation or order,  
19 by the Bureau or the applicable State insurance  
20 authority (with respect to any person engaged  
21 in providing insurance or annuities).”; and

22 (B) by striking paragraph (5) and insert-  
23 ing the following:

24 “(5) REGULATIONS AND EFFECTIVE DATE FOR  
25 PARAGRAPH (2).—

1           “(A) REGULATIONS REQUIRED.—The Bu-  
2           reau may, after notice and opportunity for com-  
3           ment, prescribe regulations that permit trans-  
4           actions under paragraph (2) that are deter-  
5           mined to be necessary and appropriate to pro-  
6           tect legitimate operational, transactional, risk,  
7           consumer, and other needs (and which shall in-  
8           clude permitting actions necessary for adminis-  
9           trative verification purposes), consistent with  
10          the intent of paragraph (2) to restrict the use  
11          of medical information for inappropriate pur-  
12          poses.”;

13          (5) in section 605(h)(2)(A) (15 U.S.C.  
14          1681c(h)(2)(A)), by striking “with respect to the en-  
15          tities that are subject to their respective enforcement  
16          authority under section 621” and inserting “, in  
17          consultation with the Federal banking agencies, the  
18          National Credit Union Administration, and the Fed-  
19          eral Trade Commission,”.

20          (6) in section 611(e)(2) (15 U.S.C. 1681i(e)),  
21          by striking paragraph (2) and inserting the fol-  
22          lowing:

23          “(2) EXCLUSION.—Complaints received or ob-  
24          tained by the Bureau pursuant to its investigative

1 authority under the Consumer Financial Protection  
2 Act of 2010 shall not be subject to paragraph (1).”;

3 (7) in section 615(d)(2)(B) (15 U.S.C.  
4 1681m(d)(2)(B)), by striking “the Federal banking  
5 agencies” and inserting “the Federal Trade Com-  
6 mission, the Federal banking agencies,”;

7 (8) in section 615(e)(1) (15 U.S.C.  
8 1681m(e)(1)), by striking “and the Commission”  
9 and inserting “the Federal Trade Commission, the  
10 Commodity Futures Trading Commission, and the  
11 Securities and Exchange Commission”;

12 (9) in section 615(h)(6) (15 U.S.C.  
13 1681m(h)(6)), by striking subparagraph (A) and in-  
14 serting the following:

15 “(A) RULES REQUIRED.—The Bureau  
16 shall prescribe rules to carry out this sub-  
17 section.”;

18 (10) in section 621 (15 U.S.C. 1681s)—

19 (A) by striking subsection (a) and insert-  
20 ing the following:

21 “(a) ENFORCEMENT BY FEDERAL TRADE COMMIS-  
22 SION.—

23 “(1) IN GENERAL.—The Federal Trade Com-  
24 mission shall be authorized to enforce compliance  
25 with the requirements imposed by this title under

1 the Federal Trade Commission Act (15 U.S.C. 41 et  
2 seq.), with respect to consumer reporting agencies  
3 and all other persons subject thereto, except to the  
4 extent that enforcement of the requirements imposed  
5 under this title is specifically committed to some  
6 other Government agency under any of subpara-  
7 graphs (A) through (G) of subsection (b)(1), and  
8 subject to subtitle B of the Consumer Financial Pro-  
9 tection Act of 2010, subsection (b). For the purpose  
10 of the exercise by the Federal Trade Commission of  
11 its functions and powers under the Federal Trade  
12 Commission Act, a violation of any requirement or  
13 prohibition imposed under this title shall constitute  
14 an unfair or deceptive act or practice in commerce,  
15 in violation of section 5(a) of the Federal Trade  
16 Commission Act (15 U.S.C. 45(a)), and shall be  
17 subject to enforcement by the Federal Trade Com-  
18 mission under section 5(b) of that Act with respect  
19 to any consumer reporting agency or person that is  
20 subject to enforcement by the Federal Trade Com-  
21 mission pursuant to this subsection, irrespective of  
22 whether that person is engaged in commerce or  
23 meets any other jurisdictional tests under the Fed-  
24 eral Trade Commission Act. The Federal Trade  
25 Commission shall have such procedural, investiga-

1           tive, and enforcement powers, including the power to  
2           issue procedural rules in enforcing compliance with  
3           the requirements imposed under this title and to re-  
4           quire the filing of reports, the production of docu-  
5           ments, and the appearance of witnesses, as though  
6           the applicable terms and conditions of the Federal  
7           Trade Commission Act were part of this title. Any  
8           person violating any of the provisions of this title  
9           shall be subject to the penalties and entitled to the  
10          privileges and immunities provided in the Federal  
11          Trade Commission Act as though the applicable  
12          terms and provisions of such Act are part of this  
13          title.

14               “(2) PENALTIES.—

15                   “(A) KNOWING VIOLATIONS.—Except as  
16                   otherwise provided by subtitle B of the Con-  
17                   sumer Financial Protection Act of 2010, in the  
18                   event of a knowing violation, which constitutes  
19                   a pattern or practice of violations of this title,  
20                   the Federal Trade Commission may commence  
21                   a civil action to recover a civil penalty in a dis-  
22                   trict court of the United States against any  
23                   person that violates this title. In such action,  
24                   such person shall be liable for a civil penalty of  
25                   not more than \$2,500 per violation.

1           “(B) DETERMINING PENALTY AMOUNT.—

2           In determining the amount of a civil penalty  
3           under subparagraph (A), the court shall take  
4           into account the degree of culpability, any his-  
5           tory of such prior conduct, ability to pay, effect  
6           on ability to continue to do business, and such  
7           other matters as justice may require.

8           “(C) LIMITATION.—Notwithstanding para-  
9           graph (2), a court may not impose any civil  
10          penalty on a person for a violation of section  
11          623(a)(1), unless the person has been enjoined  
12          from committing the violation, or ordered not to  
13          commit the violation, in an action or proceeding  
14          brought by or on behalf of the Federal Trade  
15          Commission, and has violated the injunction or  
16          order, and the court may not impose any civil  
17          penalty for any violation occurring before the  
18          date of the violation of the injunction or  
19          order.”;

20                 (B) by striking subsection (b) and insert-  
21                 ing the following:

22          “(b) ENFORCEMENT BY OTHER AGENCIES.—

23                 “(1) IN GENERAL.—Subject to subtitle B of the  
24          Consumer Financial Protection Act of 2010, compli-  
25          ance with the requirements imposed under this title

1 with respect to consumer reporting agencies, persons  
2 who use consumer reports from such agencies, per-  
3 sons who furnish information to such agencies, and  
4 users of information that are subject to section  
5 615(d) shall be enforced under—

6 “(A) section 8 of the Federal Deposit In-  
7 surance Act (12 U.S.C. 1818), by the appro-  
8 priate Federal banking agency, as defined in  
9 section 3(q) of the Federal Deposit Insurance  
10 Act (12 U.S.C. 1813(q)), with respect to—

11 “(i) any national bank or State sav-  
12 ings association, and any Federal branch  
13 or Federal agency of a foreign bank;

14 “(ii) any member bank of the Federal  
15 Reserve System (other than a national  
16 bank), a branch or agency of a foreign  
17 bank (other than a Federal branch, Fed-  
18 eral agency, or insured State branch of a  
19 foreign bank), a commercial lending com-  
20 pany owned or controlled by a foreign  
21 bank, and any organization operating  
22 under section 25 or 25A of the Federal  
23 Reserve Act; and

24 “(iii) any bank or Federal savings as-  
25 sociation insured by the Federal Deposit



1 Insurance Corporation (other than a mem-  
2 ber of the Federal Reserve System) and  
3 any insured State branch of a foreign  
4 bank;

5 “(B) the Federal Credit Union Act (12  
6 U.S.C. 1751 et seq.), by the Administrator of  
7 the National Credit Union Administration with  
8 respect to any Federal credit union;

9 “(C) subtitle IV of title 49, United States  
10 Code, by the Secretary of Transportation, with  
11 respect to all carriers subject to the jurisdiction  
12 of the Surface Transportation Board;

13 “(D) the Federal Aviation Act of 1958 (49  
14 U.S.C. App. 1301 et seq.), by the Secretary of  
15 Transportation, with respect to any air carrier  
16 or foreign air carrier subject to that Act;

17 “(E) the Packers and Stockyards Act,  
18 1921 (7 U.S.C. 181 et seq.) (except as provided  
19 in section 406 of that Act), by the Secretary of  
20 Agriculture, with respect to any activities sub-  
21 ject to that Act;

22 “(F) the Commodity Exchange Act, with  
23 respect to a person subject to the jurisdiction of  
24 the Commodity Futures Trading Commission;

1           “(G) the Federal securities laws, and any  
2           other laws that are subject to the jurisdiction of  
3           the Securities and Exchange Commission, with  
4           respect to a person that is subject to the juris-  
5           diction of the Securities and Exchange Commis-  
6           sion; and

7           “(H) subtitle E of the Consumer Financial  
8           Protection Act of 2010, by the Bureau, with re-  
9           spect to any person subject to this title.

10          “(2) INCORPORATED DEFINITIONS.—The terms  
11          used in paragraph (1) that are not defined in this  
12          title or otherwise defined in section 3(s) of the Fed-  
13          eral Deposit Insurance Act (12 U.S.C. 1813(s)) have  
14          the same meanings as in section 1(b) of the Inter-  
15          national Banking Act of 1978 (12 U.S.C. 3101).”;

16          (C) in subsection (c)(2)—

17                 (i) by inserting “and the Federal  
18                 Trade Commission” before “or the appro-  
19                 priate”; and

20                 (ii) by inserting “and the Federal  
21                 Trade Commission” before “or appro-  
22                 priate” each place that term appears;

23          (D) in subsection (c)(4), by inserting be-  
24          fore “or the appropriate” each place that term

1 appears the following: “, the Federal Trade  
2 Commission,”;

3 (E) by striking subsection (e) and insert-  
4 ing the following:

5 “(e) REGULATORY AUTHORITY.—

6 “(1) IN GENERAL.—The Bureau shall prescribe  
7 such regulations as are necessary to carry out the  
8 purposes of this title, except with respect to sections  
9 615(e) and 628. The Bureau may prescribe regula-  
10 tions as may be necessary or appropriate to admin-  
11 ister and carry out the purposes and objectives of  
12 this title, and to prevent evasions thereof or to facili-  
13 tate compliance therewith. Except as provided in  
14 section 1029(a) of the Consumer Financial Protec-  
15 tion Act of 2010, the regulations prescribed by the  
16 Bureau under this title shall apply to any person  
17 that is subject to this title, notwithstanding the en-  
18 forcement authorities granted to other agencies  
19 under this section.

20 “(2) DEFERENCE.—Notwithstanding any power  
21 granted to any Federal agency under this title, the  
22 deference that a court affords to a Federal agency  
23 with respect to a determination made by such agen-  
24 cy relating to the meaning or interpretation of any  
25 provision of this title that is subject to the jurisdic-

1       tion of such agency shall be applied as if that agency  
2       were the only agency authorized to apply, enforce,  
3       interpret, or administer the provisions of this title  
4       The regulations prescribed by the Bureau under this  
5       title shall apply to any person that is subject to this  
6       title, notwithstanding the enforcement authorities  
7       granted to other agencies under this section.”; and

8               (F) in subsection (f)(2), by striking “the  
9       Federal banking agencies” and insert “the Fed-  
10      eral Trade Commission, the Federal banking  
11      agencies,”;

12      (11) in section 623 (15 U.S.C. 1681s-2)—

13              (A) in subsection (a)(7), by striking sub-  
14      paragraph (D) and inserting the following:

15              “(D) MODEL DISCLOSURE.—

16                      “(i) DUTY OF BUREAU.—The Bureau  
17                      shall prescribe a brief model disclosure  
18                      that a financial institution may use to  
19                      comply with subparagraph (A), which shall  
20                      not exceed 30 words.

21                      “(ii) USE OF MODEL NOT RE-  
22                      QUIRED.—No provision of this paragraph  
23                      may be construed to require a financial in-  
24                      stitution to use any such model form pre-  
25                      scribed by the Bureau.

1                   “(iii) COMPLIANCE USING MODEL.—A  
2                   financial institution shall be deemed to be  
3                   in compliance with subparagraph (A) if the  
4                   financial institution uses any model form  
5                   prescribed by the Bureau under this sub-  
6                   paragraph, or the financial institution uses  
7                   any such model form and rearranges its  
8                   format.”;

9                   (B) in subsection (a)(8), by inserting “, in  
10                  consultation with the Federal Trade Commis-  
11                  sion, the Federal banking agencies, and the Na-  
12                  tional Credit Union Administration,” before  
13                  “shall jointly”; and

14                  (C) by striking subsection (e) and inserting  
15                  the following:

16                  “(e) ACCURACY GUIDELINES AND REGULATIONS RE-  
17                  QUIRED.—

18                  “(1) GUIDELINES.—The Bureau shall, with re-  
19                  spect to persons or entities that are subject to the  
20                  enforcement authority of the Bureau under section  
21                  621—

22                  “(A) establish and maintain guidelines for  
23                  use by each person that furnishes information  
24                  to a consumer reporting agency regarding the  
25                  accuracy and integrity of the information relat-

1 ing to consumers that such entities furnish to  
2 consumer reporting agencies, and update such  
3 guidelines as often as necessary; and

4 “(B) prescribe regulations requiring each  
5 person that furnishes information to a con-  
6 sumer reporting agency to establish reasonable  
7 policies and procedures for implementing the  
8 guidelines established pursuant to subpara-  
9 graph (A).

10 “(2) CRITERIA.—In developing the guidelines  
11 required by paragraph (1)(A), the Bureau shall—

12 “(A) identify patterns, practices, and spe-  
13 cific forms of activity that can compromise the  
14 accuracy and integrity of information furnished  
15 to consumer reporting agencies;

16 “(B) review the methods (including techno-  
17 logical means) used to furnish information re-  
18 lating to consumers to consumer reporting  
19 agencies;

20 “(C) determine whether persons that fur-  
21 nish information to consumer reporting agen-  
22 cies maintain and enforce policies to ensure the  
23 accuracy and integrity of information furnished  
24 to consumer reporting agencies; and

1           “(D) examine the policies and processes  
2           that persons that furnish information to con-  
3           sumer reporting agencies employ to conduct re-  
4           investigations and correct inaccurate informa-  
5           tion relating to consumers that has been fur-  
6           nished to consumer reporting agencies.”;

7           (12) in section 628(a)(1) (15 U.S.C.  
8           1681w(a)(1)), by striking “Not later than” and all  
9           that follows through “Exchange Commission,” and  
10          inserting “The Federal Trade Commission, the Se-  
11          curities and Exchange Commission, the Commodity  
12          Futures Trading Commission, the Federal banking  
13          agencies, and the National Credit Union Administra-  
14          tion, with respect to the entities that are subject to  
15          their respective enforcement authority under section  
16          621,”; and

17          (13) in section 628(a)(3) (15 U.S.C.  
18          1681w(a)(3)), by striking “the Federal banking  
19          agencies, the National Credit Union Administration,  
20          the Commission, and the Securities and Exchange  
21          Commission” and inserting “the agencies identified  
22          in paragraph (1)”.

23          (b) FAIR AND ACCURATE CREDIT TRANSACTIONS  
24          ACT OF 2003.—The Fair and Accurate Credit Trans-  
25          actions Act of 2003 (Public Law 108–159) is amended—

1           (1) in section 112(b) (15 U.S.C. 1681e–1 note),  
2           by striking “Commission” and inserting “Bureau”;

3           (2) in section 211(d) (15 U.S.C. 1681j note),  
4           by striking “Commission” each place that term ap-  
5           pears and inserting “Bureau”;

6           (3) in section 214(b) (15 U.S.C. 1681s–3 note),  
7           by striking paragraph (1) and inserting the fol-  
8           lowing:

9           “(1) IN GENERAL.—Regulations to carry out  
10          section 624 of the Fair Credit Reporting Act (15  
11          U.S.C. 1681s–3), shall be prescribed, as described in  
12          paragraph (2), by—

13                 “(A) the Commodity Futures Trading  
14                 Commission, with respect to entities subject to  
15                 its enforcement authorities;

16                 “(B) the Securities and Exchange Commis-  
17                 sion, with respect to entities subject to its en-  
18                 forcement authorities; and

19                 “(C) the Bureau, with respect to other en-  
20                 tities subject to this Act.”; and

21           (4) in section 214(e)(1) (15 U.S.C. 1681s–3  
22           note), by striking “Commission” and inserting “Bu-  
23           reau”.



1 **SEC. 1089. AMENDMENTS TO THE FAIR DEBT COLLECTION**  
2 **PRACTICES ACT.**

3 The Fair Debt Collection Practices Act (15 U.S.C.  
4 1692 et seq.) is amended—

5 (1) by striking “Commission” each place that  
6 term appears and inserting “Bureau”;

7 (2) in section 803 (15 U.S.C. 1692a)—

8 (A) by striking paragraph (1) and insert-  
9 ing the following:

10 “(1) The term ‘Bureau’ means the Bureau of  
11 Consumer Financial Protection.”;

12 (3) in section 814 (15 U.S.C. 1692l)—

13 (A) by striking subsection (a) and insert-  
14 ing the following:

15 “(a) FEDERAL TRADE COMMISSION.—The Federal  
16 Trade Commission shall be authorized to enforce compli-  
17 ance with this title, except to the extent that enforcement  
18 of the requirements imposed under this title is specifically  
19 committed to another Government agency under any of  
20 paragraphs (1) through (5) of subsection (b), subject to  
21 subtitle B of the Consumer Financial Protection Act of  
22 2010. For purpose of the exercise by the Federal Trade  
23 Commission of its functions and powers under the Federal  
24 Trade Commission Act (15 U.S.C. 41 et seq.), a violation  
25 of this title shall be deemed an unfair or deceptive act  
26 or practice in violation of that Act. All of the functions

1 and powers of the Federal Trade Commission under the  
2 Federal Trade Commission Act are available to the Fed-  
3 eral Trade Commission to enforce compliance by any per-  
4 son with this title, irrespective of whether that person is  
5 engaged in commerce or meets any other jurisdictional  
6 tests under the Federal Trade Commission Act, including  
7 the power to enforce the provisions of this title, in the  
8 same manner as if the violation had been a violation of  
9 a Federal Trade Commission trade regulation rule.”; and

10 (B) in subsection (b)—

11 (i) by striking “Compliance” and in-  
12 serting “Subject to subtitle B of the Con-  
13 sumer Financial Protection Act of 2010,  
14 compliance”;

15 (ii) by striking paragraphs (1) and (2)  
16 and inserting the following:

17 “(1) section 8 of the Federal Deposit Insurance  
18 Act, by the appropriate Federal banking agency, as  
19 defined in section 3(q) of the Federal Deposit Insur-  
20 ance Act (12 U.S.C. 1813(q)), with respect to—

21 “(A) national banks, Federal savings asso-  
22 ciations, and Federal branches and Federal  
23 agencies of foreign banks;

24 “(B) member banks of the Federal Reserve  
25 System (other than national banks), branches

1 and agencies of foreign banks (other than Fed-  
2 eral branches, Federal agencies, and insured  
3 State branches of foreign banks), commercial  
4 lending companies owned or controlled by for-  
5 eign banks, and organizations operating under  
6 section 25 or 25A of the Federal Reserve Act;  
7 and

8 “(C) banks and State savings associations  
9 insured by the Federal Deposit Insurance Cor-  
10 poration (other than members of the Federal  
11 Reserve System), and insured State branches of  
12 foreign banks;”;

13 (iii) by redesignating paragraphs (3)  
14 through (6), as paragraphs (2) through  
15 (5), respectively;

16 (iv) in paragraph (4) (as so redesign-  
17 ated), by striking “and” at the end;

18 (v) in paragraph (5) (as so redesign-  
19 ated), by striking the period at the end  
20 and inserting “; and”; and

21 (vi) by inserting before the undesig-  
22 nated matter at the end the following:

23 “(6) subtitle E of the Consumer Financial Pro-  
24 tection Act of 2010, by the Bureau, with respect to  
25 any person subject to this subtitle.”.

1           (4) in subsection (d), by striking “Neither the  
2           Commission” and all that follows through the end of  
3           the subsection and inserting the following: “Except  
4           as provided in section 1029(a) of the Consumer Fi-  
5           nancial Protection Act of 2010, the Bureau may  
6           prescribe rules with respect to the collection of debts  
7           by debt collectors, as defined in this title.”.

8   **SEC. 1090. AMENDMENTS TO THE FEDERAL DEPOSIT IN-**  
9                           **SURANCE ACT.**

10          The Federal Deposit Insurance Act (12 U.S.C. 1811  
11 et seq.) is amended—

12           (1) in section 8(t) (12 U.S.C. 1818(t)), by add-  
13           ing at the end the following:

14           “(6) REFERRAL TO BUREAU OF CONSUMER FI-  
15           NANCIAL PROTECTION.—Subject to subtitle B of the  
16           Consumer Financial Protection Act of 2010, each  
17           appropriate Federal banking agency shall make a re-  
18           ferral to the Bureau of Consumer Financial Protec-  
19           tion when the Federal banking agency has a reason-  
20           able belief that a violation of an enumerated con-  
21           sumer law, as defined in the Consumer Financial  
22           Protection Act of 2010, has been committed by any  
23           insured depository institution or institution-affiliated  
24           party within the jurisdiction of that appropriate  
25           Federal banking agency.”; and

- 1 (2) in section 43 (12 U.S.C. 1831t)—
- 2 (A) in subsection (c), by striking “Federal
- 3 Trade Commission” and inserting “Bureau”;
- 4 (B) in subsection (d), by striking “Federal
- 5 Trade Commission” and inserting “Bureau”;
- 6 (C) in subsection (e)—
- 7 (i) in paragraph (2), by striking
- 8 “Federal Trade Commission” and insert-
- 9 ing “Bureau”; and
- 10 (ii) by adding at the end the following
- 11 new paragraph:
- 12 “(5) BUREAU.—The term ‘Bureau’ means the
- 13 Bureau of Consumer Financial Protection.”; and
- 14 (D) in subsection (f)—
- 15 (i) by striking paragraph (1) and in-
- 16 serting the following:
- 17 “(1) LIMITED ENFORCEMENT AUTHORITY.—
- 18 Compliance with the requirements of subsections (b),
- 19 (c), and (e), and any regulation prescribed or order
- 20 issued under such subsection, shall be enforced
- 21 under the Consumer Financial Protection Act of
- 22 2010, by the Bureau, subject to subtitle B of the
- 23 Consumer Financial Protection Act of 2010, and
- 24 under the Federal Trade Commission Act (15

1 U.S.C. 41 et seq.) by the Federal Trade Commis-  
2 sion.”; and

3 (ii) in paragraph (2), by striking sub-  
4 paragraph (C) and inserting the following:

5 “(C) LIMITATION ON STATE ACTION  
6 WHILE FEDERAL ACTION PENDING.—If the Bu-  
7 reau or Federal Trade Commission has insti-  
8 tuted an enforcement action for a violation of  
9 this section, no appropriate State supervisory  
10 agency may, during the pendency of such ac-  
11 tion, bring an action under this section against  
12 any defendant named in the complaint of the  
13 Bureau or Federal Trade Commission for any  
14 violation of this section that is alleged in that  
15 complaint.”.

16 **SEC. 1091. AMENDMENT TO FEDERAL FINANCIAL INSTITU-**  
17 **TIONS EXAMINATION COUNCIL ACT OF 1978.**

18 Section 1004(a)(4) of the Federal Financial Institu-  
19 tions Examination Council Act of 1978 (12 U.S.C.  
20 3303(a)(4)) is amended by striking “Director, Office of  
21 Thrift Supervision” and inserting “Director of the Con-  
22 sumer Financial Protection Bureau”.

1 **SEC. 1092. AMENDMENTS TO THE FEDERAL TRADE COM-**  
2 **MISSION ACT.**

3 Section 18(f) of the Federal Trade Commission Act  
4 (15 U.S.C. 57a(f)) is amended—

5 (1) by striking the subsection heading and in-  
6 serting the following:

7 “(f) DEFINITIONS OF BANKS, SAVINGS AND LOAN  
8 INSTITUTIONS, AND FEDERAL CREDIT UNIONS.—”.

9 (2) by striking paragraph (1) and inserting the  
10 following:

11 “(1) [Repealed.]”;

12 (3) by striking paragraphs (5) through (7);

13 (4) in paragraph (2)—

14 (A) by striking “(2) ENFORCEMENT” and  
15 all that follows through “in the case of” and in-  
16 serting the following:

17 “(2) DEFINITION.—For purposes of this Act,  
18 the term ‘bank’ means”;

19 (B) in subparagraph (A), by striking “, by  
20 the division” and all that follows through “Cur-  
21 rency”;

22 (C) in subparagraph (B)—

23 (i) by striking “, by the division” and  
24 all that follows through “System”; and

25 (ii) by striking “25(a)” and inserting  
26 “25A”; and

1 (D) in subparagraph (C)—

2 (i) by striking “(other” and inserting  
3 “(other than”; and

4 (ii) by striking “, by the division” and  
5 all that follows through “Corporation”;

6 (5) in paragraph (3), as so redesignated, by  
7 striking “Compliance” and all that follows through  
8 “as defined in” and inserting the following: “For  
9 purposes of this Act, the term “savings and loan in-  
10 stitution” has the same meaning as in”; and

11 (6) in paragraph (4), as so redesignated by  
12 striking “Compliance” and all that follows through  
13 “credit unions under” and inserting the following:  
14 “For purposes of this Act, the term “Federal credit  
15 union” has the same meaning as in”.

16 **SEC. 1093. AMENDMENTS TO THE GRAMM-LEACH-BLILEY**  
17 **ACT.**

18 Title V of the Gramm-Leach-Bliley Act (15 U.S.C.  
19 6801 et seq.) is amended—

20 (1) in section 501(b) (15 U.S.C. 6801(b)), by  
21 inserting “, other than the Bureau of Consumer Fi-  
22 nancial Protection,” after “505(a)”;

23 (2) in section 502(e)(5) (15 U.S.C. 6802(e)(5)),  
24 by inserting “the Bureau of Consumer Financial  
25 Protection” after “(including”;



1 (3) in section 504(a) (15 U.S.C. 6804(a))—

2 (A) by striking paragraphs (1) and (2) and  
3 inserting the following:

4 “(1) RULEMAKING.—

5 “(A) IN GENERAL.—Except as provided in  
6 subparagraph (C), the Bureau of Consumer Fi-  
7 nancial Protection and the Securities and Ex-  
8 change Commission shall have authority to pre-  
9 scribe such regulations as may be necessary to  
10 carry out the purposes of this subtitle with re-  
11 spect to financial institutions and other persons  
12 subject to their respective jurisdiction under  
13 section 505 (and notwithstanding subtitle B of  
14 the Consumer Financial Protection Act of  
15 2010), except that the Bureau of Consumer Fi-  
16 nancial Protection shall not have authority to  
17 prescribe regulations with respect to the stand-  
18 ards under section 501.

19 “(B) CFTC.—The Commodity Futures  
20 Trading Commission shall have authority to  
21 prescribe such regulations as may be necessary  
22 to carry out the purposes of this subtitle with  
23 respect to financial institutions and other per-  
24 sons subject to the jurisdiction of the Com-

1           commodity Futures Trading Commission under sec-  
2           tion 5g of the Commodity Exchange Act.

3           “(C) FEDERAL TRADE COMMISSION AU-  
4           THORITY.—Notwithstanding the authority of  
5           the Bureau of Consumer Financial Protection  
6           under subparagraph (A), the Federal Trade  
7           Commission shall have authority to prescribe  
8           such regulations as may be necessary to carry  
9           out the purposes of this subtitle with respect to  
10          any financial institution that is a person de-  
11          scribed in section 1029(a) of the Consumer Fi-  
12          nancial Protection Act of 2010.

13          “(D) RULE OF CONSTRUCTION.—Nothing  
14          in this paragraph shall be construed to alter,  
15          affect, or otherwise limit the authority of a  
16          State insurance authority to adopt regulations  
17          to carry out this subtitle.

18          “(2) COORDINATION, CONSISTENCY, AND COM-  
19          PARABILITY.—Each of the agencies authorized  
20          under paragraph (1) to prescribe regulations shall  
21          consult and coordinate with the other such agencies  
22          and, as appropriate, and with representatives of  
23          State insurance authorities designated by the Na-  
24          tional Association of Insurance Commissioners, for  
25          the purpose of assuring, to the extent possible, that

1 the regulations prescribed by each such agency are  
2 consistent and comparable with the regulations pre-  
3 scribed by the other such agencies.”; and

4 (B) in paragraph (3), by striking “, and  
5 shall be issued in final form not later than 6  
6 months after the date of enactment of this  
7 Act”;

8 (4) in section 505(a) (15 U.S.C. 6805(a))—

9 (A) by striking “This subtitle” and all that  
10 follows through “as follows:” and inserting  
11 “Subject to subtitle B of the Consumer Finan-  
12 cial Protection Act of 2010, this subtitle and  
13 the regulations prescribed thereunder shall be  
14 enforced by the Bureau of Consumer Financial  
15 Protection, the Federal functional regulators,  
16 the State insurance authorities, and the Federal  
17 Trade Commission with respect to financial in-  
18 stitutions and other persons subject to their ju-  
19 risdiction under applicable law, as follows:”;

20 (B) in paragraph (1)—

21 (i) in the matter preceding subpara-  
22 graph (A), by inserting “by the appro-  
23 priate Federal banking agency, as defined  
24 in section 3(q) of the Federal Deposit In-  
25 surance Act,” after “Act,”;

1 (ii) in subparagraph (A), by striking  
2 “, by the Office of the Comptroller of the  
3 Currency”;

4 (iii) in subparagraph (B), by striking  
5 “, by the Board of Governors of the Fed-  
6 eral Reserve System”;

7 (iv) in subparagraph (C), by striking  
8 “, by the Board of Directors of the Federal  
9 Deposit Insurance Corporation”; and

10 (v) in subparagraph (D), by striking  
11 “, by the Director of the Office of Thrift  
12 Supervision”; and

13 (C) by adding at the end the following:

14 “(8) Under subtitle E of the Consumer Finan-  
15 cial Protection Act of 2010, by the Bureau of Con-  
16 sumer Financial Protection, in the case of any finan-  
17 cial institution and other covered person or service  
18 provider that is subject to the jurisdiction of the Bu-  
19 reau and any person subject to this subtitle, but not  
20 with respect to the standards under section 501.”;

21 (5) in section 505(b)(1) (15 U.S.C.  
22 6805(b)(1)), by inserting “, other than the Bureau  
23 of Consumer Financial Protection,” after “sub-  
24 section (a)”;

1 (6) in section 507(b) (15 U.S.C. 6807), by  
2 striking “Federal Trade Commission” and inserting  
3 “Bureau of Consumer Financial Protection”.

4 **SEC. 1094. AMENDMENTS TO THE HOME MORTGAGE DIS-**  
5 **CLOSURE ACT OF 1975.**

6 The Home Mortgage Disclosure Act of 1975 (12  
7 U.S.C. 2801 et seq.) is amended—

8 (1) by striking “Board” each place that term  
9 appears, other than in sections 303, 304(h), 305(b)  
10 (as amended by this section), and 307(a) (as amend-  
11 ed by this section) and inserting “Bureau”.

12 (2) in section 303 (12 U.S.C. 2802)—

13 (A) by redesignating paragraphs (1)  
14 through (6) as paragraphs (2) through (7), re-  
15 spectively; and

16 (B) by inserting before paragraph (2) the  
17 following:

18 “(1) the term ‘Bureau’ means the Bureau of  
19 Consumer Financial Protection;”;

20 (3) in section 304 (12 U.S.C. 2803)—

21 (A) in subsection (b)—

22 (i) in paragraph (4), by inserting  
23 “age,” before “and gender”;

24 (ii) in paragraph (3), by striking  
25 “and” at the end;

1 (iii) in paragraph (4), by striking the  
2 period at the end and inserting a semi-  
3 colon; and

4 (iv) by adding at the end the fol-  
5 lowing:

6 “(5) the number and dollar amount of mort-  
7 gage loans grouped according to measurements of—

8 “(A) the total points and fees payable at  
9 origination in connection with the mortgage as  
10 determined by the Bureau, taking into account  
11 15 U.S.C. 1602(aa)(4);

12 “(B) the difference between the annual  
13 percentage rate associated with the loan and a  
14 benchmark rate or rates for all loans;

15 “(C) the term in months of any prepay-  
16 ment penalty or other fee or charge payable on  
17 repayment of some portion of principal or the  
18 entire principal in advance of scheduled pay-  
19 ments; and

20 “(D) such other information as the Bureau  
21 may require; and

22 “(6) the number and dollar amount of mort-  
23 gage loans and completed applications grouped ac-  
24 cording to measurements of—

1           “(A) the value of the real property pledged  
2 or proposed to be pledged as collateral;

3           “(B) the actual or proposed term in  
4 months of any introductory period after which  
5 the rate of interest may change;

6           “(C) the presence of contractual terms or  
7 proposed contractual terms that would allow the  
8 mortgagor or applicant to make payments other  
9 than fully amortizing payments during any por-  
10 tion of the loan term;

11           “(D) the actual or proposed term in  
12 months of the mortgage loan;

13           “(E) the channel through which applica-  
14 tion was made, including retail, broker, and  
15 other relevant categories;

16           “(F) as the Bureau may determine to be  
17 appropriate, a unique identifier that identifies  
18 the loan originator as set forth in section 1503  
19 of the S.A.F.E. Mortgage Licensing Act of  
20 2008;

21           “(G) as the Bureau may determine to be  
22 appropriate, a universal loan identifier;

23           “(H) as the Bureau may determine to be  
24 appropriate, the parcel number that cor-

1            responds to the real property pledged or pro-  
2            posed to be pledged as collateral;

3            “(I) the credit score of mortgage appli-  
4            cants and mortgagors, in such form as the Bu-  
5            reau may prescribe; and

6            “(J) such other information as the Bureau  
7            may require.”;

8            (B) by striking subsection (h) and insert-  
9            ing the following:

10          “(h) SUBMISSION TO AGENCIES.—

11            “(1) IN GENERAL.—The data required to be  
12            disclosed under subsection (b) shall be submitted to  
13            the Bureau or to the appropriate agency for the in-  
14            stitution reporting under this title, in accordance  
15            with rules prescribed by the Bureau. Notwith-  
16            standing the requirement of subsection (a)(2)(A) for  
17            disclosure by census tract, the Bureau, in consulta-  
18            tion with other appropriate agencies described in  
19            paragraph (2) and, after notice and comment, shall  
20            develop regulations that—

21            “(A) prescribe the format for such diselo-  
22            sures, the method for submission of the data to  
23            the appropriate agency, and the procedures for  
24            disclosing the information to the public;



1           “(B) require the collection of data required  
2           to be disclosed under subsection (b) with re-  
3           spect to loans sold by each institution reporting  
4           under this title;

5           “(C) require disclosure of the class of the  
6           purchaser of such loans;

7           “(D) permit any reporting institution to  
8           submit in writing to the Bureau or to the ap-  
9           propriate agency such additional data or expla-  
10          nations as it deems relevant to the decision to  
11          originate or purchase mortgage loans; and

12          “(E) modify or require modification of  
13          itemized information, for the purpose of pro-  
14          tecting the privacy interests of the mortgage  
15          applicants or mortgagors, that is or will be  
16          available to the public.

17          “(2) OTHER APPROPRIATE AGENCIES.—The ap-  
18          propriate agencies described in this paragraph are—

19                 “(A) the appropriate Federal banking  
20                 agencies, as defined in section 3(q) of the Fed-  
21                 eral Deposit Insurance Act (12 U.S.C.  
22                 1813(q)), with respect to the entities that are  
23                 subject to the jurisdiction of each such agency,  
24                 respectively;

1           “(B) the Federal Deposit Insurance Cor-  
2           poration for banks insured by the Federal De-  
3           posit Insurance Corporation (other than mem-  
4           bers of the Federal Reserve System), mutual  
5           savings banks, insured State branches of for-  
6           eign banks, and any other depository institution  
7           described in section 303(2)(A) which is not oth-  
8           erwise referred to in this paragraph;

9           “(C) the National Credit Union Adminis-  
10          tration Board with respect to credit unions; and

11          “(D) the Secretary of Housing and Urban  
12          Development with respect to other lending insti-  
13          tutions not regulated by the agencies referred  
14          to in subparagraph (A) or (B).

15          “(3) RULES FOR MODIFICATIONS UNDER PARA-  
16          GRAPH (1).—

17          “(A) APPLICATION.—A modification under  
18          paragraph (1)(E) shall apply to information  
19          concerning—

20                 “(i) credit score data described in  
21                 subsection (b)(6)(I), in a manner that is  
22                 consistent with the purpose described in  
23                 paragraph (1)(E); and

24                 “(ii) age or any other category of data  
25                 described in paragraph (5) or (6) of sub-

1 section (b), as the Bureau determines to be  
2 necessary to satisfy the purpose described  
3 in paragraph (1)(E), and in a manner con-  
4 sistent with that purpose.

5 “(B) STANDARDS.—The Bureau shall pre-  
6 scribe standards for any modification under  
7 paragraph (1)(E) to effectuate the purposes of  
8 this title, in light of the privacy interests of  
9 mortgage applicants or mortgagors. Where nec-  
10 essary to protect the privacy interests of mort-  
11 gage applicants or mortgagors, the Bureau  
12 shall provide for the disclosure of information  
13 described in subparagraph (A) in aggregate or  
14 other reasonably modified form, in order to ef-  
15 fectuate the purposes of this title.”;

16 (C) in subsection (i), by striking “sub-  
17 section (b)(4)” and inserting “subsections  
18 (b)(4), (b)(5), and (b)(6)”;

19 (D) in subsection (j)—

20 (i) by striking paragraph (3) and in-  
21 serting the following:

22 “(3) CHANGE OF FORM NOT REQUIRED.—A de-  
23 pository institution meets the disclosure requirement  
24 of paragraph (1) if the institution provides the infor-

1       mation required under such paragraph in such for-  
2       mats as the Bureau may require”; and

3               (ii) in paragraph (2)(A), by striking  
4       “in the format in which such information  
5       is maintained by the institution” and in-  
6       serting “in such formats as the Bureau  
7       may require”;

8               (E) in subsection (m), by striking para-  
9       graph (2) and inserting the following:

10       “(2) FORM OF INFORMATION.—In complying  
11       with paragraph (1), a depository institution shall  
12       provide the person requesting the information with  
13       a copy of the information requested in such formats  
14       as the Bureau may require.”; and

15               (F) by adding at the end the following:

16       “(n) TIMING OF CERTAIN DISCLOSURES.—The data  
17       required to be disclosed under subsection (b) shall be sub-  
18       mitted to the Bureau or to the appropriate agency for any  
19       institution reporting under this title, in accordance with  
20       regulations prescribed by the Bureau. Institutions shall  
21       not be required to report new data under paragraph (5)  
22       or (6) of subsection (b) before the first January 1 that  
23       occurs after the end of the 9-month period beginning on  
24       the date on which regulations are issued by the Bureau  
25       in final form with respect to such disclosures.”;

1 (4) in section 305 (12 U.S.C. 2804)—

2 (A) by striking subsection (b) and insert-  
3 ing the following:

4 “(b) POWERS OF CERTAIN OTHER AGENCIES.—

5 “(1) IN GENERAL.—Subject to subtitle B of the  
6 Consumer Financial Protection Act of 2010, compli-  
7 ance with the requirements of this title shall be en-  
8 forced—

9 “(A) under section 8 of the Federal De-  
10 posit Insurance Act, the appropriate Federal  
11 banking agency, as defined in section 3(q) of  
12 the Federal Deposit Insurance Act (12 U.S.C.  
13 1813(q)), with respect to—

14 “(i) any national bank or Federal sav-  
15 ings association, and any Federal branch  
16 or Federal agency of a foreign bank;

17 “(ii) any member bank of the Federal  
18 Reserve System (other than a national  
19 bank), branch or agency of a foreign bank  
20 (other than a Federal branch, Federal  
21 agency, and insured State branch of a for-  
22 eign bank), commercial lending company  
23 owned or controlled by a foreign bank, and  
24 any organization operating under section  
25 25 or 25A of the Federal Reserve Act; and

1           “(iii) any bank or State savings asso-  
2           ciation insured by the Federal Deposit In-  
3           surance Corporation (other than a member  
4           of the Federal Reserve System), any mu-  
5           tual savings bank as, defined in section  
6           3(f) of the Federal Deposit Insurance Act  
7           (12 U.S.C. 1813(f)), any insured State  
8           branch of a foreign bank, and any other  
9           depository institution not referred to in  
10          this paragraph or subparagraph (B) or  
11          (C);

12          “(B) under subtitle E of the Consumer Fi-  
13          nancial Protection Act of 2010, by the Bureau,  
14          with respect to any person subject to this sub-  
15          title;

16          “(C) under the Federal Credit Union Act,  
17          by the Administrator of the National Credit  
18          Union Administration with respect to any in-  
19          sured credit union; and

20          “(D) with respect to other lending institu-  
21          tions, by the Secretary of Housing and Urban  
22          Development.

23          “(2) INCORPORATED DEFINITIONS.—The terms  
24          used in paragraph (1) that are not defined in this  
25          title or otherwise defined in section 3(s) of the Fed-

1       eral Deposit Insurance Act (12 U.S.C. 1813(s))  
2       shall have the same meanings as in section 1(b) of  
3       the International Banking Act of 1978 (12 U.S.C.  
4       3101).”; and

5                   (B) by adding at the end the following:

6       “(d) OVERALL ENFORCEMENT AUTHORITY OF THE  
7 BUREAU OF CONSUMER FINANCIAL PROTECTION.—Sub-  
8 ject to subtitle B of the Consumer Financial Protection  
9 Act of 2010, enforcement of the requirements imposed  
10 under this title is committed to each of the agencies under  
11 subsection (b). To facilitate research, examinations, and  
12 enforcement, all data collected pursuant to section 302  
13 shall be available to the entities listed under subsection  
14 (b). The Bureau may exercise its authorities under the  
15 Consumer Financial Protection Act of 2010 to exercise  
16 principal authority to examine and enforce compliance by  
17 any person with the requirements of this title.”;

18                   (5) in section 306 (12 U.S.C. 2805(b)), by  
19       striking subsection (b) and inserting the following:

20       “(b) EXEMPTION AUTHORITY.—The Bureau may, by  
21 regulation, exempt from the requirements of this title any  
22 State-chartered depository institution within any State or  
23 subdivision thereof, if the agency determines that, under  
24 the law of such State or subdivision, that institution is  
25 subject to requirements that are substantially similar to

1 those imposed under this title, and that such law contains  
2 adequate provisions for enforcement. Notwithstanding any  
3 other provision of this subsection, compliance with the re-  
4 quirements imposed under this subsection shall be en-  
5 forced by the Office of the Comptroller of the Currency  
6 under section 8 of the Federal Deposit Insurance Act, in  
7 the case of national banks and Federal savings associa-  
8 tions, the deposits of which are insured by the Federal  
9 Deposit Insurance Corporation.”; and

10 (6) by striking section 307 (12 U.S.C. 2806)

11 and inserting the following:

12 **“SEC. 307. COMPLIANCE IMPROVEMENT METHODS.**

13 “(a) IN GENERAL.—

14 “(1) CONSULTATION REQUIRED.—The Director  
15 of the Bureau of Consumer Financial Protection,  
16 with the assistance of the Secretary, the Director of  
17 the Bureau of the Census, the Board of Governors  
18 of the Federal Reserve System, the Federal Deposit  
19 Insurance Corporation, and such other persons as  
20 the Bureau deems appropriate, shall develop or as-  
21 sist in the improvement of, methods of matching ad-  
22 dresses and census tracts to facilitate compliance by  
23 depository institutions in as economical a manner as  
24 possible with the requirements of this title.



1           “(2) AUTHORIZATION OF APPROPRIATIONS.—

2           There are authorized to be appropriated, such sums  
3           as may be necessary to carry out this subsection.

4           “(3) CONTRACTING AUTHORITY.—The Director  
5           of the Bureau of Consumer Financial Protection is  
6           authorized to utilize, contract with, act through, or  
7           compensate any person or agency in order to carry  
8           out this subsection.

9           “(b) RECOMMENDATIONS TO CONGRESS.—The Di-  
10          rector of the Bureau of Consumer Financial Protection  
11          shall recommend to the Committee on Banking, Housing,  
12          and Urban Affairs of the Senate and the Committee on  
13          Financial Services of the House of Representatives, such  
14          additional legislation as the Director of the Bureau of  
15          Consumer Financial Protection deems appropriate to  
16          carry out the purpose of this title.”.

17       **SEC. 1095. AMENDMENTS TO THE HOMEOWNERS PROTEC-**  
18                               **TION ACT OF 1998.**

19          Section 10 of the Homeowners Protection Act of  
20          1998 (12 U.S.C. 4909) is amended—

21               (1) in subsection (a)—

22                       (A) by striking “Compliance” and all that  
23                       follows through the end of paragraph (1) and  
24                       inserting the following: “Subject to subtitle B  
25                       of the Consumer Financial Protection Act of

1           2010, compliance with the requirements im-  
2           posed under this Act shall be enforced under—

3           “(1) section 8 of the Federal Deposit Insurance  
4           Act, by the appropriate Federal banking agency (as  
5           defined in section 3(q) of that Act), with respect  
6           to—

7                   “(A) insured depository institutions (as de-  
8                   fined in section 3(c)(2) of that Act);

9                   “(B) depository institutions described in  
10                  clause (i), (ii), or (iii) of section 19(b)(1)(A) of  
11                  the Federal Reserve Act which are not insured  
12                  depository institutions (as defined in section  
13                  3(c)(2) of the Federal Deposit Insurance Act);  
14                  and

15                  “(C) depository institutions described in  
16                  clause (v) or (vi) of section 19(b)(1)(A) of the  
17                  Federal Reserve Act which are not insured de-  
18                  pository institutions (as defined in section  
19                  3(c)(2) of the Federal Deposit Insurance  
20                  Act);”;

21                  (B) in paragraph (2), by striking “and” at  
22                  the end;

23                  (C) in paragraph (3), by striking the pe-  
24                  riod at the end and inserting “; and”; and

25                  (D) by adding at the end the following:

1           “(4) subtitle E of the Consumer Financial Pro-  
2           tection Act of 2010, by the Bureau of Consumer Fi-  
3           nancial Protection, with respect to any person sub-  
4           ject to this Act.”; and

5           (2) in subsection (b)(2), by inserting before the  
6           period at the end the following: “, subject to subtitle  
7           B of the Consumer Financial Protection Act of  
8           2010”.

9   **SEC. 1096. AMENDMENTS TO THE HOME OWNERSHIP AND**  
10                           **EQUITY PROTECTION ACT OF 1994.**

11           The Home Ownership and Equity Protection Act of  
12   1994 (15 U.S.C. 1601 note) is amended—

13           (1) in section 158(a), by striking “Board of  
14           Governors of the Federal Reserve System, in con-  
15           sultation with the Consumer Advisory Council of the  
16           Board” and inserting “Bureau, in consultation with  
17           the Advisory Board to the Bureau”; and

18           (2) in section 158(b), by striking “Board of  
19           Governors of the Federal Reserve System” and in-  
20           serting “Bureau”.

21   **SEC. 1097. AMENDMENTS TO THE OMNIBUS APPROPRIA-**  
22                           **TIONS ACT, 2009.**

23           Section 626 of the Omnibus Appropriations Act,  
24   2009 (15 U.S.C. 1638 note) is amended—

1           (1) by striking subsection (a) and inserting the  
2           following:

3           “(a)(1) The Bureau of Consumer Financial Protec-  
4           tion shall have authority to prescribe rules with respect  
5           to mortgage loans in accordance with section 553 of title  
6           5, United States Code. Such rulemaking shall relate to  
7           unfair or deceptive acts or practices regarding mortgage  
8           loans, which may include unfair or deceptive acts or prac-  
9           tices involving loan modification and foreclosure rescue  
10          services. Any violation of a rule prescribed under this  
11          paragraph shall be treated as a violation of a rule prohib-  
12          iting unfair, deceptive, or abusive acts or practices under  
13          the Consumer Financial Protection Act of 2010 and a vio-  
14          lation of a rule under section 18 of the Federal Trade  
15          Commission Act (15 U.S.C. 57a) regarding unfair or de-  
16          ceptive acts or practices.

17          “(2) The Bureau of Consumer Financial Protection  
18          shall enforce the rules issued under paragraph (1) in the  
19          same manner, by the same means, and with the same ju-  
20          risdiction, powers, and duties, as though all applicable  
21          terms and provisions of the Consumer Financial Protec-  
22          tion Act of 2010 were incorporated into and made part  
23          of this subsection.

24          “(3) Subject to subtitle B of the Consumer Financial  
25          Protection Act of 2010, the Federal Trade Commission

1 shall enforce the rules issued under paragraph (1), in the  
2 same manner, by the same means, and with the same ju-  
3 risdiction, as though all applicable terms and provisions  
4 of the Federal Trade Commission Act were incorporated  
5 into and made part of this section.”; and

6 (2) in subsection (b)—

7 (A) by striking paragraph (1) and insert-  
8 ing the following:

9 “(1) Except as provided in paragraph (6), in  
10 any case in which the attorney general of a State  
11 has reason to believe that an interest of the resi-  
12 dents of the State has been or is threatened or ad-  
13 versely affected by the engagement of any person  
14 subject to a rule prescribed under subsection (a) in  
15 practices that violate such rule, the State, as *parens*  
16 *patriae*, may bring a civil action on behalf of its resi-  
17 dents in an appropriate district court of the United  
18 States or other court of competent jurisdiction—

19 “(A) to enjoin that practice;

20 “(B) to enforce compliance with the rule;

21 “(C) to obtain damages, restitution, or  
22 other compensation on behalf of the residents of  
23 the State; or

24 “(D) to obtain penalties and relief provided  
25 under the Consumer Financial Protection Act

1 of 2010, the Federal Trade Commission Act,  
2 and such other relief as the court deems appro-  
3 priate.”;

4 (B) in paragraphs (2) and (3), by striking  
5 “the primary Federal regulator” each time the  
6 term appears and inserting “the Bureau of  
7 Consumer Financial Protection or the Commis-  
8 sion, as appropriate”;

9 (C) in paragraph (3), by inserting “and  
10 subject to subtitle B of the Consumer Financial  
11 Protection Act of 2010,” after “paragraph  
12 (2),”; and

13 (D) in paragraph (6), by striking “the pri-  
14 mary Federal regulator” each place that term  
15 appears and inserting “the Bureau of Con-  
16 sumer Financial Protection or the Commis-  
17 sion”.

18 **SEC. 1098. AMENDMENTS TO THE REAL ESTATE SETTLE-**  
19 **MENT PROCEDURES ACT OF 1974.**

20 The Real Estate Settlement Procedures Act of 1974  
21 (12 U.S.C. 2601 et seq.) is amended—

22 (1) in section 3 (12 U.S.C. 2602)—

23 (A) in paragraph (7), by striking “and” at  
24 the end;

1 (B) in paragraph (8), by striking the pe-  
2 riod at the end and inserting “; and”; and

3 (C) by adding at the end the following:

4 “(9) the term ‘Bureau’ means the Bureau of  
5 Consumer Financial Protection.”;

6 (2) in section 4 (12 U.S.C. 2603)—

7 (A) in subsection (a), by striking the first  
8 sentence and inserting the following: “The Bu-  
9 reau shall publish a single, integrated disclosure  
10 for mortgage loan transactions (including real  
11 estate settlement cost statements) which in-  
12 cludes the disclosure requirements of this sec-  
13 tion and section 5, in conjunction with the dis-  
14 closure requirements of the Truth in Lending  
15 Act that, taken together, may apply to a trans-  
16 action that is subject to both or either provi-  
17 sions of law. The purpose of such model disclo-  
18 sure shall be to facilitate compliance with the  
19 disclosure requirements of this title and the  
20 Truth in Lending Act, and to aid the borrower  
21 or lessee in understanding the transaction by  
22 utilizing readily understandable language to  
23 simplify the technical nature of the disclo-  
24 sures.”;

1 (B) by striking “Secretary” each place  
2 that term appears and inserting “Bureau”; and

3 (C) by striking “form” each place that  
4 term appears and inserting “forms”;

5 (3) in section 5 (12 U.S.C. 2604)—

6 (A) by striking “Secretary” each place that  
7 term appears and inserting “Bureau”; and

8 (B) in subsection (a), by striking the first  
9 sentence and inserting the following: “The Bu-  
10 reau shall prepare and distribute booklets joint-  
11 ly addressing compliance with the requirements  
12 of the Truth in Lending Act and the provisions  
13 of this title, in order to help persons borrowing  
14 money to finance the purchase of residential  
15 real estate better to understand the nature and  
16 costs of real estate settlement services.”;

17 (4) in section 6(j)(3) (12 U.S.C. 2605(j)(3))—

18 (A) by striking “Secretary” and inserting  
19 “Bureau”; and

20 (B) by striking “, by regulations that shall  
21 take effect not later than April 20, 1991,”;

22 (5) in section 7(b) (12 U.S.C. 2606(b)) by  
23 striking “Secretary” and inserting “Bureau”;

24 (6) in section 8(c)(5) (12 U.S.C. 2607(c)(5)),  
25 by striking “Secretary” and inserting “Bureau”;



1 (7) in section 8(d) (12 U.S.C. 2607(d))—

2 (A) in the subsection heading, by inserting

3 “BUREAU AND” before “SECRETARY”; and

4 (B) by striking paragraph (4), and insert-  
5 ing the following:

6 “(4) The Bureau, the Secretary, or the attorney  
7 general or the insurance commissioner of any State  
8 may bring an action to enjoin violations of this sec-  
9 tion. Except, to the extent that a person is subject  
10 to the jurisdiction of the Bureau, the Secretary, or  
11 the attorney general or the insurance commissioner  
12 of any State, the Bureau shall have primary author-  
13 ity to enforce or administer this section, subject to  
14 subtitle B of the Consumer Financial Protection Act  
15 of 2010.”;

16 (8) in section 10(c) (12 U.S.C. 2609(c) and  
17 (d)), by striking “Secretary” and inserting “Bu-  
18 reau”;

19 (9) in section 16 (12 U.S.C. 2614), by inserting  
20 “the Bureau,” before “the Secretary”;

21 (10) in section 18 (12 U.S.C. 2616), by striking  
22 “Secretary” each place that term appears and in-  
23 serting “Bureau”; and

24 (11) in section 19 (12 U.S.C. 2617)—

1 (A) in the section heading by striking  
2 “**SECRETARY**” and inserting “**BUREAU**”;

3 (B) in subsection (a), by striking “Sec-  
4 retary” each place that term appears and in-  
5 serting “Bureau”; and

6 (C) in subsections (b) and (c), by striking  
7 “the Secretary” each place that term appears  
8 and inserting “the Bureau”.

9 **SEC. 1098A. AMENDMENTS TO THE INTERSTATE LAND**  
10 **SALES FULL DISCLOSURE ACT.**

11 The Interstate Land Sales Full Disclosure Act (15  
12 U.S.C. 1701 et seq.) is amended—

13 (1) by striking “Secretary” each place that  
14 term appears and inserting “Director”;

15 (2) by striking “Department of Housing and  
16 Urban Development” each place that term appears  
17 and inserting “Bureau of Consumer Financial Pro-  
18 tection”;

19 (3) by striking “Department” each place that  
20 term appears and inserting “Bureau”;

21 (4) in section 1402 (15 U.S.C. 1701)—

22 (A) by striking paragraph (1) and insert-  
23 ing the following:

24 “(1) ‘Director’ means the Director of the Bu-  
25 reau of Consumer Financial Protection;”;

1 (B) in paragraph (10), by striking “and”  
2 at the end;

3 (C) in paragraph (11), by striking the pe-  
4 riod at the end and inserting “; and”; and

5 (D) by adding at the end the following:

6 “(12) ‘Bureau’ means the Bureau of Consumer  
7 Financial Protection.”; and

8 (5) in section 1416(a) (15 U.S.C. 1715(a)), by  
9 striking “Secretary of Housing and Urban Develop-  
10 ment” and inserting “Director of the Bureau of  
11 Consumer Financial Protection”.

12 **SEC. 1099. AMENDMENTS TO THE RIGHT TO FINANCIAL**  
13 **PRIVACY ACT OF 1978.**

14 The Right to Financial Privacy Act of 1978 (12  
15 U.S.C. 3401 et seq.) is amended—

16 (1) in section 1101—

17 (A) in paragraph (6)—

18 (i) in subparagraph (A), by inserting  
19 “and” after the semicolon;

20 (ii) in subparagraph (B), by striking  
21 “and” at the end; and

22 (iii) by striking subparagraph (C);  
23 and

24 (B) in paragraph (7), by striking subpara-  
25 graph (B), and inserting the following:



1           (2) by striking “Federal banking agencies”  
2 each place that term appears and inserting “Bu-  
3 reau”; and

4           (3) by striking “Secretary” each place that  
5 term appears and inserting “Director”;

6           (4) in section 1503 (12 U.S.C. 5102)—

7                 (A) by redesignating paragraphs (2)  
8 through (12) as (3) through (13), respectively;

9                 (B) by striking paragraph (1) and insert-  
10 ing the following:

11                 “(1) BUREAU.—The term ‘Bureau’ means the  
12 Bureau of Consumer Financial Protection.

13                 “(2) FEDERAL BANKING AGENCY.—The term  
14 ‘Federal banking agency’ means the Board of Gov-  
15 ernors of the Federal Reserve System, the Office of  
16 the Comptroller of the Currency, the National Credit  
17 Union Administration, and the Federal Deposit In-  
18 surance Corporation.”; and

19                 (C) by striking paragraph (10), as so des-  
20 ignated by this section, and inserting the fol-  
21 lowing:

22                 “(10) DIRECTOR.—The term ‘Director’ means  
23 the Director of the Bureau of Consumer Financial  
24 Protection.”; and

25           (5) in section 1507 (12 U.S.C. 5106)—

1 (A) in subsection (a)—

2 (i) by striking paragraph (1) and in-  
3 sserting the following:

4 “(1) IN GENERAL.—The Bureau shall develop  
5 and maintain a system for registering employees of  
6 a depository institution, employees of a subsidiary  
7 that is owned and controlled by a depository institu-  
8 tion and regulated by a Federal banking agency, or  
9 employees of an institution regulated by the Farm  
10 Credit Administration, as registered loan originators  
11 with the Nationwide Mortgage Licensing System and  
12 Registry. The system shall be implemented before  
13 the end of the 1-year period beginning on the date  
14 of enactment of the Consumer Financial Protection  
15 Act of 2010.”; and

16 (ii) in paragraph (2)—

17 (I) by striking “appropriate Fed-  
18 eral banking agency and the Farm  
19 Credit Administration” and inserting  
20 “Bureau”; and

21 (II) by striking “employees’s  
22 identity” and inserting “identity of  
23 the employee”; and

24 (B) in subsection (b), by striking “through  
25 the Financial Institutions Examination Council,

1 and the Farm Credit Administration”, and in-  
2 sserting “and the Bureau of Consumer Financial  
3 Protection”;

4 (6) in section 1508 (12 U.S.C. 5107)—

5 (A) by striking the section heading and in-  
6 sserting the following: “**SEC. 1508. BUREAU OF**  
7 **CONSUMER FINANCIAL PROTECTION**  
8 **BACKUP AUTHORITY TO ESTABLISH LOAN**  
9 **ORIGINATOR LICENSING SYSTEM.**”; and

10 (B) by adding at the end the following:

11 “(f) REGULATION AUTHORITY.—

12 “(1) IN GENERAL.—The Bureau is authorized  
13 to promulgate regulations setting minimum net  
14 worth or surety bond requirements for residential  
15 mortgage loan originators and minimum require-  
16 ments for recovery funds paid into by loan origina-  
17 tors.

18 “(2) CONSIDERATIONS.—In issuing regulations  
19 under paragraph (1), the Bureau shall take into ac-  
20 count the need to provide originators adequate in-  
21 centives to originate affordable and sustainable  
22 mortgage loans, as well as the need to ensure a com-  
23 petitive origination market that maximizes consumer  
24 access to affordable and sustainable mortgage  
25 loans.”;

1 (7) by striking section 1510 (12 U.S.C. 5109)  
2 and inserting the following:

3 **“SEC. 1510. FEES.**

4 “The Bureau, the Farm Credit Administration, and  
5 the Nationwide Mortgage Licensing System and Registry  
6 may charge reasonable fees to cover the costs of maintain-  
7 ing and providing access to information from the Nation-  
8 wide Mortgage Licensing System and Registry, to the ex-  
9 tent that such fees are not charged to consumers for ac-  
10 cess to such system and registry.”;

11 (8) by striking section 1513 (12 U.S.C. 5112)  
12 and inserting the following:

13 **“SEC. 1513. LIABILITY PROVISIONS.**

14 “The Bureau, any State official or agency, or any or-  
15 ganization serving as the administrator of the Nationwide  
16 Mortgage Licensing System and Registry or a system es-  
17 tablished by the Director under section 1509, or any offi-  
18 cer or employee of any such entity, shall not be subject  
19 to any civil action or proceeding for monetary damages  
20 by reason of the good faith action or omission of any offi-  
21 cer or employee of any such entity, while acting within  
22 the scope of office or employment, relating to the collec-  
23 tion, furnishing, or dissemination of information con-  
24 cerning persons who are loan originators or are applying  
25 for licensing or registration as loan originators.”; and



1           (9) in section 1514 (12 U.S.C. 5113) in the  
2           section heading, by striking “**UNDER HUD BACKUP**  
3           **LICENSING SYSTEM**” and inserting “**BY THE BU-**  
4           **REAU**”.

5 **SEC. 1100A. AMENDMENTS TO THE TRUTH IN LENDING ACT.**

6           The Truth in Lending Act (15 U.S.C. 1601 et seq.)  
7 is amended—

8           (1) in section 103 (15 U.S.C. 1602)—

9                   (A) by redesignating subsections (b)  
10                   through (bb) as subsections (c) through (cc),  
11                   respectively; and

12                   (B) by inserting after subsection (a) the  
13                   following:

14           “(b) BUREAU.—The term ‘Bureau’ means the Bu-  
15           reau of Consumer Financial Protection.”;

16           (2) by striking “Board” each place that term  
17           appears, other than in section 140(d) and sections  
18           105(i) and 108(a), as amended by this section, and  
19           inserting “Bureau”;

20           (3) by striking “Federal Trade Commission”  
21           each place that term appears, other than in section  
22           108(c) and section 129(m), as amended by this Act,  
23           and other than in the context of a reference to the  
24           Federal Trade Commission Act, and inserting “Bu-  
25           reau”;

1           (4) in section 105(a) (15 U.S.C. 1604(a)), in  
2 the second sentence—

3           (A) by striking “Except in the case of a  
4 mortgage referred to in section 103(aa), these  
5 regulations may contain such” and inserting  
6 “Except with respect to the provisions of sec-  
7 tion 129 that apply to a mortgage referred to  
8 in section 103(aa), such regulations may con-  
9 tain such additional requirements,”; and

10           (B) by inserting “all or” after “exceptions  
11 for”;

12           (5) in section 105(b) (15 U.S.C. 1604(b)), by  
13 striking the first sentence and inserting the fol-  
14 lowing: “The Bureau shall publish a single, inte-  
15 grated disclosure for mortgage loan transactions (in-  
16 cluding real estate settlement cost statements) which  
17 includes the disclosure requirements of this title in  
18 conjunction with the disclosure requirements of the  
19 Real Estate Settlement Procedures Act of 1974  
20 that, taken together, may apply to a transaction that  
21 is subject to both or either provisions of law. The  
22 purpose of such model disclosure shall be to facili-  
23 tate compliance with the disclosure requirements of  
24 this title and the Real Estate Settlement Procedures  
25 Act of 1974, and to aid the borrower or lessee in un-

1       derstanding the transaction by utilizing readily un-  
2       derstandable language to simplify the technical na-  
3       ture of the disclosures.”;

4               (6) in section 105(f)(1) (15 U.S.C. 1604(f)(1)),  
5       by inserting “all or” after “from all or part of this  
6       title”;

7               (7) in section 105 (15 U.S.C. 1604), by adding  
8       at the end the following:

9                       “(i) AUTHORITY OF THE BOARD TO  
10                      PRESCRIBE RULES.—Notwithstanding sub-  
11                      section (a), the Board shall have authority  
12                      to prescribe rules under this title with re-  
13                      spect to a person described in section  
14                      1029(a) of the Consumer Financial Protec-  
15                      tion Act of 2010. Regulations prescribed  
16                      under this subsection may contain such  
17                      classifications, differentiations, or other  
18                      provisions, as in the judgment of the  
19                      Board are necessary or proper to effec-  
20                      tuate the purposes of this title, to prevent  
21                      circumvention or evasion thereof, or to fa-  
22                      cilitate compliance therewith.”;

23               (8) in section 108 (15 U.S.C. 1604), by adding  
24       at the end the following:

1 (A) by striking subsection (a) and insert-  
2 ing the following:

3 “(a) ENFORCING AGENCIES.—Subject to subtitle B  
4 of the Consumer Financial Protection Act of 2010, compli-  
5 ance with the requirements imposed under this title shall  
6 be enforced under—

7 “(1) section 8 of the Federal Deposit Insurance  
8 Act, by the appropriate Federal banking agency, as  
9 defined in section 3(q) of the Federal Deposit Insur-  
10 ance Act (12 U.S.C. 1813(q)), with respect to—

11 “(A) national banks, Federal savings asso-  
12 ciations, and Federal branches and Federal  
13 agencies of foreign banks;

14 “(B) member banks of the Federal Reserve  
15 System (other than national banks), branches  
16 and agencies of foreign banks (other than Fed-  
17 eral branches, Federal agencies, and insured  
18 State branches of foreign banks), commercial  
19 lending companies owned or controlled by for-  
20 eign banks, and organizations operating under  
21 section 25 or 25A of the Federal Reserve Act;  
22 and

23 “(C) banks and State savings associations  
24 insured by the Federal Deposit Insurance Cor-  
25 poration (other than members of the Federal

1 Reserve System), and insured State branches of  
2 foreign banks;

3 “(2) the Federal Credit Union Act, by the Di-  
4 rector of the National Credit Union Administration,  
5 with respect to any Federal credit union;

6 “(3) the Federal Aviation Act of 1958, by the  
7 Secretary of Transportation, with respect to any air  
8 carrier or foreign air carrier subject to that Act;

9 “(4) the Packers and Stockyards Act, 1921 (ex-  
10 cept as provided in section 406 of that Act), by the  
11 Secretary of Agriculture, with respect to any activi-  
12 ties subject to that Act;

13 “(5) the Farm Credit Act of 1971, by the Farm  
14 Credit Administration with respect to any Federal  
15 land bank, Federal land bank association, Federal  
16 intermediate credit bank, or production credit asso-  
17 ciation; and

18 “(6) subtitle E of the Consumer Financial Pro-  
19 tection Act of 2010, by the Bureau, with respect to  
20 any person subject to this title.”; and

21 (B) by striking subsection (c) and insert-  
22 ing the following:

23 “(c) OVERALL ENFORCEMENT AUTHORITY OF THE  
24 FEDERAL TRADE COMMISSION.—Except to the extent  
25 that enforcement of the requirements imposed under this

1 title is specifically committed to some other Government  
2 agency under any of paragraphs (1) through (5) of sub-  
3 section (a), and subject to subtitle B of the Consumer Fi-  
4 nancial Protection Act of 2010, the Federal Trade Com-  
5 mission shall be authorized to enforce such requirements.  
6 For the purpose of the exercise by the Federal Trade  
7 Commission of its functions and powers under the Federal  
8 Trade Commission Act, a violation of any requirement im-  
9 posed under this title shall be deemed a violation of a re-  
10 quirement imposed under that Act. All of the functions  
11 and powers of the Federal Trade Commission under the  
12 Federal Trade Commission Act are available to the Fed-  
13 eral Trade Commission to enforce compliance by any per-  
14 son with the requirements under this title, irrespective of  
15 whether that person is engaged in commerce or meets any  
16 other jurisdictional tests under the Federal Trade Com-  
17 mission Act.”; and

18 (9) in section 129 (15 U.S.C. 1639), by striking  
19 subsection (m) and inserting the following:

20 “(m) CIVIL PENALTIES IN FEDERAL TRADE COM-  
21 MISSION ENFORCEMENT ACTIONS.—For purposes of en-  
22 forcement by the Federal Trade Commission, any violation  
23 of a regulation issued by the Bureau pursuant to sub-  
24 section (1)(2) shall be treated as a violation of a rule pro-  
25 mulgated under section 18 of the Federal Trade Commis-

1 sion Act (15 U.S.C. 57a) regarding unfair or deceptive  
2 acts or practices.”; and

3 (10) in chapter 5 (15 U.S.C. 1667 et seq.)—

4 (A) by striking “the Board” each place  
5 that term appears and inserting “the Bureau”;  
6 and

7 (B) by striking “The Board” each place  
8 that term appears and inserting “The Bureau”.

9 **SEC. 1100B. AMENDMENTS TO THE TRUTH IN SAVINGS ACT.**

10 The Truth in Savings Act (12 U.S.C. 4301 et seq.)  
11 is amended—

12 (1) by striking “Board” each place that term  
13 appears, other than in section 272(b) (12 U.S.C.  
14 4311), and inserting “Bureau”;

15 (2) in section 270(a) (12 U.S.C. 4309)—

16 (A) by striking “Compliance” and all that  
17 follows through the end of paragraph (1) and  
18 inserting: “Subject to subtitle B of the Con-  
19 sumer Financial Protection Act of 2010, com-  
20 pliance with the requirements imposed under  
21 this subtitle shall be enforced under—

22 “(1) section 8 of the Federal Deposit Insurance  
23 Act by the appropriate Federal banking agency (as  
24 defined in section 3(q) of that Act), with respect  
25 to—

1           “(A) insured depository institutions (as de-  
2           fined in section 3(c)(2) of that Act);

3           “(B) depository institutions described in  
4           clause (i), (ii), or (iii) of section 19(b)(1)(A) of  
5           the Federal Reserve Act which are not insured  
6           depository institutions (as defined in section  
7           3(c)(2) of the Federal Deposit Insurance Act);  
8           and

9           “(C) depository institutions described in  
10          clause (v) or (vi) of section 19(b)(1)(A) of the  
11          Federal Reserve Act which are not insured de-  
12          pository institutions (as defined in section  
13          3(c)(2) of the Federal Deposit Insurance  
14          Act);”;

15          (B) in paragraph (2), by striking the pe-  
16          riod at the end and inserting “; and”; and

17          (C) by adding at the end the following:

18          “(3) subtitle E of the Consumer Financial Pro-  
19          tection Act of 2010, by the Bureau, with respect to  
20          any person subject to this subtitle.”;

21          (3) in section 272(b) (12 U.S.C. 4311(b)), by  
22          striking “regulation prescribed by the Board” each  
23          place that term appears and inserting “regulation  
24          prescribed by the Bureau”; and



1 (4) in section 274 (12 U.S.C. 4313), by striking  
2 paragraph (4) and inserting the following:

3 “(4) BUREAU.—The term ‘Bureau’ means the  
4 Bureau of Consumer Financial Protection.”.

5 **SEC. 1100C. AMENDMENTS TO THE TELEMARKETING AND**  
6 **CONSUMER FRAUD AND ABUSE PREVENTION**  
7 **ACT.**

8 (a) AMENDMENTS TO SECTION 3.—Section 3 of the  
9 Telemarketing and Consumer Fraud and Abuse Preven-  
10 tion Act (15 U.S.C. 6102) is amended by striking sub-  
11 sections (b) and (c) and inserting the following:

12 “(b) RULEMAKING AUTHORITY.—The Commission  
13 shall have authority to prescribe rules under subsection  
14 (a), in accordance with section 553 of title 5, United  
15 States Code. In prescribing a rule under this section that  
16 relates to the provision of a consumer financial product  
17 or service that is subject to the Consumer Financial Pro-  
18 tection Act of 2010, including any enumerated consumer  
19 law thereunder, the Commission shall consult with the Bu-  
20 reau of Consumer Financial Protection regarding the con-  
21 sistency of a proposed rule with standards, purposes, or  
22 objectives administered by the Bureau of Consumer Fi-  
23 nancial Protection.

24 “(c) VIOLATIONS.—Any violation of any rule pre-  
25 scribed under subsection (a)—

1           “(1) shall be treated as a violation of a rule  
2           under section 18 of the Federal Trade Commission  
3           Act regarding unfair or deceptive acts or practices;  
4           and

5           “(2) that is committed by a person subject to  
6           the Consumer Financial Protection Act of 2010  
7           shall be treated as a violation of a rule under section  
8           1031 of that Act regarding unfair, deceptive, or abu-  
9           sive acts or practices.”.

10          (b) AMENDMENTS TO SECTION 4.—Section 4(d) of  
11          the Telemarketing and Consumer Fraud and Abuse Pre-  
12          vention Act (15 U.S.C. 6103(d)) is amended by inserting  
13          after “Commission” each place that term appears the fol-  
14          lowing: “or the Bureau of Consumer Financial Protec-  
15          tion”.

16          (c) AMENDMENTS TO SECTION 5.—Section 5(c) of  
17          the Telemarketing and Consumer Fraud and Abuse Pre-  
18          vention Act (15 U.S.C. 6104(c)) is amended by inserting  
19          after “Commission” each place that term appears the fol-  
20          lowing: “or the Bureau of Consumer Financial Protec-  
21          tion”.

22          (d) AMENDMENT TO SECTION 6.—Section 6 of the  
23          Telemarketing and Consumer Fraud and Abuse Preven-  
24          tion Act (15 U.S.C. 6105) is amended by adding at the  
25          end the following:

1           “(d) ENFORCEMENT BY BUREAU OF CONSUMER FI-  
2   NANCIAL PROTECTION.—Except as otherwise provided in  
3   sections 3(d), 3(e), 4, and 5, and subject to subtitle B  
4   of the Consumer Financial Protection Act of 2010, this  
5   Act shall be enforced by the Bureau of Consumer Finan-  
6   cial Protection under subtitle E of the Consumer Finan-  
7   cial Protection Act of 2010, with respect to the offering  
8   or provision of a consumer financial product or service  
9   subject to that Act.”.

10   **SEC. 1100D. AMENDMENTS TO THE PAPERWORK REDUC-**  
11                           **TION ACT.**

12           (a) DESIGNATION AS AN INDEPENDENT AGENCY.—  
13   Section 2(5) of the Paperwork Reduction Act (44 U.S.C.  
14   3502(5)) is amended by inserting “the Bureau of Con-  
15   sumer Financial Protection, the Office of Financial Re-  
16   search,” after “the Securities and Exchange Commis-  
17   sion,”.

18           (b) COMPARABLE TREATMENT.—Section 3513 of  
19   title 44, United States Code, is amended by adding at the  
20   end the following:

21           “(c) COMPARABLE TREATMENT.—Notwithstanding  
22   any other provision of law, the Director shall treat or re-  
23   view a rule or order prescribed or proposed by the Director  
24   of the Bureau of Consumer Financial Protection on the  
25   same terms and conditions as apply to any rule or order

1 prescribed or proposed by the Board of Governors of the  
2 Federal Reserve System.”.

3 **SEC. 1100E. ADJUSTMENTS FOR INFLATION IN THE TRUTH**  
4 **IN LENDING ACT.**

5 (a) CAPS.—

6 (1) CREDIT TRANSACTIONS.—Section 104(3) of  
7 the Truth in Lending Act (15 U.S.C. 1603(3)) is  
8 amended by striking “\$25,000” and inserting  
9 “\$50,000”.

10 (2) CONSUMER LEASES.—Section 181(1) of the  
11 Truth in Lending Act (15 U.S.C. 1667(1)) is  
12 amended by striking “\$25,000” and inserting  
13 “\$50,000”.

14 (b) ADJUSTMENTS FOR INFLATION.—On and after  
15 December 31, 2011, the Bureau shall adjust annually the  
16 dollar amounts described in sections 104(3) and 181(1)  
17 of the Truth in Lending Act (as amended by this section),  
18 by the annual percentage increase in the Consumer Price  
19 Index for Urban Wage Earners and Clerical Workers, as  
20 published by the Bureau of Labor Statistics, rounded to  
21 the nearest multiple of \$100, or \$1,000, as applicable.

22 **SEC. 1100F. SMALL BUSINESS FAIRNESS AND REGULATORY**  
23 **TRANSPARENCY.**

24 (a) PANEL REQUIREMENT.—Section 609(d) of title  
25 5, United States Code, is amended by striking “means

1 the” and all that follows and inserting the following:

2 “means—

3 “(1) the Environmental Protection Agency;

4 “(2) the Consumer Financial Protection Bureau  
5 of the Federal Reserve System; and

6 “(3) the Occupational Safety and Health Ad-  
7 ministration of the Department of Labor.”.

8 (b) INITIAL REGULATORY FLEXIBILITY ANALYSIS.—

9 Section 603 of title 5, United States Code, is amended  
10 by adding at the end the following:

11 “(d)(1) For a covered agency, as defined in section  
12 609(d)(2), each initial regulatory flexibility analysis shall  
13 include a description of—

14 “(A) any projected increase in the cost of credit  
15 for small entities;

16 “(B) any significant alternatives to the pro-  
17 posed rule which accomplish the stated objectives of  
18 applicable statutes and which minimize any increase  
19 in the cost of credit for small entities; and

20 “(C) advice and recommendations of represent-  
21 atives of small entities relating to issues described in  
22 subparagraphs (A) and (B) and subsection (b).

23 “(2) A covered agency, as defined in section  
24 609(d)(2), shall, for purposes of complying with para-  
25 graph (1)(C)—

1           “(A) identify representatives of small entities in  
2           consultation with the Chief Counsel for Advocacy of  
3           the Small Business Administration; and

4           “(B) collect advice and recommendations from  
5           the representatives identified under subparagraph  
6           (A) relating to issues described in subparagraphs  
7           (A) and (B) of paragraph (1) and subsection (b).”.

8           (c) FINAL REGULATORY FLEXIBILITY ANALYSIS.—  
9           Section 604(a) of title 5, United States Code, is amend-  
10          ed—

11           (1) in paragraph (4), by striking “and” at the  
12          end;

13           (2) in paragraph (5), by striking the period at  
14          the end and inserting “; and”; and

15           (3) by adding at the end the following:

16           “(6) for a covered agency, as defined in section  
17          609(d)(2), a description of the steps the agency has  
18          taken to minimize any additional cost of credit for  
19          small entities.”.

20          **SEC. 1100G. EFFECTIVE DATE.**

21          Except as otherwise provided in this subtitle and the  
22          amendments made by this subtitle, this subtitle and the  
23          amendments made by this subtitle, other than sections  
24          1081 and 1082, shall become effective on the designated  
25          transfer date.