

MEMORANDUM

To: Members of the Committee on Financial Services

From: Committee Majority Staff

Date: July 3, 2025

Subject: July 8, 2025, Subcommittee on Financial Institutions Hearing: “Main Street or Mandates? How Dodd-Frank Closed the Door on Financial Opportunities”

On Tuesday, July 8, 2025, at 10:00 a.m., the Subcommittee on Financial Institutions will hold a hearing in Room 2128 of the Rayburn House Office Building, entitled “Main Street or Mandates? How Dodd-Frank Closed the Door on Financial Opportunities.” The following witnesses will testify:

- **Ms. Allison Schoenthal**, Partner, Goodwin Proctor
- **Mr. Alex J. Pollock**, Senior Fellow, Mises Institute
- **Dr. Paul H. Kupiec**, Senior Fellow, American Enterprise Institute
- **Dr. Todd J. Zywicki**, George Mason University Foundation Professor of Law, Antonin Scalia Law School at George Mason University
- *Additional Witness to be Added*

The hearing will evaluate the real-world impact and unintended consequences of the *Dodd-Frank Wall Street Reform and Consumer Protection Act*, passed 15 years ago in the wake of the financial crisis. It will critically examine the expansive regulatory bureaucracy created by the law, including the Consumer Financial Protection Bureau, the Financial Stability Oversight Council, the Office of Financial Research, and the Federal Reserve’s Vice Chair for Supervision position.

Legislation Noticed

1. **H.R. 3213, the *Restoring Court Authority Over Litigation Act of 2025* (Fitzgerald):** This bill reinforces the authority of State and Federal courts over the legal profession by prohibiting Federal agencies from regulating attorneys and law firms engaged in litigation, and by barring private lawsuits against them for litigation-related conduct.
2. **H.R. _____, the *Credit Access and Inclusion Act* (Kim):** This bill allows reporting of alternative payment data, including timely payments on leases, utilities, and telecom services, to credit bureaus. It includes consumer protections for payment plans, limits liability for data providers, and requires a GAO study on the impact for consumers.
3. **H.R. 3682, the *Financial Stability Oversight Council Improvement Act of 2025* (Foster):** This bill requires the Financial Stability Oversight Council to explore and rule

out alternative actions before designating a U.S. nonbank financial company for Federal Reserve supervision.

4. **H.R. _____, the *Small Dollar Loan Certainty Act (Kim)*:** This bill amends the *Truth in Lending Act* to provide a safe harbor for depository institutions offering responsible small-dollar credit products. It sets standards for loan terms, underwriting, and disclosures, and limits penalties and fees to promote affordable, transparent lending for loans of \$3,500 or less.
5. **H.R. 3141, the *CFPB Budget Integrity Act (Downing)*:** This bill limits the amount of unobligated balances in the Bureau Fund to no more than 5 percent in any fiscal year. It requires the Director of the CFPB to transfer any excess funds to the Treasury's general fund and mandates reporting on the use of unobligated balances.
6. **H.R. _____, a bill to direct certain Federal banking agencies to promote the formation of de novo regulated institutions through the review of application processes, the review of capital raising by de novo regulated institutions, and the establishment of various outreach programs, and for other purposes (Waters):** This discussion draft directs federal financial regulatory agencies to promote the formation of new banks and credit unions by reviewing and streamlining application processes, minimizing duplicative information requests, and reviewing capital-raising challenges in consultation with the SEC. It requires the designation of agency caseworkers to assist applicants, the development of outreach and education programs, and regular engagement with state regulators and stakeholders. Agencies must report annually to Congress on implementation and submit long-term engagement plans every five years, following public comment.
7. **H.R. _____, a bill to require the Federal financial institutions regulatory agencies to jointly review the cumulative impact of regulations issued by such agencies, and for other purposes:** This discussion draft mandates that Federal financial institutions regulatory agencies jointly review every three years the cumulative impact of their regulations, assessing effects on consumer access, credit availability, market liquidity, and overall economic activity, and recommend ways to streamline or eliminate duplicative or burdensome rules.
8. **H.R. _____, a bill to amend the Federal Reserve Act to specify additional responsibilities of the member of the Board of Governors of the Federal Reserve System who was appointed as the member with experience working in or supervising community banks, and for other purposes:** This discussion draft assigns supervisory and regulatory duties to the Board member with primary experience in community banks under \$10 billion in assets. It requires this member to lead policy development for such banks and, if not the Vice Chairman for Supervision, to report semi-annually to Congress. The bill also updates related statutes to reflect this enhanced role.
9. **H.R. _____, a bill to amend the Consumer Financial Protection Act of 2010 to require the attestation of certain information as part of the consumer complaint submission**

process, and for other purposes: This discussion draft requires consumers submitting complaints to the CFPB to attest under penalty of perjury to the accuracy and legitimacy of their complaint. It allows financial institutions to close complaints deemed duplicative, frivolous, unauthorized, or fraudulent, with notification and recordkeeping. The draft protects complaint narrative confidentiality while permitting publication of aggregated, non-identifiable data.

10. **H.R. _____, a bill to amend the Consumer Financial Protection Act of 2010 to provide procedures for guidance issued by the Bureau of Consumer Financial Protection, and for other purposes:** This discussion draft requires the CFPB to set formal procedures for issuing, amending, and revoking guidance with public input; protects good-faith reliance on guidance; and mandates a penalty matrix rule for civil monetary penalties aligned with other federal financial regulators.
11. **H.R. _____, a bill to amend the Consumer Financial Protection Act of 2010 to direct civil penalties to victims and transfer excess funds to the Treasury, and for other purposes:** This discussion draft requires civil penalties to be paid directly to victims, eliminates alternative uses of the funds, and mandates that any excess amounts remaining after full victim compensation be transferred to the U.S. Treasury's general fund.
12. **H.R. _____, a bill to amend the Consumer Financial Protection Act of 2010 to eliminate the market monitoring functions of the Bureau of Consumer Financial Protection, and for other purposes:** This discussion draft removes the Bureau's authority to issue market monitoring orders.
13. **H.R. _____, a bill to amend the Consumer Financial Protection Act of 2010 to revise the structure and maximum amounts of civil monetary penalties, and to provide incentives for the self-reporting of violations:** This discussion draft restructures penalty tiers, revises certain penalty maximums, adds self-reporting as a mitigating factor, and requires the CFPB to issue rules reducing penalties for voluntarily disclosed violations.
14. **H.R. _____, a bill to amend the Financial Stability Act of 2010 to authorize appropriations for the Office of Financial Research and the Financial Stability Oversight Council, and for other purposes:** This discussion draft authorizes appropriations for fiscal years 2025 and 2026 for OFR and FSOC, clarifies interagency assistance and detailee provisions, and specifies OFR's data collection and publishing responsibilities.