

[DISCUSSION DRAFT]

119TH CONGRESS
1ST SESSION

H. R. _____

To amend the Consumer Financial Protection Act of 2010 to make the Bureau of Consumer Financial Protection an independent agency led by a commission, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. HUIZENGA introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Consumer Financial Protection Act of 2010 to make the Bureau of Consumer Financial Protection an independent agency led by a commission, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Commission of the Bu-
5 reau of Consumer Financial Protection Act”.

1 **SEC. 2. MAKING THE BUREAU AN INDEPENDENT AGENCY**
2 **LED BY A COMMISSION.**

3 The Consumer Financial Protection Act of 2010 (12
4 U.S.C. 5481 et seq.) is amended—

5 (1) in section 1011—

6 (A) in subsection (a)—

7 (i) by striking “in the Federal Reserve
8 System,”; and

9 (ii) by striking “independent bureau”
10 and inserting “independent agency”;

11 (B) by striking subsections (b), (c), and
12 (d);

13 (C) by redesignating subsection (e) as sub-
14 section (j);

15 (D) in subsection (j), as so redesignated,
16 by striking “, including in cities in which the
17 Federal reserve banks, or branches of such
18 banks, are located,”; and

19 (E) by inserting after subsection (a) the
20 following new subsections:

21 “(b) **AUTHORITY TO PRESCRIBE REGULATIONS.—**

22 The commission of the Bureau may prescribe such regula-
23 tions and issue such orders in accordance with this title
24 as the Bureau may determine to be necessary for carrying
25 out this title and all other laws within the Bureau’s juris-
26 diction and shall exercise any authorities granted under

1 this title and all other laws within the Bureau’s jurisdic-
2 tion.

3 “(c) COMPOSITION OF THE COMMISSION.—

4 “(1) IN GENERAL.—The management of the
5 Bureau shall be vested in a commission, which shall
6 be composed of 5 members who shall be appointed
7 by the President, by and with the advice and consent
8 of the Senate, and at least 2 of whom shall have pri-
9 vate sector experience in the provision of consumer
10 financial products and services.

11 “(2) STAGGERING.—The members of the com-
12 mission shall serve staggered terms, which initially
13 shall be established by the President for terms of 1,
14 2, 3, 4, and 5 years, respectively.

15 “(3) TERMS.—

16 “(A) IN GENERAL.—Except with respect to
17 the initial staggered terms described under
18 paragraph (2), each member of the commission,
19 including the Chair, shall serve for a term of 5
20 years.

21 “(B) REMOVAL.—The President may re-
22 move any member of the commission for ineffi-
23 ciency, neglect of duty, or malfeasance in office.

24 “(C) VACANCIES.—Any member of the
25 commission appointed to fill a vacancy occur-

1 ring before the expiration of the term to which
2 that member's predecessor was appointed (in-
3 cluding the Chair) shall be appointed only for
4 the remainder of the term.

5 “(D) CONTINUATION OF SERVICE.—Each
6 member of the commission may continue to
7 serve after the expiration of the term of office
8 to which that member was appointed until a
9 successor has been appointed by the President
10 and confirmed by the Senate, except that a
11 member may not continue to serve more than 1
12 year after the date on which that member's
13 term would otherwise expire.

14 “(E) OTHER EMPLOYMENT PROHIBITED.—
15 No member of the commission shall engage in
16 any other business, vocation, or employment.

17 “(d) AFFILIATION.—Not more than 3 members of
18 the commission shall be members of any one political
19 party.

20 “(e) CHAIR OF THE COMMISSION.—

21 “(1) INITIAL CHAIR.—The first member and
22 Chair of the commission shall be the individual serv-
23 ing as Director of the Bureau of Consumer Finan-
24 cial Protection on the day before the date of the en-
25 actment of this subsection. Such individual shall

1 serve until the President has appointed all 5 mem-
2 bers of the commission in accordance with sub-
3 section (c).

4 “(2) SUBSEQUENT CHAIR.—Of the 5 members
5 appointed in accordance with subsection (c), the
6 President shall appoint 1 member to serve as the
7 subsequent Chair of the commission.

8 “(3) AUTHORITY.—The Chair shall be the prin-
9 cipal executive officer of the commission, and shall
10 exercise all of the executive and administrative func-
11 tions of the commission, including with respect to—

12 “(A) the appointment and supervision of
13 personnel employed under the commission
14 (other than personnel employed regularly and
15 full time in the immediate offices of members of
16 the commission other than the Chair);

17 “(B) the distribution of business among
18 personnel appointed and supervised by the
19 Chair and among administrative units of the
20 commission; and

21 “(C) the use and expenditure of funds.

22 “(4) LIMITATION.—In carrying out any of the
23 Chair’s functions under the provisions of this sub-
24 section, the Chair shall be governed by general poli-
25 cies of the commission and by such regulatory deci-

1 sions, findings, and determinations as the commis-
2 sion may by law be authorized to make.

3 “(5) REQUESTS OR ESTIMATES RELATED TO
4 APPROPRIATIONS.—Requests or estimates for reg-
5 ular, supplemental, or deficiency appropriations on
6 behalf of the commission may not be submitted by
7 the Chair without the prior approval of the commis-
8 sion.

9 “(6) DESIGNATION.—The Chair shall be known
10 as both the ‘Chair of the commission’ of the Bureau
11 and the ‘Chair of the Bureau’.

12 “(f) INITIAL QUORUM ESTABLISHED.—For the 6
13 month period beginning on the date of enactment of this
14 subsection, the first member and Chair of the commission
15 described under subsection (e)(1) shall constitute a
16 quorum for the transaction of business until the President
17 has appointed all 5 members of the commission in accord-
18 ance with subsection (e). Following such appointment of
19 5 members, the quorum requirements of subsection (g)
20 shall apply.

21 “(g) NO IMPAIRMENT BY REASON OF VACANCIES.—
22 No vacancy in the members of the commission after the
23 establishment of an initial quorum under subsection (f)
24 shall impair the right of the remaining members of the
25 commission to exercise all the powers of the commission.

1 Three members of the commission shall constitute a
2 quorum for the transaction of business, except that if
3 there are only 3 members serving on the commission be-
4 cause of vacancies in the commission, 2 members of the
5 commission shall constitute a quorum for the transaction
6 of business. If there are only 2 members serving on the
7 commission because of vacancies in the commission, 2
8 members shall constitute a quorum for the 6-month period
9 beginning on the date of the vacancy which caused the
10 number of commission members to decline to 2.

11 “(h) SEAL.—The Bureau shall have an official seal.

12 “(i) COMPENSATION.—

13 “(1) CHAIR.—The Chair shall receive com-
14 pensation at the rate prescribed for level I of the
15 Executive Schedule under section 5313 of title 5,
16 United States Code.

17 “(2) OTHER MEMBERS OF THE COMMISSION.—

18 The 4 other members of the commission shall each
19 receive compensation at the rate prescribed for level
20 II of the Executive Schedule under section 5314 of
21 title 5, United States Code.”;

22 (2) in section 1012(c)—

23 (A) in the heading, by striking “AUTON-
24 OMY OF THE BUREAU” and inserting “COORDI-
25 NATION WITH THE BOARD OF GOVERNORS”;

1 (B) by striking “(1) COORDINATION WITH
2 THE BOARD OF GOVERNORS.—”; and

3 (C) by striking paragraphs (2), (3), (4),
4 and (5); and

5 (3) in section 1014(b), by striking “Not fewer
6 than 6 members shall be appointed upon the rec-
7 ommendation of the regional Federal Reserve Bank
8 Presidents, on a rotating basis.” and inserting “Not
9 fewer than half of all members shall have private
10 sector experience in the provision of consumer finan-
11 cial products and services.”.

12 **SEC. 3. DEEMING OF NAME.**

13 Any reference in a law, regulation, document, paper,
14 or other record of the United States to the Director of
15 the Bureau of Consumer Financial Protection, except in
16 subsection (e)(1) of section 1011 of the Consumer Finan-
17 cial Protection Act of 2010 (12 U.S.C. 5491), as added
18 by this Act, shall be deemed a reference to the commission
19 leading and governing the Bureau of Consumer Financial
20 Protection, as described under section 1011 of the Con-
21 sumer Financial Protection Act of 2010.

22 **SEC. 4. CONFORMING AMENDMENTS.**

23 (a) CONSUMER FINANCIAL PROTECTION ACT OF
24 2010.—

1 (1) IN GENERAL.—Except as provided under
2 paragraph (2), the Consumer Financial Protection
3 of 2010 (12 U.S.C. 5481 et seq.) is amended—

4 (A) by striking “Director of the Bureau”
5 each place such term appears, other than where
6 such term is used to refer to a Director other
7 than the Director of the Bureau of Consumer
8 Financial Protection, and inserting “Bureau”;

9 (B) by striking “Director” each place such
10 term appears and inserting “Bureau”, other
11 than where such term is used to refer to a Di-
12 rector other than the Director of the Bureau of
13 Consumer Financial Protection; and

14 (C) in section 1002, by striking paragraph
15 (10).

16 (2) EXCEPTIONS.—

17 (A) IN GENERAL.—The Consumer Finan-
18 cial Protection Act of 2010 (12 U.S.C. 5481 et
19 seq.) is amended—

20 (i) in section 1013(e)(3)—

21 (I) by striking “Assistant Direc-
22 tor of the Bureau for” and inserting
23 “Head of the Office of”; and

1 (II) in subparagraph (B), by
2 striking “Assistant Director” and in-
3 sserting “Head of the Office”;

4 (ii) in section 1013(g)(2)—

5 (I) by striking “ASSISTANT DI-
6 RECTOR” and inserting “HEAD OF
7 THE OFFICE”; and

8 (II) by striking “an assistant di-
9 rector” and inserting “a Head of the
10 Office of Financial Protection for
11 Older Americans”;

12 (iii) in section 1016(a), by striking
13 “Director of the Bureau” and inserting
14 “Chair of the Bureau”; and

15 (iv) by striking section 1066.

16 (B) CLERICAL AMENDMENT.—The table of
17 contents for the Dodd-Frank Wall Street Re-
18 form and Consumer Protection Act is amended
19 by striking the item relating to section 1066.

20 (b) DODD-FRANK WALL STREET REFORM AND CON-
21 SUMER PROTECTION ACT.—The Dodd-Frank Wall Street
22 Reform and Consumer Protection Act (12 U.S.C. 5301
23 et seq.) is amended—

24 (1) in section 111(b)(1)(D), by striking “Direc-
25 tor” and inserting “Chair”; and

1 (2) in section 1447, by striking “Director of the
2 Bureau” each place such term appears and inserting
3 “Chair of the Bureau”.

4 (c) ELECTRONIC FUND TRANSFER ACT.—Section
5 921(a)(4)(C) of the Electronic Fund Transfer Act (15
6 U.S.C. 1693o–2(a)(4)(C)), as added by section 1075(a)(2)
7 of the Consumer Financial Protection Act of 2010, is
8 amended by striking “Director of the Bureau of Consumer
9 Financial Protection” and inserting “Chair of the Bureau
10 of Consumer Financial Protection”.

11 (d) EXPEDITED FUNDS AVAILABILITY ACT.—The
12 Expedited Funds Availability Act (12 U.S.C. 4001 et
13 seq.), as amended by section 1086 of the Consumer Finan-
14 cial Protection Act of 2010, is amended by striking “Di-
15 rector of the Bureau” each place such term appears and
16 inserting “Bureau”.

17 (e) FEDERAL DEPOSIT INSURANCE ACT.—Section 2
18 of the Federal Deposit Insurance Act (12 U.S.C. 1812),
19 as amended by section 336(a) of the Dodd-Frank Wall
20 Street Reform and Consumer Protection Act, is amended
21 by striking “Director of the Consumer Financial Protec-
22 tion Bureau” each place such term appears and inserting
23 “Chair of the Bureau of Consumer Financial Protection”.

24 (f) FEDERAL FINANCIAL INSTITUTIONS EXAMINA-
25 TION COUNCIL ACT OF 1978.—Section 1004(a)(4) of the

1 Federal Financial Institutions Examination Council Act of
2 1978 (12 U.S.C. 3303(a)(4)), as amended by section 1091
3 of the Consumer Financial Protection Act of 2010, is
4 amended by striking “Director of the Consumer Financial
5 Protection Bureau” and inserting “Chair of the Bureau
6 of Consumer Financial Protection”.

7 (g) FINANCIAL LITERACY AND EDUCATION IM-
8 PROVEMENT ACT.—Section 513 of the Financial Literacy
9 and Education Improvement Act (20 U.S.C. 9702), as
10 amended by section 1013(d)(5) of the Consumer Financial
11 Protection Act of 2010, is amended by striking “Director”
12 each place such term appears and inserting “Chair”.

13 (h) HOME MORTGAGE DISCLOSURE ACT OF 1975.—
14 Section 307 of the Home Mortgage Disclosure Act of 1975
15 (12 U.S.C. 2806 et seq), as amended by section 1094(6)
16 of the Consumer Financial Protection Act of 2010, is
17 amended by striking “Director of the Bureau of Consumer
18 Financial Protection” each place such term appears and
19 inserting “Bureau of Consumer Financial Protection”.

20 (i) INTERSTATE LAND SALES FULL DISCLOSURE
21 ACT.—The Interstate Land Sales Full Disclosure Act (15
22 U.S.C. 1701 et seq), as amended by section 1098A of the
23 Consumer Financial Protection Act of 2010, is amended—

24 (1) in section 1402—

25 (A) by striking paragraph (1); and

1 (B) by redesignating paragraphs (2)
2 through (12) as paragraphs (1) through (11),
3 respectively;

4 (2) in section 1403(c)—

5 (A) by striking “him” and inserting “the
6 Bureau”; and

7 (B) by striking “he” and inserting “the
8 Bureau”;

9 (3) in section 1407—

10 (A) in subsection (c), by striking “he” and
11 inserting “the Bureau”; and

12 (B) in subsection (e), by striking “Director
13 or anyone designated by him” and inserting
14 “Bureau”;

15 (4) in section 1411(a)—

16 (A) by striking “his findings” and insert-
17 ing “the findings of the Bureau”; and

18 (B) by striking “his recommendation” and
19 inserting “the recommendation of the Bureau”;

20 (5) in section 1415—

21 (A) in subsection (a), by striking “he may,
22 in his discretion,” and inserting “the Bureau
23 may, in the discretion of the Bureau,”;

24 (B) in subsection (b)—

1 (i) by striking “in his discretion” each
2 place such term appears and inserting “in
3 the discretion of the Bureau”;

4 (ii) by striking “he deems” and insert-
5 ing “the Bureau determines”; and

6 (iii) by striking “he may deem” and
7 inserting “the Bureau may determine”;
8 and

9 (C) in subsection (c), by striking “the Di-
10 rector, or any officer designated by him,” and
11 inserting “the Bureau”;

12 (6) in section 1416(a)—

13 (A) by striking “Director of the Bureau of
14 Consumer Financial Protection who may dele-
15 gate any of his” and inserting “Bureau of Con-
16 sumer Financial Protection, which may delegate
17 any”;

18 (B) by striking “his administrative” and
19 inserting “administrative”; and

20 (C) by striking “himself” and inserting
21 “the commission of the Bureau”;

22 (7) in section 1418a(b)(4), by striking “Sec-
23 retary’s determination” and inserting “determina-
24 tion of the Bureau”; and

1 (8) by striking “Director” each place such term
2 appears and inserting “Bureau”.

3 (j) REAL ESTATE SETTLEMENT PROCEDURES ACT
4 OF 1974.—Section 5 of the Real Estate Settlement Proce-
5 dures Act of 1974 (12 U.S.C. 2604), as amended by sec-
6 tion 1450 of the Dodd-Frank Wall Street Reform and
7 Consumer Protection Act, is amended—

8 (1) by striking “The Director of the Bureau of
9 Consumer Financial Protection (hereafter in this
10 section referred to as the ‘Director’)” and inserting
11 “The Bureau of Consumer Financial Protection
12 (hereafter in this section referred to as the ‘Bu-
13 reau’)”; and

14 (2) by striking “Director” each place such term
15 appears and inserting “Bureau”.

16 (k) S.A.F.E. MORTGAGE LICENSING ACT OF 2008.—
17 The S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C.
18 5101 et seq.), as amended by section 1100 of the Con-
19 sumer Financial Protection Act of 2010, is amended—

20 (1) by striking “Director” each place such term
21 appears in headings and text and inserting “Bureau
22 of Consumer Financial Protection”; and

23 (2) in section 1503, by striking paragraph (10).

24 (l) TITLE 44, UNITED STATES CODE.—Section
25 3513(c) of title 44, United States Code, as amended by

1 section 1100D(b) of the Consumer Financial Protection
2 Act of 2010, is amended by striking “Director of the”.