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112TH CONGRESS
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HOUSE OF REPRESENTATIVES
REPORT
112–172

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 1315) TO AMEND THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT TO STRENGTHEN THE REVIEW AUTHORITY OF THE FINANCIAL STABILITY OVERSIGHT COUNCIL OF REGULATIONS ISSUED BY THE BUREAU OF CONSUMER FINANCIAL PROTECTION, AND FOR OTHER PURPOSES

JULY 20, 2011.—Referred to the House Calendar and ordered to be printed

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Mr. SESSIONS, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 358]

The Committee on Rules, having had under consideration House Resolution 358, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 1315, the Consumer Financial Protection Safety and Soundness Improvement Act of 2011, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services. The resolution waives all points of order against consideration of the bill. The resolution makes in order as original text for the purpose of amendment the Rules Committee Print of H.R. 1315 dated July 14, 2011 and provides that the print shall be considered as read. The resolution waives all points of order against the Rules Committee Print. The resolution makes in order only those amendments printed in this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The resolution waives all points of order against the amendments printed in this report. The resolution provides one motion to recommit with or without instructions.

Finally, the resolution directs the Clerk to, in the engrossment of H.R. 1315, add the text of H.R. 830 as passed by the House as

a new matter at the end of H.R. 1315. The resolution also directs the Clerk to make conforming modifications in the engrossment.

EXPLANATION OF WAIVERS

Although the rule waives all points of order against consideration of the bill, the Committee is not aware of any points of order. The waiver is prophylactic.

The waiver of all points of order against the Rules Committee Print of H.R. 1315 dated July 14, 2011 includes a waiver of:

- Section 302(f) of the Congressional Budget Act, which prohibits the consideration of legislation that exceeds a committee's allocation of new budget authority. This budgetary violation will be cured when, pursuant to the resolution, H.R. 830 is added as new matter at the end of H.R. 1315. In accordance to clause 10(b) of rule XXI, the provisions of H.R. 830 will offset the breach in allocation of budget authority for a total net reduction in direct spending of $104 million over the 2011–2021 period.
- Clause 7 of rule XVI, which prohibits the consideration of nongermane measures. The waiver is necessary because the Rules Committee Print incorporates the text of H.R. 1121 and H.R. 1667 as reported by the Committee on Financial Services, which are not germane to H.R. 1315 as reported.

Although the rule waives all points of order against the amendments printed in this report, the Committee is not aware of any points of order. The waiver is prophylactic.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 116

Motion by Ms. Slaughter to report an open rule. Defeated: 4–8.

Majority Members	Vote	Minority Members	Vote
Mr. Sessions	Nay	Ms. Slaughter	Yea
Ms. Foxx	Nay	Mr. McGovern	Yea
Mr. Bishop of Utah	Nay	Mr. Hastings of Florida	Yea
Mr. Woodall	Nay	Mr. Polis	Yea
Mr. Nugent	Nay		
Mr. Scott of South Carolina	Nay		
Mr. Webster	Nay		
Mr. Dreier, Chairman	Nay		

SUMMARY OF AMENDMENTS MADE IN ORDER

1. Ellison (MN): Would strike Section 1023 of the Dodd-Frank Act giving the Financial Stability Oversight Council the ability to override Consumer Financial Protection Bureau rules. (10 minutes)

2. Jackson Lee (TX): Would restore a 2/3 majority vote in order for the Financial Stability Oversight Council to overrule Consumer Financial Protection Bureau regulation. (10 minutes)

3. DeFazio (OR): Would eliminate potential conflicts of interest by providing that no Member of the Financial Stability Oversight Council may participate in a vote to issue a stay of, or set aside, a regulation issued by the Bureau of Consumer Financial Protec-

tion if said regulation would affect an institution for which that individual was employed in the preceding 2 years. (10 minutes)

4. Paulsen (MN): Would clarify that the nonvoting members of the council are allowed to petition against any rule made by the Consumer Financial Protection Bureau (CFPB), even if they represent an industry the CFPB is not permitted to regulate. (10 minutes)

5. Miller, Brad (NC): Would require specific disclosure of information related to filing agency petitions to the Financial Stability Oversight Council to overturn Consumer Financial Protection Bureau rulemaking. (10 minutes)

6. Jackson Lee (TX): Would restore time limits in which the Financial Stability Oversight Council must review and make a determination on regulations issued by the Consumer Financial Protection Bureau. (10 minutes)

7. Quigley (IL): Would require the Financial Stability Oversight Council to provide live online streaming or broadcasting of Council meetings pertaining to review of Consumer Financial Protection Bureau regulations. (10 minutes)

8. Chu (CA): Would give additional responsibility to the Commissioner responsible for oversight of the Bureau's activities pertaining to the protection of older consumers, minorities, youth, and veterans. The commissioner would be required to research how language barriers can lead to unfair and abusive lending practices, and report to full Commission ways to protect consumers from these unfair and deceptive practices. (10 minutes)

9. Maloney (NY): Would transfer all authority that the Consumer Financial Protection Bureau would receive to the Secretary of the Treasury if no Commission Chair is in place by July 21st until such time as a Chair has been confirmed by the Senate. (10 minutes)

10. Lankford (OK): Would require the Inspector General of the Board of Governors of the Federal Reserve System/CFPB to submit an annual report to Congress no later than February 1, 2012, and every year thereafter, which identifies (1) all new guidance/regulation/rules prescribed by the Bureau, (2) any Bureau authority which overlaps with other federal agencies/departments, (3) Bureau administrative expenses, and (4) Bureau unobligated balances. Would require that the report be posted online and published using existing funds. (10 minutes)

11. Rigell (VA): Would require the Consumer Financial Protection Bureau to (1) submit an analysis on the impact of its proposed rule or regulation on the financial industry, and (2) an analysis of consumers and small businesses' access to credit as a result of the regulation, to the Financial Stability Oversight Council for the purposes of public review. (10 minutes)

TEXT OF AMENDMENTS MADE IN ORDER

1. An Amendment To Be Offered by Representative Ellison of Minnesota or His Designee, Debatable for 10 Minutes

Page 1, strike line 5 and all that follows through page 3, line 2 (and redesignate succeeding sections accordingly).

Page 10, after line 21, insert the following new subparagraph (and redesignate succeeding subparagraphs accordingly):

(G) by striking section 1023;

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2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE JACKSON LEE OF TEXAS OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 1, strike lines 5 through 12 (and redesignate succeeding sections accordingly).

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3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DEFAZIO OF OREGON OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 1, line 6, strike "Section" and insert the following:
(a) IN GENERAL.—Section
Page 1, after line 12, insert the following:
(b) CONFLICT OF INTEREST.—Section 1023(c)(3) of the Dodd-Frank Wall Street Reform and Consumer Protection Act is amended by adding at the end the following new subparagraph:

"(C) CONFLICT OF INTEREST.—No member of the Council may vote on the decision to issue a stay of, or set aside, any regulation under this section, if such member has, within the previous 2-year period, been employed by any company or other entity that is subject to such regulation.".

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4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PAULSEN OF MINNESOTA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 1, line 6, strike "Section" and insert the following:
(a) IN GENERAL.—Section
Page 1, after line 12, insert the following:
(b) PETITION BY NONVOTING MEMBERS; NO RESTRICTIONS ON PETITION SUBJECT MATTER.—Section 1023 of the Dodd-Frank Wall Street Reform and Consumer Protection act is amended by adding at the end the following new subsection:
"(g) PETITION BY NONVOTING MEMBERS.—Notwithstanding any other subsection of this section, the provisions of this section shall apply to a petition by a nonvoting member of the Council to the same extent that they apply to a petition by an agency represented by a member of the Council.
"(h) NO RESTRICTIONS ON PETITION SUBJECT MATTER.—Petitions made under this section may be made by an agency or a nonvoting member of the Council on any subject matter, regardless of the areas of particular expertise of such agency or nonvoting member.".

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5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MILLER OF NORTH CAROLINA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 1, line 14, strike "Section" and insert the following::
(a) IN GENERAL.—Section
Page 3, after line 2, insert the following:
(b) SPECIFIC DISCLOSURES REQUIRED.—Section 1023(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act is amended by adding at the end the following new paragraph:

"(3) SPECIFIC DISCLOSURES REQUIRED.—With respect to the regulation or provision that is the subject of a petition an agency files with the Council under this section, the agency shall publicly disclose, at the time such petition is filed—

"(A) an analysis of the practice that is the subject matter of such regulation or provision; and

"(B) a list of any specific financial institutions whose safe and sound operation the agency believes would be placed in jeopardy due to such regulation or provision.".

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6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE JACKSON LEE OF TEXAS OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 2, line 12, after the semicolon insert "and".

Page 2, strike lines 13 through 20 (and redesignate the succeeding subparagraph accordingly).

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7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE QUIGLEY OF ILLINOIS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 3, line 2, after "servation." insert the following: "The Council shall provide live online streaming or broadcasting of the meetings.".

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8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CHU OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 6, line 17, strike "and".

Page 6, line 22, strike the period and insert "; and".

Page 6, after line 22, insert the following new subparagraph:

"(D) researching and reporting to the full Commission about ways to protect consumers from unfair, deceptive, or abusive lending acts or practices, including how language barriers contribute to lack of understanding in lending activities.".

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9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MALONEY OF NEW YORK OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 15, line 17, after "section," insert the following: "except for subsection (e),".

Page 15, line 23, strike the quotation marks and following period and insert after such line the following:

"(e) FUNCTIONS TO TEMPORARILY BE CARRIED OUT BY THE SECRETARY.—Notwithstanding subsection (d), if no Chair of the Commission of the Bureau has been confirmed by the Senate as of the single calendar date designated for the transfer of functions to the Bureau under section 1061, then until such time as the Chair of the Commission of the Bureau has been so confirmed, the Secretary of the Treasury shall have the authority to carry out the following functions:

"(1) All rulemaking authority with respect to unfair or deceptive acts or practices that would have been conferred upon the

Bureau on the designated transfer date, but for the application of subsection (d).

"(2) All authority to carry out examinations of nondepository covered persons that would have been conferred upon the Bureau on the designated transfer date, but for the application of subsection (d).

"(3) All functions of the Bureau under this subtitle that would have been conferred upon the Bureau on the designated transfer date, but for the application of subsection (d).".

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10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE LANKFORD OF OKLAHOMA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end the following new section:

SEC. 7. INSPECTOR GENERAL REPORT.

Section 1013 of the Dodd-Frank Wall Street Reform and Consumer Protection Act is amended by adding at the end the following new subsection:

"(h) INSPECTOR GENERAL REPORT.—

"(1) IN GENERAL.—Not later than February 1, 2012, and annually thereafter, the Inspector General of the Board of Governors of the Federal Reserve System and the Bureau of Consumer Financial Protection shall submit a report to the Congress containing the following:

"(A) A list of all new rules, guidelines, and regulations prescribed by the Bureau within the previous fiscal year, with corresponding detailed descriptions of each.

"(B) A detailed list of all authority which the Inspector General believes overlaps with the efforts of other Federal departments and agencies.

"(C) All administrative expenses of the Bureau, including the amount spent on salaries, office supplies, and office space.

"(D) The current amount in the Bureau of Consumer Financial Protection Fund.

"(2) PUBLIC DISCLOSURE.—The Inspector General of the Board of Governors of the Federal Reserve System and the Bureau of Consumer Financial Protection shall make each report submitted under paragraph (1) available to the public, including on the Bureau's website.

"(3) USE OF FUNDS.—The Inspector General shall carry out this subsection using existing funds.".

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11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE RIGELL OF VIRGINIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of the bill the following new section:

SEC. 7. ANALYSIS OF REGULATIONS.

Section 1022 of the Dodd-Frank Wall Street Reform and Consumer Protection Act is amended by adding at the end the following new subsection:

"(e) ANALYSIS OF REGULATIONS.—

"(1) IN GENERAL.—Each time the Bureau proposes a new rule or regulation, the Bureau shall—

"(A) carry out an initial regulatory flexibility analysis for such proposed rule or regulation, which shall be carried out as closely as possible to those initial regulatory flexibility analyses required under section 603 of title 5, United States Code, but which shall analyze the financial impact of the proposed rule or regulation on all financial entities, regardless of size; and

"(B) carry out an analysis of whether the proposed rule or regulation will impair the ability of individuals and small business to access credit from financial institutions.

"(2) REPORT.—The Bureau shall issue a report to the Council on the analyses carried out under paragraph (1), and make such analyses available to the public.

"(3) USE OF EXISTING RESOURCES.—The Bureau shall use existing resources to carry out the requirements of this subsection.".

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