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

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

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

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

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

(B) the contract governing such extension
of retail credit or retail leases is not predomi-
nantly assigned to a third-party finance or leasing
source; or

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

c) NO IMPACT ON PRIOR AUTHORITY.—Nothing in
this section shall be construed to modify, limit, or super-
sede the rulemaking or enforcement authority over motor
vehicle dealers that could be exercised by any Federal de-
partment or agency on the day before the date of enact-
ment of this Act.

(d) No Transfer of Certain Authority.—Not-
withstanding any other provision of this Act, the consumer
financial protection functions of the Board of Governors
and the Federal Trade Commission shall not be trans-
ferred to the Director or the Bureau to the extent such
functions are with respect to a person described under
subsection (a).

(e) Coordination With Office of Service Mem-
ber Affairs.—The Board of Governors and the Federal
Trade Commission shall coordinate with the Office of
Service Member Affairs, to ensure that—

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

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

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

(1) MOTOR VEHICLE.—The term “motor vehi-

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

(B) recreational boats and marine equip-
ment;

(C) motorcycles;

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

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

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