

Summary of Amendments to HR 3126, Consumer Financial Protection Agency (CFPA)

Member	Amendment Title	Summary	Recommended Vote
Frank	Managers Amendment	Deletes “providers of material services” from definition of “covered persons” for CFPA jurisdiction, but adds “service providers” throughout as category over which CFPA has some authority; provides that tax preparers and attorneys are subject to CFPA when they act as provider of financial services; adds a unit on financial literacy and additional research emphasis on literacy; amends the provisions regarding HMDA to protect privacy; adds detailed requirements regarding remittances.	Yes
Frank	Exclusion for merchants, retailers and sellers of nonfinancial services	Exclusion from CFPA jurisdiction for merchants of non-financial products where credit extended directly to purchase the goods; or collection of debts arising from credit; exclusion does <i>not</i> apply if credit is assigned or sold; or if credit exceeds market value of product or service, or if sale is subterfuge;	Yes, but urge revision to assure coverage of buy-here / pay here auto dealers and direct student loans.
Frank	Consumer reporting agencies	Adds collecting, analyzing, maintaining and providing consumer report information to the definition of financial activity, deletes the exclusion from CFPA authority for consumer reporting agencies, and makes related changes to the Fair Credit Reporting Act.	Yes
Speier	Authority relating to usury	Provides that no provision of CFPA Act prohibits the CFPA from establishing regulations or limits on interest rates or fees	Yes

		charged by covered persons, including short-term high cost lenders, including those regulated at state or federal level, if CFPA determines that such rates or unfair or deceptive. Permits states to provide higher level of protection as to covered persons operating in such state. Also requires study and report to Congress on usury rates and impact of usury rates on credit availability and impacts on minorities and underserved communities.	
Maloney	Single toll-free number for consumer complaints and inquiries	Requires CFPA to establish a single, toll-free phone number for consumer complaints and inquiries re institutions regulated by federal and state banking agencies and other regulators, with system for routing calls to relevant agency. Requires agencies to report to House Financial Services Committee and Senate Banking Committee within 6 months of enactment reporting on agencies' efforts to establish a public interagency website for directing consumer complaints to the CFPA or the relevant state or federal agency, and system to expedite routing of misdirected consumer complaints or inquiries.	Yes
Maloney, Himes and Kilroy	Establish an ombudsperson and define duties	Requires CFPA to appoint an Ombudsperson to respond to federal and state agency requests for advice, to advise consumers with legitimate potential or actual claims, to identify federal agency actions impacting consumers, and to provide information to private citizens, groups, federal and state agencies and others on the rights of parties under the CFPA Act.	Yes
Maloney	Annual appearance before Congress	Requires CFPA Director to appear annually at a hearing before the House Financial Services Committee to discuss activities and objectives and answer questions.	Yes
Wilson	Political affiliation limitation	Requires that no more than half the Consumer Advisory Board members plus 1 be members of the same political party.	No position
Kilroy	Change in unfairness test	Amends test for declaring acts or practices "unfair". Eliminates the requirements that the injury be one that "is not reasonably	Yes

		avoidable by consumers” and that “such substantial injury is not outweighed by countervailing benefits to consumers or to competition.” Says the Agency can declare an act or practice unfair “if the Agency has a reasonable basis to conclude that the act or practice causes or is likely to cause injury to consumers.”	
Grayson	Annual financial autopsy	Requires CFPA to conduct annual study of foreclosures and bankruptcies during previous year and report to Congress on [financial products] that have caused a substantial number of these, and to take corrective action to eliminate or restrict such [products].	Yes
Scott	Exclusion for persons regulated by the Farm Credit Administration		No position
Miller-Moore	Small Banks, Thrifts and Credit Unions	The amendment would make banks with assets of less than \$10 Billion, and credit unions with assets of less than \$1.5 billion subject to the supervision and primary enforcement authority of banking supervisory agencies. Agency may investigate directly if consumer complaint system indicates noncompliance, and may participate in exams. Agency may remove supervisory agency from its compliance function if it fails to supervise and enforce; Secretary of Treasury determines automatic appeal of such a removal order; no assessments of such institutions. Agency may delegate same arrangement for larger institutions upon petition of the appropriate agency.	No
Perl-mutter	Amendment “2” to Miller-Moore Amendment	Defines the institutions subject to Miller-Moore supervision and enforcement by the banking agencies as those with less than 1% of nation’s deposits.	No
Perl-mutter	Amendment “3” to Miller-Moore Amendment	Defines the institutions subject to Miller-Moore supervision and enforcement by the banking agencies as all institutions except those so large and complex as to require on-site examiners.	No

Adler-Bean	Enforcement Powers of States and Visitorial Powers over Federally Chartered Institutions		No
Waters	No exclusion w/r/t registration of most attorneys	Attorney registration exclusion applies only to the extent attorney is engaged in the preparation and filing of a bankruptcy petition or court proceedings to avoid a foreclosure.	Yes
Waters	[Consumer Advisory Board should include experts in consumer protection]	Adds “consumer protection” to the areas of expertise for which the Director shall seek experts for the Consumer Advisory Board.	Yes
McCarthy	Composition [of Oversight Board] when	Where Oversight Board advises Director on products marketed primarily to members of the Armed Forces, veterans, or their family members, the Board’s membership shall be expanded to include the Secretaries of Defense and Veterans Affairs.	No position
Campbell	Auto dealers Exclusion	Expands auto dealer exclusion to cover all auto dealers who are primarily engaged in sale, servicing or leasing of automobiles, and all persons controlled by an auto dealer or dealers who extend or arrange retail credit or leases, where 90% of such activity is done w/r/t the customers of the auto dealer or dealers who control such persons.	No
Moore	Business of Insurance	Removes “selling or servicing of credit insurance or mortgage insurance” and “providing title insurance” from definition of “financial activity” covered by CFPA. CFPA shall have no authority to enforce CFPA title w/r/t any person regulated by a state insurance regulator (except to the extent such person engages in a financial activity or is covered by one of the transferred laws).	No
Biggert Substitute	Amendment in the Nature of a Substitute		No
Bean	Preservation of	Would preempt state laws as to federal	No

	uniform standards for Federal institutions	institutions under certain conditions	
Waters	Proprietary schools	Removes proprietary schools from the exemption for merchants/retailers/sellers offering credit for their own goods or services.	Yes
Miller/Bean	Pre-filing	Would require pre-filing of new products with agency; pre-filing does not confer authority on Agency to require pre-approval of such products.	No position
Paulson		Excludes colleges and universities.	No
Scott		Excludes Credit Reporting Agencies.	No
Baca	Amendment to Speier Amendment	CFPA cannot set usury caps for loans under 90 days	No
Watt/Moore		Compromise language on preemption.	Yes