To: National Independent Automobile Dealers Association
From: Shaun K. Petersen
Re: July 2015 Regulatory Update
Date: August 4, 2015

I. Consumer Financial Protection Bureau

A. American Honda Finance Corporation Disparate Impact Settlement

The CFPB and Department of Justice settled an investigation against American Honda Finance Corporation (Honda) that alleges a pattern or practice of discrimination against African-American, Hispanic and Asian/Pacific Islander borrowers. The CFPB and DOJ allege that Hondas policies of compensating dealers through interest rate markups lead to minority borrowers paying more for their loans.

Honda has agreed to limit the discretion of car dealers to charge interest rate markups as follow: 125 basis points (or 1.25 percentage points) for loans of 60 months or less, and 100 basis points (or 1 percentage point) for loans greater than 60 months. Honda is also required to set aside $24 million in compensation for alleged victims of the past discrimination. The government alleges that the average African-American victim was obligated to pay over $250 more during the term of the loan because of discrimination, the average Hispanic victim was obligated to pay over $200 more during the term of the loan because of discrimination and the average Asian/Pacific Islander victim was obligated to pay over $150 more during the term of the loan because of discrimination.

In addition to the $24 million in restitution, Honda will earmark $1 million to fund a consumer financial education program focused on consumer auto finance that is designed to benefit African-American, Hispanic and Asian/Pacific Islander populations. The settlement also requires Honda to improve its monitoring and compliance systems.
B. Warning Letters to Companies Selling Retail Good Using the Military Allotment System

The CFPB announced that it sent warning letters to several companies that sell retail goods to military servicemembers regarding those companies’ use of the military allotment system to accept payments. Effective January 1, 2015, the Department of Defense changed regulations for servicemembers prohibiting them from purchasing personal property (including automobiles) using the allotment system.

A copy of the sample warning letter can be found here: http://files.consumerfinance.gov/f/201507_cfpb_sample-allotment-letter.pdf

II. Department of Justice

A. Settlement with Washington Dealership Over Employment Rights of Military Applicants

The Department of Justice settled a lawsuit against a Longview, Washington dealership on behalf of a US Navy Airman who was fired after learning of his intention to join the military. The DOJ alleged that the dealership’s termination of the airman violated the Uniformed Services Employment and Reemployment Rights Act (USERRA). The dealership must pay Forney $15,500 to compensate him for lost wages. Among other things, the settlement also requires the dealership to provide training to Bud Clary Chevrolet’s management and human resources staff on the USERRA rights and obligations of employers and covered employees, including USERRA’s prohibition on terminating employees based upon their application to the military.

III. Department of Labor

A. Misclassification of Independent Contractors

The Wage and Hour Division issued an interpretative document from the Administrator’s office intended to provide guidance to companies on the classification of workers as employees or independent contractors. The document states that the misclassification of employees as independent contractors is increasingly on the rise. The document insinuates that the Department of Labor will be much more aggressive in pursuing enforcement actions against companies that are misclassifying employees as independent contractors.

The guidance document starts from the premise that most workers should be classified as employees. Using the “economic realities” test, the company should use the following factors to consider whether the worker is in business for himself/herself (independent contractor) or is economically dependent on the employer (employee). The following factors should be carefully considered, although one factor is not determinative:
1. Is the work an integral part of the employer’s business?
2. Does the worker’s managerial skill affect the worker’s opportunity for profit or loss?
3. How does the worker’s relative investment compare to the employer’s investment?
4. Does the work performed require special skill and initiative?
5. Is the relationship between the worker and employee permanent or indefinite?
6. What is the nature and degree of the employer’s control?

A copy of the guidance document can be found here:


IV. Environmental Protection Agency

No significant updates.

V. Federal Trade Commission

No significant updates.

VI. Internal Revenue Service

No significant updates.

VII. National Highway Traffic Safety Administration

A. Fiat Chrysler Settlement

As part of its settlement this week with the National Highway Traffic Safety Administration over the mishandling of recall issues, Fiat Chrysler Automobiles must offer to buy back more than 500,000 vehicles – mostly Ram pickup trucks – from their current owners. The agreement requires FCA to contact the owners of those vehicles within 60 days to advise them of the details of the buy-back offer. No timetable has yet been determined on exactly when that might happen.

Dealers in possession of any of the affected models should check the vehicle's VIN using the NHTSA lookup tool at www.safercar.gov to see if that vehicle is among those involved in the recall. If it is, contact Chrysler at 1-800-247-9753 or 1-800-853-1403 for more information.

Those vehicles include:

- 2009-2012 Ram 1500
- 2009-20011 Dodge Dakota
• 2009 Chrysler Aspen
• 2009 Dodge Durango
• 2008-2012 Ram 4500
• 2008-12 Ram 5500
• 2008-2012 Ram 2500 4x4
• 2008-12 Ram 3500 4x4
• 2008-12 Dodge Ram 3500 Chassis Cab 4x2
• 2008 Dodge Ram 1500 Mega Cab 4x4

The buyback price will be the purchase price paid by first purchaser, less a reasonable allowance for depreciation and not including the cost of modifications made after the first retail sale. FCA must also offer a premium of 10 percent above the buyback price to those opting for the buyback remedy on eligible vehicles that have not already been remedied.

In addition, owners of the 1993-1998 Jeep Grand Cherokee involved in the fuel tank recall (recall No. 13V-252) that have not undergone the recall remedy can trade in the vehicle and receive a credit for $1,000 over fair market value toward a new Fiat Chrysler vehicle or the equivalent in parts/service.

Owners who bring a 1993-98 Grand Cherokee or a 2002-2007 Jeep Liberty in for a recall repair will receive a $100 gift card. And owners of 1999-2004 Jeep Grand Cherokees that have not already participated in the service campaign can receive a $100 gift card when they bring the vehicles in for inspection in connection with this service campaign.

VIII. National Motor Vehicle Title Information System

No significant updates.

IX. New York Attorney General

New York Attorney General Eric Schneiderman announced settlements with 23 dealerships for alleged advertising violations. One settlement agreement encompasses 22 dealerships that were alleged to have sent direct mailers that contained a scratch off game card, a pull tab game card, or a “Triple Diamond” game card where consumers could win a cash prize, a free vehicle, a flat-screen television or an Apple iPad. The winning ticket contained three like symbols but it did not explain what, if anything, the consumer won. Instead, consumers were instructed to bring the game card to the dealership during event times in order to claim their prize.

The dealerships allegedly duped consumers into signing sales contracts when they thought they were filling out information to claim the prizes; offered false monetary discounts by marking up the vehicle purchase prices; charging consumers for ancillary products that were not wanted or were represented as free; and failing to refund deposits.
Those dealerships were required to pay $310,000 in financial sanctions.

In addition, the Attorney General settled a case with dealers in White Plains for allegedly advertising sale and lease prices that were illusory because they included discounts or rebates that were not available to most consumers, and thus, did not represent the actual sale or lease prices. That dealer was required to pay $32,500 in costs and penalties to New York State.
July 31, 2015

To: NIADA
From: Federal Advocates
Subject: July Monthly Report

MAP-21 Reauthorization (DRIVE ACT) Rental Car Recalls

In its markup of its portion/title of MAP-21 reauthorization, the Senate Commerce Committee by unanimous consent adopted a series of amendments that included the approach of S. 1173 below. The focus now shifts to the House of Representatives where initial discussions indicate no interest on the part of the House to support the Senate’s action.

H.R.2198, Raechel and Jacqueline Houck Safe Rental Car Act of 2015

Introduced on May 1 by Congresswoman Lois Capps (D-CA-24) with 3 cosponsors. The bill was referred to the Committees on Transportation and Infrastructure and Energy and Commerce. Authorizes a rental company that receives a notification (approved by the National Highway Traffic Safety Administration) from the manufacturer of a covered rental vehicle about any equipment defect, or noncompliance with federal motor vehicle safety standards, to rent or sell the vehicle or equipment only if the defect or noncompliance is remedied. Specifies any rental vehicle: (1) rated at 10,000 pounds gross vehicle weight or less, (2) rented without a driver for an initial term of under 4 months, and (3) that is part of a motor vehicle fleet of 5 or more motor vehicles used for rental purposes by a rental company. Prescribes a special rule to require rental companies to comply with specified limitations on sale, lease, or rental of a motor vehicle as soon as practicable, but within 24 hours after the earliest receipt of the manufacturer's notification of a defect or noncompliance with vehicle safety standards, whether by electronic means or first class mail. Extends the 24-hour deadline for complying with such limitations to 48 hours if the notification covers more than 5,000 motor vehicles in the rental company's fleet. Permits a rental company to rent (but not sell or lease) a motor vehicle subject to recall if the defect or noncompliance remedy is not immediately available and the company takes any actions specified in the notice to alter the vehicle temporarily to eliminate the safety risk posed. Makes these special rules for rental companies inapplicable to junk automobiles. Prohibits a rental company from knowingly making inoperable any safety devices or elements of design installed
on or in a compliant motor vehicle or vehicle equipment unless the company reasonably believes
the vehicle or equipment will not be used when the devices or elements are inoperable.
Authorizes the Secretary, upon request, to inspect records of a rental company with respect to a
safety investigation. Authorizes the Secretary to require a rental company to keep records or
make reports for purposes of compliance with federal motor vehicle safety orders or regulations.
Authorizes the Secretary to study the effectiveness of the amendments made by this Act and of
other activities of rental companies. Amends the Moving Ahead for Progress in the 21st Century
Act (MAP-21) to require the mandatory study of the safety of rental trucks during a specified
seven-year period to evaluate the completion of safety recall remedies on rental trucks. Directs
the Secretary to solicit comments regarding the implementation of this Act from members of the
public, including rental companies, consumer organizations, automobile manufacturers, and
automobile dealers. Declares that nothing in this Act shall: (1) be construed to create or increase
any liability for a manufacturer who manufactures or imports a motor vehicle that is subject to
defect or noncompliance recall requirements; or (2) supereae or otherwise affect the contractual
obligations, if any, between such manufacturer and a rental company.

S.1173, Raechel and Jacqueline Houck Safe Rental Car Act of 2015

Introduced on April 30 by Senator Charles Schumer (D-NY) with 7 cosponsors. The bill was
referred to the Committee on Commerce, Science, and Transportation. Authorizes a rental
company that receives a notification (approved by the National Highway Traffic Safety
Administration) from the manufacturer of a covered rental vehicle about any equipment defect,
or noncompliance with federal motor vehicle safety standards, to rent or sell the vehicle or
equipment only if the defect or noncompliance is remedied. Specifies any rental vehicle: (1)
rated at 10,000 pounds gross vehicle weight or less, (2) rented without a driver for an initial term
of under 4 months, and (3) that is part of a motor vehicle fleet of 5 or more motor vehicles used
for rental purposes by a rental company. Prescribes a special rule to require rental companies to
comply with specified limitations on sale, lease, or rental of a motor vehicle as soon as
practicable, but within 24 hours after the earliest receipt of the manufacturer's notification of a
defect or noncompliance with vehicle safety standards, whether by electronic means or first class
mail. Extends the 24-hour deadline for complying with such limitations to 48 hours if the
notification covers more than 5,000 motor vehicles in the rental company's fleet. Permits a rental
company to rent (but not sell or lease) a motor vehicle subject to recall if the defect or
noncompliance remedy is not immediately available and the company takes any actions specified
in the notice to alter the vehicle temporarily to eliminate the safety risk posed. Makes these
special rules for rental companies inapplicable to junk automobiles. Prohibits a rental company
from knowingly making inoperable any safety devices or elements of design installed on or in a
compliant motor vehicle or vehicle equipment unless the company reasonably believes the
vehicle or equipment will not be used when the devices or elements are inoperable. Authorizes
the Secretary, upon request, to inspect records of a rental company with respect to a safety
investigation. Authorizes the Secretary to require a rental company to keep records or make
reports for purposes of compliance with federal motor vehicle safety orders or regulations.
Authorizes the Secretary to study the effectiveness of the amendments made by this Act and of
other activities of rental companies. Amends the Moving Ahead for Progress in the 21st Century
Act (MAP-21) to require the mandatory study of the safety of rental trucks during a specified
seven-year period to evaluate the completion of safety recall remedies on rental trucks. Directs
the Secretary to solicit comments regarding the implementation of this Act from members of the public, including rental companies, consumer organizations, automobile manufacturers, and automobile dealers. Declares that nothing in this Act shall: (1) be construed to create or increase any liability for a manufacturer who manufactures or imports a motor vehicle that is subject to defect or noncompliance recall requirements; or (2) supersede or otherwise affect the contractual obligations, if any, between such manufacturer and a rental company.

MAP-21 Reauthorization (DRIVE ACT) Used Cars/Auctions Recall

In the Commerce Committee markup of its portion/title of MAP-21 reauthorization, Senator Blumenthal offered an amendment (the text of S.900 below) to prohibit the sale or lease of used cars subject to recall until the defect or noncompliance has been remedied. The amendment also included auctions that, by rule, could become exempt if doing so does not cause public harm. The amendment was defeated 11-13 on a party line vote. Subsequent to that, Blumenthal filed the same amendment to the multi-year highway bill that was being considered by the full Senate. He never offered his amendment with intense lobbying from NIADA, NAAA, and NADA members and the associations’ DC advocates. Senator Hoeven (R-IN) filed an offsetting amendment, if needed, modeled after the Rockefeller bill of last Congress that simply required notification to the consumer of a pending recall. Again, attention now turns to the House to make sure that this issue does not materialize in its multi-year bill and beyond that, in the conference on the bills.

To review, three bills have been introduced on the issue.

S.617, Repairing Every Car to Avoid Lost Lives Act (RECALL ACT), was introduced on March 2 by Senator Edward Markey (D-MA) with one cosponsor. The bill was referred to the Committee on Commerce, Science, and Transportation. This bill declares that a state is in compliance with safety recall requirements if the state agency responsible for motor vehicle registration ensures, by a motor vehicle identification number search of the National Highway Traffic Safety Administration's recall database, that each registered owner of a motor vehicle registered in the state is notified of all recalls issued by the vehicle's manufacturer by certain deadlines, depending on when the vehicle is registered. A state must also require that owners complete all recall remedies as a prerequisite for motor vehicle registration renewal, with the following exceptions: the owner had not been notified of the recall before being notified of the need to renew; the manufacturer, through a local dealership, has not given the owner reasonable opportunity to complete a recall remedy because of a shortage of parts or qualified labor; or the owner demonstrates to the state that he or she has not had reasonable opportunity to complete the recall remedies, in which case the state may grant a temporary registration for 60 days during which time the owner must complete the recall remedies. The Secretary of Transportation shall withhold 5% of federal highway funds from a state that is not in compliance with these requirements.

Status Update: no change since the last report.

H.R.1181, Vehicle Safety Improvement Act of 2015, was introduced on February 27 by Congresswoman Janice Schakowsky (D-IL-9) with 9 (now 11) cosponsors. The bill was referred
to the House Committee on Energy and Commerce. The official subject summary of the bill is not yet available.

Status Update: no change since the last report.

**S.900, Used Car Safety Recall Repair Act**, was introduced on April 13 by Senator Richard Blumenthal (D-CT) with one cosponsor. The bill was referred to the Committee on Commerce, Science, and Transportation. The bill prohibits a dealer from selling or leasing a used passenger motor vehicle until a defect of the motor vehicle or motor vehicle equipment or noncompliance with a federal motor vehicle safety standard has been remedied.

Status Update: no change since the last report.

**Military Pay Allotment**

Have heard this month from both House and Senate Armed Services Committees re the military pay allotment issue and the language below in the House report accompanying the bill. They have agreed to treat the House language as an order to DOD. Given that, Committee staffs have advised that the DOD must comply with the report language and provide the briefing and report. It was suggested in a separate discussion with Senator Tillis office that we continue working on Senator Graham (Tillis meant with him three times on the issue) in anticipation of the possible need to convert the report language to legislative language next year. Suggest members to start documenting any adverse experiences with military sales as a result of the DOD directive on military pay allotment prohibition.

To review, on May 15 by a vote of 269-151, the House passed H.R. 1735, the FY16 National Defense Authorization Bill (NDA), with the language below.

**ITEMS OF SPECIAL INTEREST (pp. 151-152 of Committee Report 114-112)**

Military Allotment Prohibition Briefing to Congress The committee understands that an amendment to the Department of Defense Financial Management Regulation, effective January 1, 2015, now prohibits Active Duty service members from establishing new allotments for certain purposes, such as the purchase, lease, or rental of personal property. The committee is concerned with the method by which the decision to prohibit certain allotments by military members was reached. Therefore, the committee directs the Secretary of Defense to provide a briefing to the House Committee on Armed Services by January 1, 2016, on the process and justification associated with the amendment to the Department of Defense Financial Management Regulation. The briefing shall include, but not be limited to, the timing and format of the public notice and comment period prior to issuance of the amendment; a summary of public comments submitted for the record; a summary of hearings and workshops held; a list of stakeholders consulted and the timing, manner, and results of such consultation; a summary of all comments and views expressed by stakeholders and how those comments and views were addressed; the justification for the amendment with supporting documentation; an analysis, with case studies, of the nexus between predatory lending and the allotment system; and all studies, data, methodologies, analyses, and other information relied on by the Department.
Reforming CFPB Indirect Auto Financing Guidance Act

On July 29, the House Committee on Financial Services, by a recorded vote of 47-10 (of the 47, 34 were Republicans and 13 Democrats), reported the above bill favorably to the House of Representatives. Those who spoke in support of the legislation were Congressmen Guinta (R-NH-1), the bill’s sponsors; Perlmutter (D-CO-7); Williams (R-TX-25); David Scott (D-GA-13); Hill (R-AR-2); Emmer (R-MN-6); Duffy (R-WI-7); Stutzman (R-IN-3); Barr (R-KY-6); Congresswoman Love (R-UT-4); Congressmen Pittenger (R-NC-9); Schweikert (R-AZ-6); Rothfus (R-PA-12); and, Full Committee Chairman Hensarling (R-TX-5). Those who spoke in opposition were Congresswoman Waters (D-CA-43), the Full Committee Ranking Democrat; Congressmen Al Green (D-TX-9); Clay (D-MO-1); and, Congresswoman Beatty (D-OH-3). The letter signed by the various stakeholders – including NIADA and NAAA - was entered into the record of the proceedings. The next step in the process is consideration by the full House. When and under what rules that will occur are yet to be determined.

To review, NIADA joined with other stakeholders in signing a June 10 letter of support for H.R. 1737. On April 13, Congressman Frank Guinta (R-NH-1) introduced H.R. 1737, Reforming CFPB Indirect Auto financing Guidance Act, with 16 (now 123) bipartisan cosponsors. The bill was referred to the Committee on Financial Services. Guinta is on the Committee. The text of the bill is the same as the Stutzman/Perlmutter bill of the last Congress. It rescinds the auto financing guidance action taken by the CFPB in March 2013 and provides for a more transparent and accountable process for dealing with the issue. Specifically the bill declares without force or effect Consumer Financial Protection Bureau (CFPB) Bulletin 2013-02 (Indirect Auto Lending and Compliance with the Equal Credit Opportunity Act), published March 21, 2013. Amends the Consumer Financial Protection Act of 2010 to direct the CFPB, when proposing and issuing guidance primarily related to indirect auto financing, to: provides for a public notice and comment period before issuing the guidance in final form; makes publicly available all information relied on by the CFPB; redacts any information exempt from disclosure under the Freedom of Information Act; consults with the Board of Governors of the Federal Reserve System, the Federal Trade Commission, and the Department of Justice; and studies the costs and impacts of the guidance to consumers and women-owned, minority-owned, and small businesses. The goal now is to get as many bipartisan cosponsors to keep the pressure on the CFPB to initiate its own self-reform and/or the House Leadership to move the bill. In the Senate, Senator Moran (R-KS) has been approached to introduce a companion bill. Moran also sits on the committee of jurisdiction.

Status Update: the bill was reported and fifteen additional cosponsors added since the last report.

Marketplace and Internet Tax Fairness Act

The Judiciary Committee has received comments back from a wide range of stakeholders and is still reviewing them and deciding its legislative strategy going forward. To review, Congressman Bob Goodlatte (R-VA-6), Chairman of the House Judiciary Committee, and Congresswoman Anna Eshoo (D-CA-18) have developed a discussion draft bill on the remote sales tax issue. Per efforts of the Association, the bill specifies that states may not impose use tax
on a purchaser who paid sales tax at the origin rate at the time of purchase. It specifically 
exempts aircraft, vehicles, vessels and business purchases. These are all cases in which states 
currently collect today, either when the vehicle is registered or because businesses pay their use 
tax. As a general rule, where states are successfully collecting today, the bill preserves the status. 
A summary of the text refers to the exemption as preventing “double taxation.”

Status Update: no change since the last report.

**Motor Vehicle Whistleblower**

**S.304, Motor Vehicle Safety Whistleblower Act**, was introduced on January 29 by Senator 
John Thune (R-SD) with 7 cosponsors. The bill was referred to the Committee on Commerce, 
Science, and Transportation and reported by the Committee on February 26. S. 304 prescribes 
certain whistleblower incentives and protections for motor vehicle manufacturer, part supplier, or 
dealership employees or contractors who voluntarily provide the Secretary of Transportation 
information relating to any motor vehicle defect, noncompliance, or any violation of any 
notification or reporting requirement which is likely to cause unreasonable risk of death or 
serious physical injury. Authorizes the Secretary to pay awards to one or more whistleblowers in 
an aggregate amount of up to 30% of total monetary sanctions collected pursuant to an 
administrative or judicial action resulting in aggregate monetary sanctions exceeding $1 million. 
Prohibits an award to any whistleblower that knowingly and willfully makes false 
representations. Subjects such a whistleblower to criminal penalties. The bill passed the Senate 
on April 28.

Status Update: no change since the last report.

**Annual Privacy Notice Requirement**

Two bills have been introduced on the issue following similar action last Congress. The bills are 
equal except for #3 below in the Senate bill. NIADA is on record as supporting the House 
version as #3 imposes a potentially costly and timely requirement on dealers.

**H.R.601, Eliminate Privacy Notice Confusion Act.**, was introduced on January 28 by 
Congressman Blaine Luetkemeyer (R-MO-3) with 40 (now 57) cosponsors. The bill was referred 
to the Committee on Financial Services. H.R. 601 amends the Gramm-Leach-Bliley Act to 
exempt from its annual privacy policy notice requirement any financial institution which: (1) 
provides nonpublic personal information only in accordance with specified requirements, and (2) 
has not changed its policies and practices with regard to disclosing nonpublic personal 
information from those disclosed in the most recent disclosure sent to consumers. On March 26 
the bill was ordered reported from Committee. On April 13, the bill passed the House under 
suspension of the rules.

Status Update: no change since the last report.

**S.423, Privacy Notice Modernization Act of 2015**, was introduced on February 10 by Senator 
Jerry Moran (R-KS) with 21 (now 49) cosponsors. The bill was referred to the Committee on
Banking, Housing, and Urban Affairs. A hearing was held on the bill on Feb. 12. The bill amends the Gramm-Leach-Bliley Act to exempt from its annual written privacy policy notice requirement any financial institution which: (1) provides nonpublic personal information only in accordance with specified requirements, (2) has not changed its policies and practices with respect to disclosing nonpublic personal information from those disclosed in the most recent disclosure sent to consumers, and (3) otherwise provides customers access to such most recent disclosure in electronic or other form permitted by specified regulations.

Status Update: no change since the last report.

Auction Sales

This issue has not resurfaced for some time now. We will continue to monitor for any possible developments.

President’s Transportation Bill (MAP-21 Reauthorization)

The U.S. Department of Transportation’s version of a multiyear highway bill includes significant proposals designed to get unreppaired vehicles off the roads faster, including seeking to require all new car dealers to check for uncompleted recalls when owners take their vehicles in for service. Under the new bill, NHTSA would get new authority to take immediate action to respond to any condition of a motor vehicle or motor vehicle equipment that creates the likelihood of death or serious injury to the public if not discontinued immediately, without prior notice or hearing. The new bill retains reforms proposed last year but would require new car dealers to check when a owner takes a car in for service to determine if there are any uncompleted recalls. The proposal would also establish a two-year pilot grant program to determine if state motor vehicle departments could notify owners of uncompleted recalls at the time they were registering or renewing a vehicle registration. Some in Congress have called for making getting recalled vehicles fixed mandatory before owners could renew their license plate. It would also hike the maximum daily fine for failing to comply with NHTSA rules from $7,000 to $25,000. NHTSA would get authority to issue new standards on ensuring electronics and software function properly and the power to file criminal charges against vehicle hackers, giving the agency the ability to charge people who use electronic devices to affect the performance of a motor vehicle or motor vehicle equipment of which they are not the individual owner. The proposal would also require all distributors and dealers to register tires at the time of purchase and notify the manufacturer because of low completion rates for tire recalls. Under current law, only tire dealers owned or controlled by a manufacturer are required to register tires with the manufacturer. The bill would also require tire manufacturers to give owners a free replacement tire for a recall for six months rather than the current 60 days.

Reserve’s yearly remittances to the Treasury Department. These remittances are earnings generated by the Federal Reserve and were originally intended to be deposited in the Treasury to help fund general government.”
Bill Tracking

Note: some of the following bills lack a subject summary. That is because the internal Hill bill information system has still not “caught up” with the number of bills introduced. It will. Also, some of the following bills may drop off the tracking list depending upon what is learned about their subject matter.

H.R.171, To repeal the Dodd-Frank Wall Street Reform and Consumer Protection Act

Introduced on January 26 by Congressman Adam Smith (R-NE-3) with no cosponsors. The bill was referred to the Subcommittee on Commodity Exchanges, Energy, and Credit of the Financial Services Committee et al. H.R.171 repeals the Dodd-Frank Wall Street Reform and Consumer Protection Act. It revives or restores the provisions of law amended by such Act as if it had not been enacted.

Status Update: no change since the last report.

S.89, Financial Takeover Repeal Act of 2015

Introduced on January 7 by Senator David Vitter (R-LA) with no cosponsors. The bill was referred to the Committee on Finance. S.89 repeals the Dodd-Frank Wall Street Reform and Consumer Protection Act. It revives or restores the provisions of law amended by such Act as if it had not been enacted.

Status Update: no change since the last report.

S.107, Terminating the Expansion of Too-Big-To-Fail Act of 2015

Introduced on January 7 by Senator David Vitter (R-LA) with no cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. S.107 amends the Financial Stability Act of 2010, title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), the Federal Deposit Insurance Act, and the Federal Reserve Act to eliminate all supervision by the Board of Governors of the Federal Reserve System (Board) of domestic and foreign nonbank financial companies, including new or heightened standards and safeguards and minimum leverage capital requirements. Eliminates the duty of the Financial Stability Oversight Council to identify systemically important financial market utilities and payment, clearing, and settlement activities. Repeals the authority of the Council, acting through the Office of Financial Research, to: (1) require the submission of periodic and other reports from any domestic or foreign nonbank financial company, or (2) request the Board to examine a U.S. nonbank financial company for the sole purpose of determining whether it should be Board-supervised. Repeals specified additional Board authority to supervise certain nonbank financial companies, including the prohibition against management interlocks between such companies and certain other financial companies. Repeals the requirement that the Board study and report to Congress on: (1) specified issues with respect to the resolution of financial companies under chapter 7 (Liquidation) or 11 (Reorganization) of the Bankruptcy Code, and (2) international coordination relating to the resolution of systemic financial companies under the U.S. Bankruptcy Code and
applicable foreign law. Repeals the authority of the Council to recommend to the Board: (1) prudential standards and reporting and disclosure requirements for Board-supervised nonbank financial companies, and (2) any requirement that each nonbank financial company report periodically the company's credit exposure as well as its plan for rapid and orderly resolution in the event of material financial distress or failure. Repeals the requirement that the Council study the feasibility, benefits, costs, and structure of a contingent capital requirement for Board-supervised nonbank financial companies. Eliminates reporting requirements for such companies. Repeals the Payment, Clearing, and Settlement Supervision Act of 2010 (title VIII of Dodd-Frank).

Status Update: no change since the last report.

**S.1484, Financial Regulatory Improvement Act of 2015**

Introduced on June 2 by Senator Richard Shelby (R_AL) with no cosponsors. The bill was reported by Committee on June 2.

Status Update: bill added since the last report.

**H.R.957, Bureau of Consumer Financial Protection-Inspector General Reform Act of 2015 or the CFPB-IG Act of 2015**

Introduced on February 12 by Congressman Steve Stivers (R-OH-15) with 3 (now 7) cosponsors. The bill was referred to the Committees on Oversight and Government Reform and Financial Service. Amends the Inspector General Act of 1978 to repeal the authority of the Chairman of the Board of Governors of the Federal Reserve System to appoint the Inspector General of the Consumer Financial Protection Bureau (CFPB). Amends the Dodd-Frank Wall Street Reform and Consumer Protection Act to create an Inspector General for the CFPB. Requires the President, within 60 days after enactment of this Act, to appoint a CFPB Inspector General.

Status Update: one additional cosponsor added since the last report.


Introduced on February 12 by Senator Rob Portman (R-OH) with 12 (now 13) cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. Amends the Inspector General Act of 1978 to repeal the authority of the Chairman of the Board of Governors of the Federal Reserve System to appoint the Inspector General of the Consumer Financial Protection Bureau (CFPB). Requires the CFPB Inspector General to be appointed by the President, by and with the advice and consent of the Senate.

Status Update: no change since the last report.

**H.R.1261, Bureau of Consumer Financial Protection Accountability Act of 2015**
Introduced on March 4 by Congressman Sean Duffy (R-WI-7) with no (now 1) cosponsors. The bill was referred to the House Committee on Financial Services. This bill amends the Consumer Financial Protection Act of 2010 to eliminate provisions that fund the Consumer Financial Protection Bureau (CFPB) using transfers from the earnings of the Federal Reserve System. The transfers under current law permit the CFPB to be funded outside of the annual appropriations process, and this bill brings the CFPB into the regular process.

Status Update: no change since the last report.


Introduced on March 4 by Congressman Randy Neugebauer (R-TX-19) with 20 (now 47) cosponsors. The bill was referred to the House Committee on Financial Services. Amends the Consumer Financial Protection Act of 2010 to replace the Consumer Financial Protection Bureau as an independent bureau within the Federal Reserve System, with an independent Financial Product Safety Commission that is to regulate the offering and provision of consumer financial products or services. States that the Commission (like the current Bureau) shall be composed of five members with strong competencies and experiences regarding consumer financial products and services, each to serve for a term of five years, and appointed by the President by and with the advice and consent of the Senate. Prohibits the Chair of the Commission from submitting requests for estimates related to appropriations without prior Commission approval.

Status Update: no change since the last report.

**H.R.1265, Bureau Advisory Commission Transparency Act**

Introduced on March 4 by Congressman Sean Duffy (R-WI-7) with 2 (now 7) cosponsors. The bill was referred to the Committees on Financial Services and Oversight and Government Reform. Amends the Consumer Financial Protection Act of 2010 to apply the Federal Advisory Committee Act applicable to each advisory committee and subcommittee of the Consumer Financial Protection Bureau. Note: on April 13 the bill passed the House.

Status Update: no change since the last report.

**H.R.1195, Bureau of Consumer Financial Protection Advisory Boards Act**

Introduced on March 2 by Congressman Robert Pittenger (R-NC-9) with one (now 19) cosponsor. The bill was referred to the House Committee on Financial Services. Note: on March 25 the bill was reported from Committee. Amends the Consumer Financial Protection Act of 2010 to direct the Director of the Consumer Financial Protection Bureau (CFPB) to establish a Small Business Advisory Board to: (1) advise and consult with the CFPB in the exercise of its functions under the federal consumer financial laws regarding eligible financial products or services, and (2) provide information on evolving small business practices. Requires such Board members to be representatives of small business concerns that: provide financial products or services for use by consumers primarily for personal, family, or household purposes, are service
providers to covered persons; and use consumer financial products or services in financing the business activities of such small businesses. Encourages the Director, in making such Board appointments, to ensure the participation of minority- and women-owned small business concerns and their interests, without regard to party affiliation. Instructs the Director to establish a Credit Union Advisory Council and a Community Bank Advisory Council to advise and consult with the CFPB on consumer financial products or services that impact credit unions and community banks, respectively. Encourages the Director, in making appointments to such Councils, to ensure the participation of credit unions and community banks predominantly serving traditionally underserved communities and populations and their interests, without regard to party affiliation. Note: on April 22 the bill passed the House.

Status Update: no change since the last report.

**H.R.1486, To amend the Consumer Financial Protection Act of 2010 to bring the Bureau of Consumer Financial Protection into the regular appropriations process, and for other purposes**

Introduced on March 19 by Congressman Andy Barr (R-KY-6) with 5 (now 13) cosponsors. The bill was referred to the House Committee on Financial Services. This bill amends the Consumer Financial Protection Act of 2010 to eliminate provisions that fund the Consumer Financial Protection Bureau (CFPB) using transfers from the earnings of the Federal Reserve System. The transfers under current law permit the CFPB to be funded outside of the annual appropriations process, and this bill brings the CFPB into the regular process.

Status Update: two additional cosponsors added since the last report.

**S.560, Promoting Automotive Repair, Trade, and Sales Act of 2015 or the PARTS Act**

Introduced on February 25 by Senator Orin Hatch (R-UT) with one cosponsor. The bill was referred to the Committee on the Judiciary. The bill declares that it is not an act of infringement, with respect to a design patent that claims a component part of a motor vehicle as originally manufactured, to: (1) make, test, or offer to sell within, or import into, the United States any article of manufacture that is similar or the same in appearance to the component part claimed in such design patent if the purpose of such article is for the repair of a motor vehicle to restore its appearance as originally manufactured; or (2) use or sell within the United States any such same or similar articles for such restorations more than 30 months after the claimed component part is first offered for public sale as part of a motor vehicle in any country. Defines: (1) "component part" as a component part of the exterior of a motor vehicle only (such as a hood, fender, tail light, side mirror, or quarter panel), excluding an inflatable restraint system or other component part located in the interior of a motor vehicle; and (2) "offer to sell" to include marketing or pre-sale distribution. Applies this Act to any patent issued, or application filed, before, on, or after the effective date of this Act.

Status Update: no change since the last report.
H.R.1057, Promoting Automotive Repair, Trade, and Sales Act of 2015 or the PARTS Act

Introduced on February 25 by Congressman Darrell Issa (R-CA-49) with 3 (now 14) cosponsors. The bill was referred to the House Committee on the Judiciary. The bill declares that it is not an act of infringement, with respect to a design patent that claims a component part of a motor vehicle as originally manufactured, to: (1) make, test, or offer to sell within, or import into, the United States any article of manufacture that is similar or the same in appearance to the component part claimed in such design patent if the purpose of such article is for the repair of a motor vehicle to restore its appearance as originally manufactured; or (2) use or sell within the United States any such same or similar articles for such restorations more than 30 months after the claimed component part is first offered for public sale as part of a motor vehicle in any country. Defines: (1) "component part" as a component part of the exterior of a motor vehicle only (such as a hood, fender, tail light, side mirror, or quarter panel), excluding an inflatable restraint system or other component part located in the interior of a motor vehicle; and (2) "offer to sell" to include marketing or pre-sale distribution. Applies this Act to any patent issued, or application filed, before, on, or after the effective date of this Act.

Status Update: no change since the last report.

H.R.1766, Right to Lend Act of 2015

Introduced on April 14 by Congressman Robert Pittenger (R-NC-9) with no (now 1) cosponsors. The bill was referred to the House Committee on Financial Services. The bill repeal provisions of the Equal Credit Opportunity Act, as amended by Dodd-Frank Wall Street Reform and Consumer Protection Act, that require financial institutions to: (1) inquire whether businesses applying for credit for a women-owned, minority-owned, or small business are such a business; and (2) submit annually to the Consumer Financial Protection Bureau, in a manner to be made available to the public, a record of the responses to such inquiry, including census tract information and disclosures as to the race, sex, and ethnicity of the principal owners of such businesses.

Status Update: no change since the last report.

S.881, Comprehensive Regulatory Review Act of 2015

Introduced on March 26 by Senator Mike Crapo (R-ID) with no cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. This bill amends the Economic Growth and Regulatory Paperwork Reduction Act of 1996 to specify the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, the Consumer Financial Protection Bureau, and the National Credit Union Administration Board as the federal agency representatives on the Federal Financial Institutions Examination Council which are required, along with the Council, to review all Council-prescribed regulations at least once every 10 years in order to identify outdated or unnecessary regulatory requirements imposed upon financial institutions (currently, only insured depository institutions). This decennial review shall include all regulations issued pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act.
H.R.2099, To amend the Consumer Financial Protection Act of 2010 to require the Bureau of Consumer Financial Protection to develop a model form for a disclosure notice that shall be used by depository institutions and credit unions, and for other purposes.

Introduced April 29 by Congressman John Carney (R-DE-At large) with no cosponsors. The bill was referred to the House Committee on Financial Services. Amends the Consumer Financial Protection Act of 2010 to require the Consumer Financial Protection Bureau to develop a model form for a disclosure notice to be used by depository institutions and credit unions to inform consumers before they open a checking account. Exempts from the requirement to use such a form any depository institutions or credit unions with total assets of less than $2 billion.


Introduced on April 29 by Congresswoman Lynn Westmoreland (D-GA-3) with no cosponsors. The bill was referred to the Committees on Agriculture, the Judiciary, and Ways and Means. Titles I and II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5301 et seq.) are hereby repealed, and the provisions of law amended or repealed by such titles are restored or revived as if such titles had not been enacted.

S.1383, Consumer Financial Protection Bureau Accountability Act of 2015

Introduced on May 19 by Senator David Perdue (R-GA) with no (now 7) cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. This bill amends the Consumer Financial Protection Act of 2010 to change the source of funding for the Consumer Financial Protection Bureau (CFPB) from Federal Reserve System transfers to annual appropriations. Under current law, the transfers from the Federal Reserve System permit the CFPB to be funded outside of the annual congressional appropriations process.

S.1565, Military Consumer Protection Act

Introduced on June 11, by Senator Jack Reed (D-RI) with 11 cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. This bill amends the Consumer Financial Protection Act to extend Consumer Financial Protection Bureau oversight and protection to provisions under the Servicemembers Civil Relief Act concerning: future financial transactions, excluding insurance; default judgments, excluding child custody proceedings;
interest rates on pre-service debts; evictions; purchase or lease installment contracts; mortgages and trusts; motor vehicle leases; telephone service contracts; and waiver of rights pursuant to a written agreement, excluding bailments.

Status Update: no change since the last report.

**H.R.2979, Military Consumer Protection Act**

Introduced on July 8 by Congresswoman Tammy Duckworth (D-IL-8) with twenty-two cosponsors. The bill was referred to the House Committee on Financial Services. This bill amends the Consumer Financial Protection Act to extend Consumer Financial Protection Bureau oversight and protection to provisions under the Servicemembers Civil Relief Act concerning: future financial transactions, excluding insurance; default judgments, excluding child custody proceedings; interest rates on pre-service debts; evictions; purchase or lease installment contracts; mortgages and trusts; motor vehicle leases; telephone service contracts; and waiver of rights pursuant to a written agreement, excluding bailments.

Status Update: no change since the last report.

**S.1743, Motor Vehicle Safety Act of 2015**

Introduced on July 9 by Senator Bill Nelson (D-FL) with two cosponsors. The bill was referred to the Committee on Commerce, Science, and Transportation.

Status Update: bill added since the last report.

**H.R.3118, To eliminate the Bureau of Consumer Financial Protection by repealing title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act, commonly known as the Consumer Financial Protection Act of 2010**

Introduced on July 20 by Congressman John Ratcliffe (R-TX-4) with 53 cosponsors. The bill was referred to the Committee on Financial Services.

Status Update: bill added since the last report.

**S.1804, Repeal CFPB Act**

Introduced on July 21 by Senator Ted Cruz (R-TX) with no cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs.

Status Update: bill added since the last report.