

AMENDMENT NO. _____ Calendar No. _____

Purpose: To provide for an exclusion from the authority of the Bureau of Consumer Financial Protection for certain automobile manufacturers, and for other purposes.

IN THE SENATE OF THE UNITED STATES—111th Cong., 2d Sess.

S. 3217

To promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. BROWNBACK

Viz:

- 1 At the end of subtitle B of title X, add the following:
- 2 **SEC. 1030. EXCLUSION FOR AUTO DEALERS.**
- 3 (a) IN GENERAL.—The Director and the Bureau may
- 4 not exercise any rulemaking, supervisory, enforcement, or
- 5 any other authority, including authority to order assess-
- 6 ments over a motor vehicle dealer that is predominantly

1 engaged in the sale and servicing of motor vehicles, the
2 leasing and servicing of motor vehicles, or both.

3 (b) CERTAIN FUNCTIONS EXCEPTED.—The provi-
4 sions of subsection (a) shall not apply to any person, to
5 the extent that such person—

6 (1) provides consumers with any services re-
7 lated to residential or commercial mortgages and
8 self-financing transactions involving real property;

9 (2) operates a line of business that involves the
10 extension of retail credit or retail leases involving
11 motor vehicles, and in which—

12 (A) the extension of retail credit or retail
13 leases are provided directly to consumers; and

14 (B) the contract governing such extension
15 of retail credit or retail leases is not predomi-
16 nantly assigned to a third-party finance or leas-
17 ing source; or

18 (3) offers or provides a consumer financial
19 product or service not involving or related to the
20 sale, financing, leasing, rental, repair, refurbish-
21 ment, maintenance, or other servicing of motor vehi-
22 cles, motor vehicle parts, or any related or ancillary
23 product or service.

24 (c) NO IMPACT ON PRIOR AUTHORITY.—Nothing in
25 this section shall be construed to modify, limit, or super-

1 sede the rulemaking or enforcement authority over motor
2 vehicle dealers that could be exercised by any Federal de-
3 partment or agency on the day before the date of enact-
4 ment of this Act.

5 (d) NO TRANSFER OF CERTAIN AUTHORITY.—Not-
6 withstanding any other provision of this Act, the consumer
7 financial protection functions of the Board of Governors
8 and the Federal Trade Commission shall not be trans-
9 ferred to the Director or the Bureau to the extent such
10 functions are with respect to a person described under
11 subsection (a).

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

16 (1) service members and their families are edu-
17 cated and empowered to make better informed deci-
18 sions regarding consumer financial products and
19 services offered by motor vehicle dealers, with a
20 focus on motor vehicle dealers in the proximity of
21 military installations; and

22 (2) complaints by service members and their
23 families concerning such motor vehicle dealers are
24 effectively monitored and responded to, and where

1 appropriate, enforcement action is pursued by the
2 authorized agencies.

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

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

7 (A) any self-propelled vehicle designed for
8 transporting persons or property on a street,
9 highway, or other road;

10 (B) recreational boats and marine equip-
11 ment;

12 (C) motorcycles;

13 (D) motor homes, recreational vehicle trail-
14 ers, and slide-in campers, as those terms are
15 defined in sections 571.3 and 575.103 (d) of
16 title 49, Code of Federal Regulations, or any
17 successor thereto; and

18 (E) other vehicles that are titled and sold
19 through dealers.

20 (2) MOTOR VEHICLE DEALER.—The term
21 “motor vehicle dealer” means any person or resident
22 in the United States, or any territory of the United
23 States, who is licensed by a State, a territory of the
24 United States, or the District of Columbia to engage
25 in the sale of motor vehicles.