

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE FRANK, BARNEY OF MASSACHUSETTS OR HIS DESIGNEE, DEBATABLE FOR 30 MINUTES

118
Rev

AMENDMENT TO H.R. 4173

OFFERED BY _____

Page 1, line 4, strike "The" before "Wall Street".

Page 13, line 6, insert "(hereafter in this title referred to as a 'foreign financial parent') after" after "United States".

Page 13, beginning on line 14, strike "of a company" and all that follows through "United States" on line 16.

Page 15, after line 11, insert the following new clause (and redesignate subsequent clauses appropriately):

- 1 (iv) after the date on which the func-
- 2 tions of the Office of Thrift Supervision
- 3 are transferred under subtitle C, any sav-
- 4 ings and loan holding company (as defined
- 5 in section 10(a)(1)(D) of the Home Own-
- 6 ers' Loan Act) and any subsidiary (as such
- 7 term is defined in the Bank Holding Com-
- 8 pany Act of 1956) of such company, other
- 9 than a subsidiary that is described in any
- 10 other subparagraph of this paragraph, to

1 the extent that the subsidiary is engaged
2 in an activity described in such subpara-
3 graph;

Page 15, line 25, strike "a" and insert "any".

Page 17, after line 6, insert the following new clause
(and redesignate subsequent clauses appropriately):

4 (v) a securities-based swap execution
5 facility that is registered with the Securi-
6 ties and Exchange Commission under the
7 Securities Exchange Act of 1934 (15
8 U.S.C. 78a et seq.);"

Page 21, line 11, strike "to pursuant" and insert
"pursuant".

Page 21, after line 21, insert the following new sub-
paragraph:

9 (J) The head of the Consumer Financial
10 Protection Agency.

Page 21, after line 23, insert the following (and re-
designate succeeding paragraphs accordingly):

11 (A) The Director of the Federal Insurance
12 Office.

Page 23, line 4, strike “plans” and insert “strategies”.

Page 23, line 5, strike “plans” and insert “strategies”.

Page 23, line 6, insert after the period the following new sentence: “In doing so, the Council shall collaborate with participants in the financial sector, financial sector coordinating councils, and any other parties the Council determines to be appropriate.”.

Page 24, beginning on line 23, strike “another dispute mechanism specifically has been provided under Federal law” and insert “a dispute mechanism specifically has been provided under section 4204 or title III”.

Page 28, line 24, strike “plans” and insert “strategies”.

Page 29, line 2, strike “plans” and insert “strategies”.

Page 32, strike line 22 and all that follows through page 33, line 7.

Page 34, after line 22, insert the following new paragraph:

1 (3) MITIGATION REQUIREMENTS IN CASE OF
2 FOREIGN FINANCIAL PARENTS.—Before requiring
3 the submission of reports from a company that is a
4 foreign financial parent, the Council or the Board
5 shall, to the extent appropriate, coordinate with any
6 appropriate foreign regulator of such company and
7 any appropriate multilateral organization and, when-
8 ever possible, rely on information already being col-
9 lected by such foreign regulator or multilateral orga-
10 nizational with English translation.

Page 35, line 1, insert after “entities” the following:
“(including the Federal Insurance Office)”.

Page 37, line 12, insert “; **AGENCY AUTHORITY**”
before the period.

Page 37, strike lines 17 and 18, and insert the fol-
lowing:

11 (b) **AGENCY AUTHORITY TO IMPLEMENT STAND-**
12 **ARDS.**—

13 (1) **IN GENERAL.**—A Federal financial regu-
14 latory agency specifically

Page 37, line 19, strike “is authorized to” and in-
sert “may, in response to a Council recommendation
under this section or otherwise,”.

Page 38, after line 4, insert the following new paragraph:

- 1 (2) APPLYING STANDARDS TO FOREIGN FINAN-
2 CIAL PARENTS.—In applying standards under para-
3 graph (1) to any foreign financial parent, or to any
4 branch of, subsidiary of, or other operating entity
5 related to such foreign financial parent that operates
6 within the United States, the Federal financial regu-
7 latory agency shall—
- 8 (A) give due regard to the principles of na-
9 tional treatment and equality of competitive op-
10 portunity; and
- 11 (B) take into account the extent to which
12 the foreign financial parent is subject to com-
13 parable standards on a consolidated basis in the
14 home country of such foreign financial parent
15 that are administered by a comparable foreign
16 supervisory authority.

Page 38, line 22, after “such company,” insert the following: “and, in the case of a financial holding company subject to stricter standards that is an insurance company, the Federal Insurance Office,”.

Page 39, strike line 11 and all that follows through line 15 (and redesignate subsequent paragraphs accordingly).

Page 39, after line 25, insert the following new paragraphs (and redesignate subsequent paragraphs accordingly):

1 (5) The company's importance as a source of
2 credit for low-income, minority, or underserved com-
3 munities and the impact the failure of such company
4 would have on the availability of credit in such com-
5 munities.

6 (6) The extent to which assets are simply man-
7 aged and not owned by the financial company and
8 the extent to which ownership of assets under man-
9 agement is diffuse.

Page 40, line 5, insert before the period the following: "or, in the case of a foreign financial parent, the extent to which such foreign parent is subject to prudential standards on a consolidated basis in the home country of such financial parent that are administered and enforced by a comparable foreign supervisory authority".

Page 40, after line 5, insert the following new paragraphs (and redesignate the subsequent paragraph accordingly):

1 (8) The amount and nature of the company's fi-
2 nancial assets.

3 (9) The amount and nature of the company's li-
4 abilities, including the degree of reliance on short-
5 term funding.

Page 41, strike line 10 and all that follows through
line 19 (and redesignate subsequent subsections accord-
ingly).

Page 42, strike line 9 and all that follows through
page 44, line 10, and insert the following new para-
graphs:

6 (1) APPLICATION OF FEDERAL LAWS.—
7 (A) APPLICATION OF BANK HOLDING COM-
8 PANY ACT AND FEDERAL DEPOSIT INSURANCE
9 ACT.—A financial company subject to stricter
10 standards that does not own a bank (as defined
11 in section 2 of the Bank Holding Company Act
12 of 1956) and that is not a foreign bank or com-
13 pany that is treated as a bank holding company
14 under section 8 of the International Banking
15 Act of 1978 shall be subject to section 4, sub-
16 sections (b), (c), (d), (e), (f), and (g) of section
17 5, and section 8 of the Bank Holding Company
18 Act of 1956, and section 8 of the Federal De-

1 posit Insurance Act in the same manner and to
2 the same extent as if such financial holding
3 company subject to stricter standards were a
4 bank holding company that has elected to be a
5 financial holding company (as such terms are
6 defined in the Bank Holding Company Act of
7 1956), its subsidiaries were subsidiaries of a
8 bank holding company, and the Board was its
9 appropriate Federal banking agency (as such
10 term is defined under the Federal Deposit In-
11 surance Act).

12 (B) BOARD AUTHORITY.—For purposes of
13 administering and enforcing the provisions of
14 this title, the Board may take any action with
15 respect to a financial holding company subject
16 to stricter standards described in subparagraph
17 (A) or its subsidiaries under the authorities de-
18 scribed in subparagraph (A) as if such financial
19 holding company subject to stricter standards
20 were a bank holding company that has elected
21 to be a financial holding company (as such
22 terms are defined in the Bank Holding Com-
23 pany Act of 1956), its subsidiaries were subsidi-
24 aries of a bank holding company, and the
25 Board was its appropriate Federal banking

1 agency (as such term is defined under the Fed-
2 eral Deposit Insurance Act).

3 (2) APPLICATION OF ACTIVITY RESTRICTIONS
4 AND SECTION 6 HOLDING COMPANY REQUIRE-
5 MENTS.—

6 (A) IN GENERAL.—Except as provided in
7 subparagraphs (B) and (C)—

8 (i) a financial holding company sub-
9 ject to stricter standards that conducts ac-
10 tivities that do not comply with section 4
11 of the Bank Holding Company Act shall be
12 required to establish or designate a section
13 6 holding company in accordance with sec-
14 tion 6 of the Bank Holding Company Act
15 of 1956 through which it conducts activi-
16 ties of the company that are determined to
17 be financial in nature or incidental thereto
18 under section 4(k) of the such Act; and

19 (ii) such section 6 holding company
20 shall be the financial holding company sub-
21 ject to stricter standards for purposes of
22 this title.

23 (B) EXCEPTIONS FROM SECTION 6 HOLD-
24 ING COMPANY REQUIREMENTS.—

1 (i) GENERAL REQUIREMENT FOR
2 BOARD TO CONSIDER EXCEPTIONS.—Be-
3 fore such time as a financial holding com-
4 pany subject to stricter standards is re-
5 quired to establish or designate a section 6
6 holding company under section 6 of the
7 Bank Holding Company Act, and in con-
8 sultation with the financial holding com-
9 pany subject to stricter standards and any
10 appropriate Federal or State financial reg-
11 ulators (and, in the case of a financial
12 holding company subject to stricter stand-
13 ards that is an insurance company, the
14 Federal Insurance Office)—

15 (I) the Board shall consider
16 whether to grant any of the exemp-
17 tions from the requirements applicable
18 to section 6 holding companies under
19 section 6(a)(6)(A) of the Bank Hold-
20 ing Company Act of 1956, in accord-
21 ance with that provision; and

22 (II) the Board, at the request of
23 a financial holding company subject to
24 stricter standards that is predomi-
25 nantly engaged in activities that are

1 determined to be financial in nature
2 or incidental thereto under section
3 4(k) of the Bank Holding Company
4 Act, shall consider whether to exempt
5 the financial holding company subject
6 to stricter standards from the require-
7 ment to establish a section 6 holding
8 company, taking into consideration
9 paragraph (2)(D), and the extent to
10 which the exemption would: facilitate
11 the extension of credit to individuals,
12 households and businesses; improve
13 efficiency or customer service or result
14 in other public benefits; potentially
15 threaten the safety and soundness of
16 the financial holding company or any
17 of its subsidiaries; potentially increase
18 systemic risk or threaten the stability
19 of the overall financial system; poten-
20 tially result in unfair competition; and
21 potentially have anticompetitive ef-
22 fects that would not be outweighed by
23 public benefits.

24 (ii) BOARD DETERMINATION NOT TO
25 EXEMPT.—

1 (I) IN GENERAL.—If the Board
2 determines not to exempt the financial
3 holding company subject to stricter
4 standards from the requirement to es-
5 tablish a section 6 holding company,
6 the financial holding company subject
7 to stricter standards shall establish a
8 section 6 holding company within 90
9 days after the Board's determination.

10 (II) EXTENSION OF PERIOD.—
11 The Board may extend the time by
12 which the financial holding company
13 subject to stricter standards is re-
14 quired to establish a section 6 holding
15 company for an additional reasonable
16 period of time, not to exceed 180
17 days.

18 (iii) BOARD DETERMINATION TO EX-
19 EMPT.—

20 (I) IN GENERAL.—If the Board
21 grants the requested exemption from
22 the requirement to establish a section
23 6 holding company, the financial hold-
24 ing company subject to stricter stand-
25 ards shall at all times remain pre-

1 dominantly engaged in activities that
2 are determined to be financial in na-
3 ture or incidental thereto under sec-
4 tion 4(k) of the Bank Holding Com-
5 pany Act of 1956, and shall be the fi-
6 nancial holding company subject to
7 stricter standards for purposes of this
8 title.

9 (II) SUBSEQUENT LOSS OF EX-
10 EMPTION.—Upon a determination by
11 the Board, in consultation with any
12 relevant Federal or State regulators
13 of the financial holding company sub-
14 ject to stricter standards, and, in the
15 case of a financial holding company
16 subject to stricter standards that is an
17 insurance company, the Federal In-
18 surance Office, that the financial
19 holding company subject to stricter
20 standards fails to comply with this
21 subsection, the financial holding com-
22 pany subject to stricter standards
23 shall lose the exemption from the sec-
24 tion 6 holding company requirement
25 and shall establish a section 6 holding

1 company within the time periods de-
2 scribed in clause (ii)(I).

3 (C) ACTIVITIES CONDUCTED ABROAD.—
4 Section 4 of the Bank Holding Company Act of
5 1956 shall not apply to any activities that a for-
6 eign financial holding company subject to strict-
7 er standards conducts solely outside the United
8 States if such activities are conducted solely by
9 a company or other entity that is located out-
10 side the United States.

11 (D) FLEXIBLE APPLICATION.—In applying
12 the activity restrictions and ownership limita-
13 tions of section 4 of the Bank Holding Com-
14 pany Act of 1956 to financial holding compa-
15 nies subject to stricter standards described in
16 paragraph (1)(A), the Board shall flexibly
17 adapt such requirements taking into account
18 the usual and customary practices in the busi-
19 ness sector of the financial company subject to
20 stricter standards so as to avoid unnecessary
21 burden and expense.

Page 45, line 5, insert “, as agent of the Council,”
after “Board”.

Page 45, beginning on line 18, strike “heightened”
and insert “stricter”.

Page 45, strike lines 21 and 22 and insert the following new clause (and redesignate subsequent clauses accordingly):

1 (i) risk-based capital requirements
2 and leverage limits, unless the Board de-
3 termines that such requirements are not
4 appropriate for a financial holding com-
5 pany subject to stricter standards because
6 of such company's activities (such as in-
7 vestment company activities or assets
8 under management) or structure, in which
9 case the Board shall apply other standards
10 that result in appropriately stringent con-
11 trols.

Page 46, line 4, insert "and" after the semicolon.

Page 46, line 6, strike "; and" and insert a period.

Page 46, strike line 7 and all that follows through line 9.

Page 46, line 12, insert "short-term debt limits prescribed in accordance with subsection (d) and" after "include".

Page 46, line 17, after "AGENCIES" insert the following: "AND THE FEDERAL INSURANCE OFFICE".

Page 47, line 2, after the period insert the following:
“With respect to a financial holding company subject to stricter standards that is an insurance company or any insurance company subsidiary of such a financial holding company subject to stricter standards, the Board shall also consult with the Federal Insurance Office.”.

Page 47, strike line 3 and all that follows through line 5 and insert the following:

1 (3) APPLICATION OF REQUIRED STANDARDS.—

2 In imposing prudential standards under this section,
3 the Board—

4 (A) may differentiate among financial

Page 47, line 11, strike the period and insert “;
and”.

Page 47, after line 11, insert the following new sub-
paragraph:

5 (B) shall take into consideration whether
6 and to what extent a financial holding company
7 subject to stricter standards that is not a bank
8 holding company or treated as a bank holding
9 company owns or controls a depository institu-
10 tion and shall adapt the prudential standards
11 applied to such company as appropriate in light
12 of any predominant line of business of such

1 company, including assets under management
2 or other activities for which capital require-
3 ments are not appropriate.

Page 47, beginning on line 20, strike “financial com-
panies” and all that follows through “own or control” on
line 22, and insert “a foreign financial parent and to”.

Page 47, beginning on line 23, strike “that is a”
and all that follows through “principle” on line 25 and
insert “that is owned or controlled by a foreign financial
parent, giving due regard to principles”.

Page 48, beginning on line 2, strike “such compa-
nies are subject” and insert “the foreign financial parent
is subject on a consolidated basis”.

Page 50, line 22, strike “, as such entities are” and
insert “as”.

Page 51, line 13, before the period insert the fol-
lowing: “and, with respect to an insurance company, the
Federal Insurance Office”.

Page 54, line 14, insert before the period the fol-
lowing: “except as specifically provided in this title”.

Page 54, line 19, insert before the period the fol-
lowing: “except as specifically provided in this title”.

Page 55, line 14, strike “shall” and insert “may.”

Page 55, line 19, strike “The” and insert “Any”.

Page 56, strike line 20 and all that follows through line 25.

Page 68, line 17, insert “The Board, in determining whether to impose any requirement under this subparagraph that is likely to have a significant effect on a functionally regulated subsidiary, subsidiary depository institution, or insurance company subsidiary of a financial holding company subject to stricter standards, shall consult with the primary financial regulatory agency for such subsidiary. In the case of an insurance company subsidiary of a financial holding company subject to stricter standards, the Board shall consult with the Federal Insurance Office.” after the period.

Page 76, line 9, insert “, after consultation with the primary financial regulatory agency for any functionally regulated subsidiary, subsidiary depository institution, or insurance company subsidiary that is likely to be significantly affected by such actions. In the case of an insurance company subsidiary of a financial holding company subject to stricter standards, the Board shall consult with the Federal Insurance Office” before the period.

Page 86, line 1, after “standards” insert the following: “(and, if the financial holding company subject to stricter standards is an insurance company, the Federal Insurance Office)”.

Page 87, after line 5, insert the following new subsections:

1 (j) RULE OF CONSTRUCTION REGARDING CONSUMER
2 PROTECTION STANDARDS.—The prudential standards im-
3 posed or recommended by the Board or the Council under
4 this section shall not be construed as superseding—

5 (1) any consumer protection standards promul-
6 gated under a State or Federal consumer protection
7 law, including the Consumer Financial Protection
8 Agency Act and the Federal Trade Commission Act;
9 or

10 (2) any investor protection standard that pro-
11 tects consumers (including public reporting require-
12 ments) imposed under State or Federal securities
13 laws, including the Securities Act of 1933, the Secu-
14 rities Exchange Act of 1934, the Investment Com-
15 pany Act of 1944, and the Investment Advisors Act
16 of 1944.

17 (k) RULEMAKING AUTHORITY.—The Board may pre-
18 scribe such regulations and issue such orders as the

1 Board, in consultation with the Council, determines to be
2 necessary to carry out the provisions of this subtitle.

Page 87, line 24, strike “financial company sub-
jected to stricter prudential” and insert “financial hold-
ing company subject to stricter”.

Page 88, line 2, insert after the period the following:
“With respect to any requirements under this section
that is likely to have a significant effect on an insurance
company, the Council shall consult with the Federal In-
surance Office.”.

Page 89, line 8, insert “stricter” after “modifying
the”.

Page 90, line 14, insert “holding” after “financial”.

Page 90, line 15, strike “prudential”.

Page 90 line 16, strike “financial company” and in-
sert “financial holding company subject to stricter stand-
ards”.

Page 90, line 22, strike “company subject to stricter
prudential” and insert “holding company subject to
stricter”.

Page 92, line 20, strike “subsection (e)(5)” and in-
sert “this section”.

Page 93, line 1, strike “(e)(5)” and insert “(e)(2)”.

Page 96, line 18, insert “, as agent of the Council,” after “Board”.

Page 97, line 4, insert after the period the following: “With respect to any standard that is likely to have a significant effect on insurance companies, the Board also shall consult with the Federal Insurance Office.”.

Page 97, after line 16, insert the following new paragraph:

1 (3) EXCEPTION.—The standards recommended
2 by the Board and adopted by a primary financial
3 regulatory agency pursuant to this section shall not
4 apply to activities that a foreign financial parent
5 conducts solely outside the United States if such ac-
6 tivities are conducted solely by a company or other
7 operating entity that is located outside the United
8 States.

Page 119, line 7, insert “, after notice and opportunity for comment,” after “may”.

Page 119, line 13, strike “agency” and insert “Board”.

Page 119, line 14, strike “agency” and insert “Board”.

Page 122, line 18, strike “The authorities” and insert the following:

1 (a) CONSTRUCTION.—The authorities

Page 123, after line 2, insert the following new subsection:

2 (b) AGENT RESPONSIBILITIES.—For purposes of this
3 subtitle, the term “agent” means the Board acting under
4 section 1103(c) and coordinating with the Council in exer-
5 cising authority under sections 1104 and 1107.

Page 129, line 17, insert “, and who shall coordinate with the Office of Thrift Supervision pursuant to section 1211” before the period at the end.

Page 131, after line 5, insert the following new subsection:

6 (f) EFFECTIVE DATE.—Subsection (b) shall take ef-
7 fect on the date of the enactment of this Act .

Page 132, after line 15, insert the following new paragraph:

8 (4) FUNCTIONS RELATING TO SUPERVISION OF
9 SAVINGS AND LOAN HOLDING COMPANIES.—
10 (A) TRANSFER OF FUNCTIONS.—All func-
11 tions of the Director of the Office of Thrift Su-

1 pervision relating to the supervision and regula-
2 tion of Savings and Loan Holding Companies
3 are transferred to the Board.

4 (B) BOARD AUTHORITY.—The Board shall
5 succeed to all powers, authorities, rights, and
6 duties that were vested in the Director of the
7 Office of Thrift Supervision under Federal law,
8 including the Home Owners' Loan Act, on the
9 day before the transfer date, relating to the su-
10 pervision and regulation of Savings and Loan
11 Holding Companies.

 Page 132, after line 24, insert the following new
paragraph (and redesignate succeeding paragraphs ac-
cordingly):

12 (2) in paragraph (2)(E), by striking “and” at
13 the end;

 Page 133, after line 2, insert the following new
paragraph (and redesignate succeeding paragraphs ac-
cordingly):

14 (4) after paragraph (2)(F), by inserting the fol-
15 lowing new subparagraph:

16 “(G) any savings and loan holding com-
17 pany and any subsidiary of a savings and loan

1 holding company (other than a savings associa-
2 tion); and”;

Page 147, line 21, insert “and” after the semicolon.

Page 147, line 25, strike “; and” and insert a pe-
riod.

Page 148, strike line 1 and all that follows through
line 3.

Page 162, after line 6, insert the following new
paragraphs (and redesignate succeeding paragraphs ac-
cordingly):

3 (1) In subsection (a)—

4 (A) in paragraph (1)(A), by striking “Di-
5 rector” and inserting “Board”;

6 (B) in paragraph (1)(D), by striking clause
7 (i) and inserting: “(i) In general.—

8 “(i) IN GENERAL.—Except as pro-
9 vided in clause (ii), the term ‘savings and
10 loan holding company’ means any company
11 that directly or indirectly controls a sav-
12 ings association or that controls any com-
13 pany that is a savings and loan holding
14 company, and that is either—

1 “(I) a fraternal beneficiary soci-
2 ety, as defined in section 501(c)(8) of
3 the Internal Revenue Code of 1986; or

4 “(II) a company that is, together
5 with all of its affiliates on a consoli-
6 dated basis, predominantly engaged in
7 the business of insurance.”;

8 (C) in paragraph (1)(F), by striking “Di-
9 rector” and inserting “Board”;

10 (D) in paragraph (1), by inserting at the
11 end the following new subparagraph:

12 “(K) BOARD.—The term ‘Board’ means
13 the Board of Governors of the Federal Reserve
14 System.”.

15 (E) in paragraph (2)(D), by striking “Di-
16 rector” and inserting “Board”;

17 (F) in paragraph (3)(A), by striking “Di-
18 rector” and inserting “Board”; and

19 (G) in paragraph (4), by striking “Direc-
20 tor” and inserting “Board”.

21 (2) In subsection (b), by striking “Director”
22 each place it appears and inserting “Board”.

23 (3) In subsection (c)—

24 (A) in paragraph, (2)(F)(i)—

- 1 (i) by striking “of Governors of the
2 Federal Reserve System”; and
- 3 (ii) by striking “Director” and insert-
4 ing “Board”;
- 5 (B) in paragraph (2)(G), by striking “Di-
6 rector” and inserting “Board”;
- 7 (C) in paragraph (4)(A), by striking “Di-
8 rector” and inserting “Board”;
- 9 (D) in paragraph (4)(B)—
- 10 (i) in the heading, by striking “direc-
11 tor” and inserting “Board”; and
- 12 (ii) by striking “the Director shall”
13 and inserting “the Board shall”;
- 14 (E) in paragraph (4)(C)—
- 15 (i) in the heading, by striking “direc-
16 tor” and inserting “Board”; and
- 17 (ii) by striking “the Director may”
18 and inserting “the Board may”;
- 19 (F) in paragraph (5), by striking “Direc-
20 tor” and inserting “Board”;
- 21 (G) in paragraph (6)(D)—
- 22 (i) in the heading, by striking “direc-
23 tor” and inserting “Board”; and
- 24 (ii) by striking “Director” each place
25 it appears and inserting “Board”;

1 (H) in paragraph (9)(A)(ii), by inserting “,
2 but only if the conditions for engaging in ex-
3 panded financial activities set forth in section
4 4(l) of the Bank Holding Company Act of 1956
5 have been met” after “1956”; and

6 (I) in paragraph (9)(E), by striking “Di-
7 rector” each place it appears and inserting
8 “Board”.

9 (4) In subsection (e)—

10 (A) in paragraph (1)(A)—

11 (i) in clause (i), by striking “Direc-
12 tor” and inserting “Board”;

13 (ii) in clause (ii), by striking “Direc-
14 tor” and inserting “Board”;

15 (iii) in clause (iii), by striking “Direc-
16 tor” each place it appears and inserting
17 “Board”; and

18 (iv) in clause (iv), by striking “Direc-
19 tor” each place it appears and inserting
20 “Board”;

21 (B) in paragraph (1)(B), by striking “Di-
22 rector” each place it appears and inserting
23 “Board”;

1 (C) in paragraph (2), by striking “Direc-
2 tor” each place it appears and inserting
3 “Board”;

4 (D) in paragraph (3), by striking “Direc-
5 tor” and inserting “Board”;

6 (E) in paragraph (4)(A), by striking “Di-
7 rector” and inserting “Board”; and

8 (F) in paragraph (5), by striking “Direc-
9 tor” each place it appears and inserting
10 “Board”.

11 (5) In subsection (f), by striking “Director”
12 each place it appears and inserting “Board”.

13 (6) In subsection (g), by striking “Director”
14 each place it appears and inserting “Board”.

15 (7) In subsection (h)—

16 (A) in paragraph (2), by striking “Direc-
17 tor” and inserting “Board”; and

18 (B) in paragraph (3), by striking “Direc-
19 tor” and inserting “Board”.

20 (8) In subsection (i)—

21 (A) in paragraph (1)(A), by striking “Di-
22 rector” and inserting “Board”;

23 (B) in paragraph (2)(B), by striking “Di-
24 rector” and inserting “Board”;

1 (C) in paragraph (2)(F), by striking “Di-
2 rector” and inserting “Board”;

3 (D) in paragraph (3)(B), by striking “Di-
4 rector” and inserting “Board”;

5 (E) in paragraph (3)(F), by striking “Di-
6 rector” and inserting “Board”;

7 (F) in paragraph (4), by striking “Direc-
8 tor” and inserting “Board”; and

9 (G) in paragraph (5), by striking “Direc-
10 tor” and inserting “Board”.

11 (9) In subsection (j), by striking “Director”
12 each place it appears and inserting “Board”.

13 (10) In subsection (l)—

14 (A) in paragraph (1), by striking “Direc-
15 tor” and inserting “Board, in consultation with
16 the Comptroller of the Currency,”; and

17 (B) in paragraph (2), by striking “Direc-
18 tor” and inserting “Board, in consultation with
19 the Comptroller of the Currency,”.

Page 166, after line 18 insert the following:

20 (13) In subsections (p), (q), (r), and (s), by
21 striking “Director” each place it appears and insert-
22 ing “Board”.

Page 169, strike lines 1 through 4 and insert the following:

1 “(7) VALUATION.—
2 “(A) IN GENERAL.—The Board shall con-
3 sider waived dividends in determining an appro-
4 priate exchange ratio in the event of a full con-
5 version to stock form.
6 “(B) EXCEPTION.—In the case of a sav-
7 ings association which has reorganized into a
8 mutual thrift holding company under section
9 10(b) of the Home Owners’ Loan Act and has
10 issued minority stock either from its mid-tier
11 stock holding company or its subsidiary stock
12 savings association prior to December 1, 2009,
13 the Board shall not consider waived dividends
14 in determining an appropriate exchange ratio in
15 the event of a full conversion to stock form.”.

Page 204, line 14, strike “may decrease” and insert “decreases”.

Page 204, beginning on line 23, strike “, on a consolidated basis,” and insert “a fraternal beneficiary society, as defined in section 501(c)(8) of the Internal Revenue Code of 1986, or a company that is, together with all of its affiliates on a consolidated basis,”.

Page 205, beginning on line 4, strike “, on a consolidated basis,” and insert “a fraternal beneficiary society, as defined in section 501(c)(8) of the Internal Revenue Code of 1986, or a company that is, together with all of its affiliates on a consolidated basis,”.

Page 205, after line 13, insert the following new section:

1 SEC. 1257. EFFECTIVE DATE.

2 Except as otherwise provided in this subtitle, the
3 amendments made by sections 1221 through section 1253
4 and 1256 and subsections (a), (b), and (c)(1) of section
5 1254 shall take effect on the transfer date.

Page 207, line 6, strike “, on a consolidated basis,” and insert “a fraternal beneficiary society, as defined in section 501(c)(8) of the Internal Revenue Code of 1986, or a company that is, together with all of its affiliates on a consolidated basis,”.

Page 207, strike line 9, and insert the following:

6 (B) in subparagraph (F)(i), by inserting
7 before the semicolon the following: “, including
8 issuing credit cards and other credit devices (in-
9 cluding virtual or intangible devices) that func-
10 tion as credit cards”;

1 (C) in subparagraph (F)(v), by inserting
2 before the semicolon the following: “, other
3 than loans that otherwise meet the require-
4 ments of this subparagraph and are made to
5 businesses that meet the criteria for a small
6 business concern to be eligible for business
7 loans under regulations established by the
8 Small Business Administration under part 121
9 of title 13, Code of Federal Regulations”; and

10 (D) by striking subparagraph (H) and in-
11 sserting the following:

12 “(H) An industrial loan company, indus-
13 trial bank, or other similar institution which—

14 “(i) is an institution organized under
15 the laws of a State which, on March 5,
16 1987, had in effect or had under consider-
17 ation in such State’s legislature a statute
18 which required or would require such insti-
19 tution to obtain insurance under the Fed-
20 eral Deposit Insurance Act;

21 “(ii) either—

22 “(I) does not accept demand de-
23 posits that the depositor may with-
24 draw by check or similar means for
25 payment to third parties;

1 “(II) has total assets of less than
2 \$100,000,000; or

3 “(III) the control of which is not
4 acquired by any company after Au-
5 gust 10, 1987;

6 “(iii) predominantly provides financial
7 products and services to current and
8 former members of the military and their
9 families; and

10 “(iv) is controlled by a savings and
11 loan holding company, as defined in sec-
12 tion 10(a) of the Home Owners’ Loan Act.

13 This subparagraph shall cease to apply to any
14 institution which permits any overdraft (includ-
15 ing any intraday overdraft), or which incurs
16 any such overdraft in such institution’s account
17 at a Federal Reserve bank, on behalf of an af-
18 filiate, if such overdraft is not the result of an
19 inadvertent computer or accounting error that
20 is beyond the control of both the institution and
21 the affiliate, or that is otherwise permissible for
22 a bank controlled by a company described in
23 section 1843(f)(1) of this title.”; and

Page 208, strike line 10 and all that follows through
page 209, line 7, and insert the following:

1 “(ii) conduct all such activities which
2 are permissible for a financial holding com-
3 pany, as determined under section 4(k),
4 through such section 6 holding company,
5 other than—

6 “(I) internal financial activities
7 conducted for such company or any
8 affiliate, including, but not limited to
9 internal treasury, investment, and em-
10 ployee benefit functions, provided that
11 with respect to any internal financial
12 activity engaged in for the company or
13 an affiliate and a nonaffiliate during
14 the year prior to date of enactment,
15 the company (or an affiliate not a
16 subsidiary of the section 6 company)
17 may continue to engage in that activ-
18 ity so long as the at least two-thirds
19 of the assets or two-thirds of the reve-
20 nues generated from the activity are
21 from or attributable to the company
22 or an affiliate, subject to review by
23 the Board to determine whether en-
24 gaging in such activity presents undue

1 risk to the section 6 company or
2 undue systemic risk; and

3 “(II) financial activities involving
4 the provision of credit for the pur-
5 chase or lease of products or services
6 from an affiliate or for the purchase
7 or lease of products produced by an
8 affiliate of such section 6 holding
9 company that is not a subsidiary of
10 such section six holding company, in
11 accordance with regulations prescribed
12 by or orders issued by the Board, pur-
13 suant to section 6 of this Act.”; and

Page 209, strike line 15 and all that follows through
page 210, line 14 and insert the following:

14 “(i) on the date of enactment of the
15 Financial Stability Improvement Act of
16 2009, a unitary savings and loan holding
17 company that continues to control not
18 fewer than one savings association that it
19 controlled on May 4, 1999, or that it ac-
20 quired pursuant to an application pending
21 before the Office of Thrift Supervision on
22 or before that date, and that became a
23 bank for purposes of the Bank Holding

1 Company Act as a result of the enactment
2 of section 1301(a)(3) of the Financial Sta-
3 bility Improvement Act 2009; or”.

Page 210, line 19, strike “1301(a)(3)(B)” and in-
sert “1301(a)(4)(B)”.

Page 220, after line 25, insert the following:

4 “(8) UNITARY SAVINGS AND LOAN HOLDING
5 COMPANY DEFINED.—For purposes of this sub-
6 section, the term ‘unitary savings and loan holding
7 company’ means a company that was a savings and
8 loan holding company on May 4, 1999 (as then de-
9 fined), or that became a savings and loan holding
10 company pursuant to an application pending before
11 the Office of Thrift Supervision on or before that
12 date, and—
13 “(A) that controls—
14 “(i) only 1 savings association; or
15 “(ii) more than 1 savings association,
16 if all, or all but 1, of the savings associa-
17 tion subsidiaries of such company were ini-
18 tially acquired by the company pursuant to
19 a supervisory transaction under section
20 1823(e), 1823(i), or 1823(k) of this title,

1 or section 408(m) of the National Housing
2 Act (12 U.S.C. 1730a(m));

3 “(B) all of the savings association subsidi-
4 aries of such company are qualified thrift lend-
5 ers (as determined under section 10 of the
6 Home Owners’ Loan Act); and

7 “(C) that continues to control not fewer
8 than 1 savings association that it controlled on
9 May 4, 1999, or that it acquired pursuant to an
10 application pending before the Office of Thrift
11 Supervision on or before that date.”.

Page 220, after line 25, insert the following:

12 (8) UNITARY SAVINGS AND LOAN HOLDING
13 COMPANY DEFINED.—Solely for purposes of this
14 subsection, the term “unitary savings and loan hold-
15 ing company” means a company that was a savings
16 and loan holding company on May 4, 1999 (as then
17 defined), or that became a savings and loan holding
18 company pursuant to an application pending before
19 the Office of Thrift Supervision on or before that
20 date, and—

21 (A) that controls —

22 (i) only 1 savings association; or

23 (ii) more than 1 savings association, if

24 all, or all but 1, of the savings association

1 subsidiaries of such company were initially
2 acquired by the company pursuant to a su-
3 pervisory transaction under section
4 1823(c), 1823(i), or 1823(k) of this title,
5 or section 408(m) of the National Housing
6 Act (12 U.S.C. 1730a(m));

7 (B) all of the savings association subsidi-
8 aries of such company are qualified thrift lend-
9 ers (as determined under section 10 of the
10 Home Owners' Loan Act); and

11 (C) that continues to control not fewer
12 than 1 savings association that it controlled on
13 May 4, 1999, or that it acquired pursuant to an
14 application pending before the Office of Thrift
15 Supervision on or before that date.

Page 222, line 18, strike "subtitle B" and insert
"section 1103".

Page 223, strike line 15 and all that follows through
page 224, line 11 and insert the following:

16 (B) A company that is required to form a
17 section a section 6 holding company shall con-
18 duct all such activities which are permissible for
19 a financial holding company, as determined

1 under section 4(k), through such section 6 hold-
2 ing company, other than—

3 (i) internal financial activities con-
4 ducted for such company or any affiliate,
5 including, but not limited to internal treas-
6 ury, investment, and employee benefit
7 functions, provided that with respect to
8 any internal financial activity engaged in
9 for the company or an affiliate and a non-
10 affiliate during the year prior to date of
11 enactment, the company (or an affiliate
12 not a subsidiary of the section 6 company)
13 may continue to engage in that activity so
14 long as the at least $\frac{2}{3}$ of the assets or $\frac{2}{3}$
15 of the revenues generated from the activity
16 are from or attributable to the company or
17 an affiliate, subject to review by the Board
18 to determine whether engaging in such ac-
19 tivity presents undue risk to the section 6
20 company or undue systemic risk; and

21 (ii) financial activities involving the
22 provision of credit for the purchase or
23 lease of products or services from an affil-
24 iate or for the purchase or lease of prod-
25 ucts produced by an affiliate of such sec-

1 tion 6 holding company that is not a sub-
2 sidiary of such section 6 holding company,
3 in accordance with regulations prescribed
4 by or orders issued by the Board, pursuant
5 to section 6 of this Act.

Page 225, beginning on line 22, strike “, as a bank holding company”.

Page 226, line 2, strike “subtitle B” and insert “section 1103”.

Page 226, strike lines 7 and 8 and insert the following:

6 “(ii) subject to the provisions of this
7 Act and other Federal law as provided in
8 section 1103(g) of the Financial Stability
9 Improvement Act of 2009; and”.

Page 227, line 5, strike “subtitle A” and insert “section 1103”.

Page 228, line 6, after “section 6(a)(2)(B)” insert the following: “and financial activities involving the provision of credit for the purchase or lease of products or services from an affiliate or for the purchase or lease of products produced by an affiliate of such section 6 hold-

ing company that is not a subsidiary of such section six holding company”.

Page 236, strike lines 17-25.

Page 237, line 12, strike “sections 4(p) and 6” and insert “section 1301 of the Financial Stability Improvement Act of 2009”.

Page 237, line 13, insert “, other than a section 6 holding company,” after “company”.

Page 250, beginning on line 19, strike “after subsection (y) (as added by section 1408)” and insert “at the end”.

Page 250, line 21, strike “(z)” and insert “(y)”.

Page 252, line 16, insert “holding” after “financial”.

Page 252, beginning on line 16, strike “prudential”.

Page 252, line 19, strike “greater” and insert “great”.

Page 253, line 23, strike “8(c)(5)” and insert “18(c)(5)”.

Page 255, after line 2, insert the following new section (and conform the table of contents accordingly):

1 **SEC. 1316. NATIONWIDE DEPOSIT CAP FOR INTERSTATE AC-**
2 **QUISITIONS.**

3 (a) AMENDMENTS TO BANK HOLDING COMPANY ACT
4 OF 1956.—

5 (1) CONCENTRATION LIMIT FOR BANK HOLDING
6 COMPANIES.—Section 3(d)(2)(A) of the Bank Hold-
7 ing Company Act (12 U.S.C. 1842(d)(2)(A)) is
8 amended by striking “paragraph (1)(A)” and insert-
9 ing “subsection (a)”.

10 (2) TECHNICAL CORRECTION RELATING TO
11 CERTAIN SAVINGS BANKS.—Section 4 of the Bank
12 Holding Company Act is amended by striking sub-
13 section (i) and inserting the following new sub-
14 section:

15 “(i) [Repealed]”.

16 (b) AMENDMENTS TO FEDERAL DEPOSIT INSUR-
17 ANCE ACT.—

18 (1) IN GENERAL.—Section 18(c) of the Federal
19 Deposit Insurance Act (12 U.S.C. 1828(c)) is
20 amended—

21 (A) by redesignating paragraph (12) as
22 paragraph (13); and

23 (B) by inserting after paragraph (11) the
24 following new paragraph:

25 “(12) NATIONWIDE DEPOSIT CAP.—The respon-
26 sible agency may not approve an application for an

1 interstate merger transaction if the resulting insured
2 depository institution (including all insured depository
3 institutions which are affiliates of the resulting
4 insured depository institution), upon consummation
5 of the transaction, would control more than 10 per-
6 cent of the total amount of deposits of insured de-
7 pository institutions in the United States.”.

8 (2) PARALLEL REQUIREMENT.—Subparagraph
9 (A) of section 44(b)(2) of the Federal Deposit Insur-
10 ance Act 1831u(b)(2)(A)) is amended to read as fol-
11 lows:

12 “(A) NATIONWIDE CONCENTRATION LIM-
13 ITS.—The responsible agency may not approve
14 an application for an interstate merger trans-
15 action involving 2 or more insured depository
16 institutions if the resulting insured depository
17 institution (including all insured depository in-
18 stitutions which are affiliates of such institu-
19 tion), upon consummation of the transaction
20 would control more than 10 percent of the total
21 amount of deposits of insured depository insti-
22 tutions in the United States”.

23 (c) AMENDMENTS TO HOME OWNERS’ LOAN ACT.—
24 Section 10(e)(2) of the Home Owners’ Loan Act
25 1467a(e)(2)) is amended—

1 (1) by striking “or at the end of subparagraph
2 (C)”;

3 (2) by striking the period at the end of sub-
4 paragraph (D) and inserting “; or”; and

5 (3) by inserting after subparagraph (D), the
6 following new subparagraph:

7 “(E) in the case of an application involving
8 an interstate acquisition, if the applicant (in-
9 cluding all insured depository institutions which
10 are affiliates of the applicant) controls, or upon
11 consummation of the acquisition for which such
12 application is filed would control, more than 10
13 percent of the total amount of deposits of in-
14 sured depository institutions in the United
15 States.”.

Page 257, line 10, strike “assessment period” and insert “assessment period, minus additional deductions or adjustments necessary to establish assessments consistent with the definition under section 7(b)(1)(C) of the Federal Deposit Insurance Act for custodial banks (as defined by the Corporation based on factors including percentage of total revenues generated by custodial businesses and the level of assets under custody) or a bankers’ bank (as referred to in section 5136 of the Revised Statutes of the United States)”.

Page 275, line 15, insert “if the financial company is an insurance company or” after “section 1603”.

Page 277, line 11, insert “activities” after “or”.

Page 277, line 22, strike the period and insert “; and”.

Page 277, after line 22, insert the following new subparagraph:

- 1 (C) that is not a Federal home loan bank,
- 2 the Federal National Mortgage Association, or
- 3 the Federal Home Loan Mortgage Corporation.

Page 278, beginning on line 2, strike “includes” and all that follows through line 3 and insert “means any entity covered by a State law designed specifically to deal with the rehabilitation, liquidation, or insolvency of an insurance company.”.

Page 278, strike line 22 and all that follows through page 279, line 13, and insert the following new paragraph:

- 4 (1) VOTE REQUIRED.—
- 5 (A) IN GENERAL.—At the request of the
- 6 Secretary, the Chairman of the Federal Reserve
- 7 Board, or the appropriate regulatory agency,
- 8 the Board and the appropriate regulatory agen-

1 cy shall, or on their own initiative the Board
2 and the appropriate regulatory agency may,
3 consider whether to make the written rec-
4 ommendation provided for in paragraph (2)
5 with respect to a financial company.

6 (B) 2/3 AGREEMENT.—Any recommenda-
7 tion under subparagraph (A) shall be made
8 upon a vote of not less than two-thirds of the
9 members of the Federal Reserve Board then
10 serving and not less than two thirds of any
11 members of the board or commission then serv-
12 ing of the appropriate regulatory agency, as ap-
13 plicable.

Page 280, beginning on line 7, strike “financial holding company subject to stricter standards” and insert “financial company”.

Page 280, beginning on line 12, strike “the board of directors or commission of”.

Page 280, line 19, strike “resolution” and insert “dissolution”.

Page 282, beginning on line 8, strike “financial holding company subject to stricter standards” and insert “financial company”.

Page 282, beginning on line 20, strike “financial holding company subject to stricter standards” and insert “financial company”.

Page 283, beginning on line 2, strike “financial holding company subject to stricter standards” and insert “financial company”.

Page 283, beginning on line 5, strike “financial holding company subject to stricter standards” and insert “financial company”.

Page 283, beginning on line 9, strike “financial holding company subject to stricter standards” and insert “financial company”.

Page 283, beginning on line 15, strike “financial holding company subject to stricter standards” and insert “financial company”.

Page 283 beginning on line 18, strike “financial holding company subject to stricter standards” and insert “financial company”.

Page 283, line 22, strike “**RESOLUTION**” and insert “**DISSOLUTION**” (and conform the table of contents accordingly).

Page 284, after line 7, insert the following new paragraphs:

1 (3) EXTENSION OF TIME LIMIT.—The time
2 limit established in paragraph (2) may be extended
3 by the Secretary for up to 1 additional year if—

4 (A) the Corporation has not completed the
5 dissolution of the company within the time pro-
6 vided in paragraph (2); and

7 (B) the Secretary certifies in writing that
8 continuation of the receivership is necessary—

9 (i) to protect the best interests of the
10 taxpayers of the United States; and

11 (ii) to protect the stability of the fi-
12 nancial system and the economy of the
13 United States.

14 (4) FURTHER EXTENSION.—The time limit, as
15 extended in paragraph (3), may be extended for up
16 to 1 additional year if—

17 (A) the conditions of paragraph (3) are
18 met; and

19 (B) the Corporation submits a report to
20 the Congress, no later than 60 days before the
21 receivership will expire under the extended limit
22 under paragraph (3), that describes in detail—

23 (i) the basis for the determination by
24 the Corporation that a second extension is
25 necessary; and

1 (ii) the specific plan of the Corpora-
2 tion for concluding the receivership before
3 the end of the proposed additional year.

Page 284, line 8, strike “RESOLUTION” and insert
“DISSOLUTION”.

Page 284, line 10, strike “resolved” and insert “dis-
solved”.

Page 284, line 11, strike “resolution” and insert
“dissolution”.

Page 284, line 18, strike “resolution” and insert
“dissolution”.

Page 285, line 6, strike “resolution” and insert “dis-
solution”.

Page 285, line 11, strike “resolution” and insert
“dissolution”.

Page 285, line 16, strike “1602(9)(B)(iv)” and in-
sert “1602(9)(B)(v)”.

Page 285, line 18, strike “resolution” and insert
“dissolution”.

Page 287, beginning on line 1, strike “CERTAIN IN-
SURANCE SUBSIDIARIES” and insert “INSURANCE COM-
PANIES AND INSURANCE COMPANY SUBSIDIARIES”.

Page 287, strike line 4 and all that follows through line 9, and insert “(a), if an insurance company covered by a State law designed specifically to deal with the rehabilitation, liquidation or insolvency of an insurance company is a covered financial company or a subsidiary of a covered financial company, resolution of such insurance company, and any subsidiary of such company, will be conducted as provided under such State law.”.

Page 287, line 13, insert before the period the following: “, that is not itself an insurance company”.

Page 287, line 22, strike “resolution” and insert “dissolution”.

Page 288, line 2, strike “resolution” and insert “dissolution”.

Page 289, line 11, strike “RESOLUTION” and insert “DISSOLUTION”.

Page 289, line 21, insert “in accordance with section 1604” before the comma after “is appointed”.

Page 299, line 11, strike “resolution” and insert “dissolution”.

Page 305, line 19, strike “resolution” and insert “dissolution”.

Page 327, line 2, strike “resolving” and insert “dissolving”.

Page 327, line 8, strike “resolution” and insert “dissolution”.

Page 370, line 15, strike “resolution” and insert “dissolution”.

Page 401, line 10, strike “\$10,000,000,000” and insert “\$50,000,000,000”.

Page 401, line 11, insert a comma after “inflation”.

Page 411, line 10, insert “,subject to the requirements of section 1604(g),” after “Fund”.

Page 413, line 11, strike “resolution” and insert “dissolution”.

Page 413, line 12, strike “resolution” and insert “dissolution”.

Page 425, line 8, strike “Resolution” and insert “Dissolution”.

Page 425, line 14, strike “**RESOLUTION**” and insert “**DISSOLUTION**” (and conform the table of contents accordingly).

Page 425, line 21, strike “Resolution” and insert “Dissolution”.

Page 426, line 2, strike “Resolution” and insert “Dissolution”.

Page 426, line 7, strike “Resolution” and insert “Dissolution”.

Page 426, line 8, strike “Resolution” and insert “Dissolution”.

Page 432, line 1, strike “Resolution” and insert “Dissolution”.

Page 433, line 4, strike “Resolution” and insert “Dissolution”.

Page 455, line 5, before the comma insert “(as such terms are defined in subsection (c) (1))”.

Page 461, strike lines 8 through 15 and insert the following:

- 1 (J) the Consumer Financial Protection
- 2 Agency,
- 3 (K) the Federal Insurance Office,

Page 461, after line 19, insert the following new section:

1 **SEC. 1802. FEDERAL HOUSING FINANCE AGENCY ADVISORY**

2 **ROLE IN FIEC.**

3 After section 1007 of the Federal Financial Institu-
4 tions Examination Council Act of 1987 (12 U.S.C. 3306)
5 insert the following new section:

6 **“SEC. 1007A. FEDERAL HOUSING FINANCE AGENCY ADVI-
7 SORY ROLE.**

8 “Whenever the Council takes any actions with respect
9 to issues that relate to the Federal National Mortgage As-
10 sociation, the Federal Home Loan Mortgage Corporation,
11 or the Federal home loan banks, the Federal Housing Fi-
12 nance Agency shall participate in the Council’s pro-
13 ceedings in an advisory role.”.

Page 462, beginning on line 20, strike “(as” and all that follows through line 22 and insert a comma.

Page 463, beginning on line 15, strike “(as” and all that follows through line 17 and insert a comma.

Page 464, strike lines 11 and 12 and insert “States, the”.

Page 465, after line 2, insert the following new sub-
title:

1 **Subtitle L—Securities Holding**
2 **Companies**

3 **SEC. 1961. SECURITIES HOLDING COMPANIES.**

4 (a) SUPERVISION OF A SECURITIES HOLDING COM-
5 PANY NOT HAVING A BANK OR SAVINGS ASSOCIATION
6 AFFILIATE.—

7 (1) IN GENERAL.—A securities holding com-
8 pany that is required by a foreign regulator or for-
9 eign law to be subject to comprehensive consolidated
10 supervision and that is not—

11 (A) a financial holding company subject to
12 stricter standards,

13 (B) an affiliate of an insured bank (other
14 than an institution described in subparagraphs
15 (D) or (G) of section 2(c)(2) of the Bank Hold-
16 ing Company Act of 1956) or a savings associa-
17 tion,

18 (C) a foreign bank, foreign company, or
19 company that is described in section 8(a) of the
20 International Banking Act of 1978,

21 (D) a foreign bank that controls, directly
22 or indirectly, a corporation chartered under sec-
23 tion 25A of the Federal Reserve Act (12 U.S.C.
24 611 et seq.), or

1 (E) subject to comprehensive consolidated
2 supervision by a foreign regulator,
3 may register with the Board to become supervised,
4 pursuant to paragraph (2). Any securities holding
5 company filing such a registration shall be super-
6 vised in accordance with this section and comply
7 with the rules and orders prescribed by the Board
8 applicable to supervised securities holding compa-
9 nies.

10 (2) REGISTRATION AS A SUPERVISED SECURI-
11 TIES HOLDING COMPANY.—A securities holding com-
12 pany described in paragraph (1) shall register by fil-
13 ing with the Board such information and documents
14 concerning such securities holding company as the
15 Board, by regulation, may prescribe as necessary or
16 appropriate in furtherance of the purposes of this
17 section. Such supervision shall become effective 45
18 days after the date of receipt of such registration by
19 the Board or within such shorter time period as the
20 Board, by rule or order, may determine.

21 (b) SUPERVISION OF SECURITIES HOLDING COMPA-
22 NIES.—

23 (1) RECORDKEEPING AND REPORTING.—

24 (A) IN GENERAL.—Every supervised secu-
25 rities holding company and each affiliate of

1 such company shall make and keep for pre-
2 scribed periods such records, furnish copies of
3 records, and make such reports, as the Board
4 determines to be necessary or appropriate for
5 the Board to carry out the purposes of this sec-
6 tion, prevent evasions, and monitor compliance
7 by the company or affiliate with applicable pro-
8 visions of law.

9 (B) FORM AND CONTENTS.—Such records
10 and reports shall be prepared in such form and
11 according to such specifications (including cer-
12 tification by a registered public accounting
13 firm), as the Board may require and shall be
14 provided promptly at any time upon request by
15 the Board. Such records and reports may in-
16 clude—

17 (i) a balance sheet and income state-
18 ment;

19 (ii) an assessment of the consolidated
20 capital of the supervised securities holding
21 company;

22 (iii) an independent auditor's report
23 attesting to the supervised securities hold-
24 ing company's compliance with its internal

1 risk management and internal control ob-
2 jectives; and

3 (iv) reports concerning the extent to
4 which the company or affiliate has com-
5 plied with the provisions of this section
6 and any regulations prescribed and orders
7 issued under this section.

8 (2) USE OF EXISTING REPORTS.—

9 (A) IN GENERAL.—The Board shall, to the
10 fullest extent possible, accept reports in fulfill-
11 ment of the requirements under this paragraph
12 that the supervised securities holding company
13 or its affiliates have been required to provide to
14 another appropriate regulatory agency or self-
15 regulatory organization.

16 (B) AVAILABILITY.—A supervised securi-
17 ties holding company or an affiliate of such
18 company shall provide to the Board, at the re-
19 quest of the Board, any report referred to in
20 subparagraph (A), as permitted by law.

21 (3) EXAMINATION AUTHORITY.—

22 (A) FOCUS OF EXAMINATION AUTHOR-
23 ITY.—The Board may make examinations of
24 any supervised securities holding company and
25 any affiliate of such company to carry out the

1 purposes of this subsection, prevent evasions
2 thereof, and monitor compliance by the com-
3 pany or affiliate with applicable provisions of
4 law.

5 (B) DEFERENCE TO OTHER EXAMINA-
6 TIONS.—For purposes of this subparagraph, the
7 Board shall, to the fullest extent possible, use
8 the reports of examination made by other ap-
9 propriate Federal or State regulatory authori-
10 ties with respect to any functionally regulated
11 subsidiary, as defined under section 5(c)(1) of
12 the Bank Holding Company Act of 1956 (12
13 U.S.C. 1844(c)(1)), or an institution described
14 in subparagraphs (D) or (G) of section
15 1841(c)(2).

16 (c) CAPITAL AND RISK MANAGEMENT.—

17 (1) The Board shall, by regulation or order,
18 prescribe capital adequacy and other risk manage-
19 ment standards for a supervised securities holding
20 company appropriate to protect the safety and
21 soundness of the company and address the risks
22 posed to financial stability by a supervised securities
23 holding company. Standards imposed under this sub-
24 paragraph shall take account of differences among
25 types of business activities and—

1 (A) the amount and nature of the com-
2 pany's financial assets;

3 (B) the amount and nature of the com-
4 pany's liabilities, including the degree of reli-
5 ance on short-term funding;

6 (C) the extent and nature of the company's
7 off-balance sheet exposures;

8 (D) the extent and nature of the com-
9 pany's transactions and relationships with other
10 financial companies;

11 (E) the company's importance as a source
12 of credit for households, businesses, and State
13 and local governments and as a source of li-
14 quidity for the financial system; and

15 (F) the nature, scope, and mix of the com-
16 pany's activities.

17 (2) In imposing standards under this sub-
18 section, the Board may differentiate among super-
19 vised securities holding companies on an individual
20 basis or by category, taking into consideration the
21 criteria specified above.

22 (3) Any capital requirements imposed under
23 this subsection shall not take effect until the expira-
24 tion of 180 days after a supervised securities holding
25 company is provided notice of such requirement.

1 (d) OTHER PROVISIONS.—

2 (1) Subsections (b), (c) through (s), and (u) of
3 section 8 of the Federal Deposit Insurance Act shall
4 apply to any supervised securities holding company,
5 and to any subsidiary (other than a bank) of a su-
6 pervised securities holding company, in the same
7 manner as they apply to a bank holding company.
8 For purposes of applying such subsections to a su-
9 pervised securities holding company or a subsidiary
10 (other than a bank) of a supervised securities hold-
11 ing company, the Board shall be considered the ap-
12 propriate Federal banking agency for the supervised
13 securities holding company or subsidiary.

14 (2) Except as the Board may otherwise provide
15 by regulation or order, a supervised securities hold-
16 ing company shall be subject to the provisions of the
17 Bank Holding Company Act of 1956 (12 U.S.C.
18 1841 et seq.) in the same manner and to the same
19 extent that bank holding companies are subject to
20 such provisions, except that any such supervised se-
21 curities holding company shall not by reason of this
22 subparagraph be deemed a bank holding company
23 for purposes of section 4 of the Bank Holding Com-
24 pany Act of 1956.

1 (e) DEFINITIONS.—For purposes of this section, the
2 following definitions shall apply:

3 (1) SECURITIES HOLDING COMPANY.—The term
4 “securities holding company” means—

5 (A) any person other than a natural per-
6 son that owns or controls one or more brokers
7 or dealers as defined in section 3 of the Securi-
8 ties Exchange Act; and

9 (B) the associated persons of the securities
10 holding company.

11 (2) SUPERVISED SECURITIES HOLDING COM-
12 PANY.—The term “supervised securities holding
13 company” means any securities holding company
14 that is supervised by the Board pursuant to this sec-
15 tion.

16 (3) OTHER BANKING TERMS.—The terms “af-
17 filiate”, “bank”, “bank holding company”, “com-
18 pany”, “control”, “savings association”, and “sub-
19 sidiary” have the same meanings as in section 2 of
20 the Bank Holding Company Act of 1956.

21 (4) INSURED BANK.—The term “insured bank”
22 has the same meaning as in section 13 of the Fed-
23 eral Deposit Insurance Act.

1 (5) FOREIGN BANK.—The term “foreign bank”
2 has the same meaning as in section 1(b)(7) of the
3 International Banking Act of 1978.

4 (6) ASSOCIATED PERSONS.—The terms “person
5 associated with a securities holding company” and
6 “associated person of a securities holding company”
7 mean any person directly or indirectly controlling,
8 controlled by, or under common control with, a secu-
9 rities holding company.

Page 480, line 12, strike “2009” and insert “2008”.

Page 668, strike lines 4 and 5 and insert the fol-
lowing:

10 (13) DEPOSIT-TAKING, MONEY ACCEPTANCE,
11 OR MONEY MOVEMENT ACTIVITY.—The term “de-
12 posit-taking, money acceptance, or money movement
13 activities” means—

Page 669, line 15, insert “(b),” after “Subsections”.

Page 669, line 20, insert “except for section 505 as
it applies to section 501(b)” before the period.

Page 670, after line 9, insert the following:

14 (N) Section 626 of the Omnibus Appro-
15 priations Act, 2009 (Public Law 111–8).

1 (O) The Unlawful Internet Gambling En-
2 forcement Act of 2006.

Page 670, line 23, after “taking” insert “, money acceptance, or money movement”.

Page 672, line 3, insert “, except that furnishing a consumer report to another person that it has reason to believe intends to use the information for employment purposes, including for security investigations, government licensing and evaluating a consumer’s residential or tenant history shall not be considered a financial activity” before the period at the end.

Page 673, line 2, insert “a person regulated as an investment adviser by” after “or” the 1st place such term appears.

Page 675, strike line 10 and all that follows through page 676, line 9, and insert the following:

3 (ix) Financial data processing by any
4 technological means, including providing
5 data processing, access to or use of data-
6 bases or facilities, or advice regarding
7 processing or archiving, if the data to be
8 processed, furnished, stored, or archived
9 are financial, banking, or economic, except
10 that it shall not be considered a “financial

1 activity” with respect to financial data
2 processing—

3 (I) to the extent the person is
4 providing interactive computer service,
5 as defined in section 230 of the Com-
6 munications Act of 1934 (47 U.S.C.
7 230); or

8 (II) if the person—

9 (aa) unknowingly or inciden-
10 tally transmits, processes, or
11 stores financial data in a manner
12 that such data is undifferentiated
13 from other types of data that the
14 person transmits, processes, or
15 stores;

16 (bb) does not provide to any
17 consumer a consumer financial
18 product or service in connection
19 with or relating to in any manner
20 financial data processing; and

21 (cc) does not provide a ma-
22 terial service to any covered per-
23 son in connection with the provi-
24 sion of a consumer financial
25 product or service.

Page 678, line 10, as modified by the amendment MWB__05, before “data is undifferentiated” insert “financial”.

Page 679, line 2, insert “and shall include any uninsured branch or agency of a foreign bank or a commercial lending company owned or controlled by a foreign bank” before the period at the end.

Page 679, beginning on line 17, strike “covered”.

Page 681, strike line 18 and all that follows through line 20 and insert the following new subparagraph:

- 1 (C) an investment company that—
- 2 (i) is required to be registered under
- 3 the Investment Company Act of 1940; or
- 4 (ii) is excepted from the definition of
- 5 investment company under section 3(c) of
- 6 such Act, or any successor provision.

Page 682, line 21, strike “the person” and insert “any person described in any subparagraph of this paragraph”.

Page 682, line 23, insert “, or, with respect to a person described in subparagraph (C)(ii), any employee, agent, or contractor acting on behalf of, or providing services to any such person, but only to the extent that

such person, or the employee, agent, or contractor of such person acts in such exempt capacity” before the period at the end.

Page 686, line 19, insert “ or any federally recognized Indian tribe as defined by the Secretary of Interior under section 104(a) of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a-1(a))” before the period.

Page 693, line 13, before the semicolon insert the following: “, except that the Director shall not exercise any authorities that are granted to State insurance authorities under section 505(a)(6) of the Gramm-Leach-Bliley Act”.

Page 693, line 14, insert “, except that Director shall not exercise any authorities that are granted to State insurance authorities under Section 505(a)(6) of the Gramm-Leach-Bliley Act” before the semicolon.

Page 696, strike line 14 and all that follows through page 697, line 9, and insert the following:

- 1 (1) APPOINTMENT.—The Director may fix the
- 2 number of, and appoint and direct, all employees of
- 3 the Agency.

Page 701, line 1, insert “the Federal Trade Commission,” after “banking agencies,”.

Page 714, strike lines 11 through 14, and insert the following:

1 (2) an analysis of the major problems con-
2 sumers of financial products and services were con-
3 fronted with during the preceding year, including a
4 description of the nature of such problems, and rec-
5 ommendations for such administrative and legislative
6 action as may be appropriate to resolve such prob-
7 lems;

Page 715, after line 7, insert the following new paragraph (and redesignate succeeding paragraphs accordingly):

8 (6) an analysis of the Agency’s efforts to in-
9 crease workforce and contracting diversity consistent
10 with subtitle I of title I of this Act;

Page 717, beginning on line 17, strike “and complexity of the covered person,” and insert “, complexity of, risk posed by,”.

Page 719, beginning on line 10, strike “and complexity of the covered person,” and insert “, complexity of, risk posed by,”.

Page 720, line 16, insert “in the each of the first 3 years following the date of enactment of this Act” after “persons”.

Page 720, beginning on line 18, strike “the 12-month period ending on December 31, 2009” and insert “the calendar year immediately preceding the designated transfer date”.

Page 720, line 24, insert “, on a risk-adjusted basis,” after “that”.

Page 721, line 11, insert “or to set assessments that would result in higher marginal assessments on the depository institution covered persons with assets of less than \$25,000,000,000 if based on the compliance record of or higher risks posed by such covered persons” before the period.

Page 721, line 18, strike “enforcement or regulation” and insert “or enforcement activities”.

Page 722, line 1, insert “so that levels of assessments under this subparagraph combined with levels of assessments by an agency responsible for chartering and or supervising the depository institution covered person shall be no more” before “than it paid”.

Page 725, line 6, insert “or the CFPA Nondepository Fund, at the discretion of the Agency” before the period at the end.

Page 728, beginning on line 12, strike “as a result of the” and insert “that are reasonably related as a general matter to”.

Page 743, line 3, insert “a provision of” after “reports under”.

Page 743, line 4, insert “a provision of” after “title,”.

Page 743, line 5, insert “any provision of” after “law,”.

Page 743, line 8, insert “under that provision of law” after “exclusive authority”.

Page 748, line 6, strike “\$1,500,000,000” and insert “\$10,000,000,000”.

Page 760, strike line 19 and all that follows through page 762, line 22, and insert the following:

- 1 (a) EXCLUSION FOR MERCHANTS, RETAILERS, AND
- 2 SELLERS OF NONFINANCIAL SERVICES.—
- 3 (1) IN GENERAL.—Notwithstanding any provi-
- 4 sion of this title (other than paragraph (4)) and sub-

1 ject to paragraph (2), the Director and the Agency
2 may not exercise any rulemaking, supervisory, en-
3 forcement or other authority, including authority to
4 order assessments, under this title with respect to—

5 (A) credit extended directly by a merchant,
6 retailer, or seller of nonfinancial goods or serv-
7 ices to a consumer, in a case in which the good
8 or service being provided is not itself a con-
9 sumer financial product or service, exclusively
10 for the purpose of enabling that consumer to
11 purchase such goods or services directly from
12 the merchant, retailer, or seller of nonfinancial
13 services; or

14 (B) collection of debt, directly by the mer-
15 chant, retailer, or seller of nonfinancial services,
16 arising from such credit extended.

17 In the application of this paragraph, the extension
18 of credit and the collection of debt described in sub-
19 paragraphs (A) and (B), respectively, shall not be
20 considered a consumer financial product or service.

21 (2) EXCEPTION FOR EXISTING AUTHORITY.—

22 The Director may exercise any rulemaking authority
23 regarding an extension of credit described in para-
24 graph (1)(A) or the collection of debt arising from
25 such extension, as may be authorized by the enumer-

1 ated consumer laws or any law or authority trans-
2 ferred under subtitle F or H.

3 (3) RULE OF CONSTRUCTION.—No provision of
4 this title shall be construed as modifying, limiting,
5 or superseding the authority of the Federal Trade
6 Commission or any agency other than the Agency
7 with respect to credit extended, or the collection of
8 debt arising from such extension, directly by a mer-
9 chant or retailer to a consumer exclusively for the
10 purpose of enabling that consumer to purchase
11 goods or services directly from the merchant or re-
12 tailer.

13 (4) EXCLUSION NOT APPLICABLE TO CERTAIN
14 CREDIT TRANSACTIONS.—Paragraph (1) shall not
15 apply to—

16 (A) any credit transaction, including the
17 collection of the debt arising from such exten-
18 sion, in which the merchant, retailer, or seller
19 of nonfinancial services assigns, sells, or other-
20 wise conveys such debt owed by the consumer
21 to another person; or

22 (B) any credit transaction—

23 (i) in which the credit provided sig-
24 nificantly exceeds the market value of the
25 product or service provided; and

1 (ii) with respect to which the Director
2 finds that the sale of the product or service
3 is done as a subterfuge so as to evade or
4 circumvent the provisions of this title.

Page 762, line 14, strike “or”.

Page 762, line 22, strike the period and insert “;
or”.

Page 762, after line 22, insert the following new
subparagraph:

5 (C) any credit transaction involving a per-
6 son who operates a line of business that in-
7 volves the extension of retail credit or retail
8 leases involving motor vehicles, if—

9 (i) the extension of retail credit or re-
10 tail leases is provided directly to con-
11 sumers; and

12 (ii) the contracts governing such ex-
13 tension of retail credit or retail leases are
14 not assigned to a third party finance or
15 leasing source, except on a de minimis
16 basis.

Page 764, after line 24, insert the following new
subsection and redesignate subsequent subsections ac-
cordingly):

1 (d) PERSONS REGULATED BY A STATE SECURITIES
2 COMMISSION.—

3 (1) IN GENERAL.—No provision of this title
4 shall be construed as altering, amending, or affect-
5 ing the authority of any securities commission (or
6 any agency or office performing like functions) of
7 any State to adopt rules, initiate enforcement pro-
8 ceedings, or take any other action with respect to a
9 person regulated by any securities commission (or
10 any agency or office performing like functions) of
11 any State. Except as permitted in paragraph (2) and
12 subsection (m), the Director and the Agency shall
13 have no authority to exercise any power to enforce
14 this title with respect to a person regulated by any
15 securities commission (or any agency or office per-
16 forming like functions) of any State, but only to the
17 extent that the person acts in such regulated capac-
18 ity.

19 (2) DESCRIPTION OF ACTIVITIES.—Paragraph
20 (1) shall not apply to any person to the extent such
21 person is engaged in any financial activity described
22 in any subparagraph of section 101(19) or is other-
23 wise subject to any enumerated consumer law or any
24 law or authority transferred under subtitle F or H.

Page 765, strike line 20 and all that follows through page 766, line 3, and insert the following new paragraph:

1 (3) PRESERVATION OF CERTAIN AUTHORI-
2 TIES.—No provision of this title shall be construed
3 as limiting the authority of the Director and the
4 Agency from exercising powers under this Act with
5 respect to a person, other than a person regulated
6 by a State insurance regulator, who provides a prod-
7 uct or service for or on behalf of a person regulated
8 by a State insurance regulator in connection with a
9 financial activity.

Page 766, line 13, insert “Finance” after “Housing”.

Page 770, after line 4, insert the following new paragraph (and redesignate succeeding paragraphs accordingly):

10 (3) CERTAIN ACTIVITIES NOT EXCLUDED.—
11 (A) IN GENERAL.—In no event shall para-
12 graph (1) apply to any activity which involves
13 the sale of securities or extension of credit
14 which is provided by a person described in para-
15 graph (1)(A).

1 (B) DEFINITION.—For purposes of sub-
2 paragraph (A), the term “extension of credit”
3 shall not include an ordinary account receivable.

Page 772, beginning on line 15, strike “order as-
sessments, over” and all that follows through page 773,
line 7, and insert “order assessments, over a motor vehi-
cle dealer that is primarily engaged in the sale and serv-
icing of motor vehicles, the leasing and servicing of motor
vehicles, or both.”.

Page 776, after line 19, insert the following new
subsections:

4 (l) EXCLUSION FOR PAWNBROKERS.—

5 (1) IN GENERAL.—The Director and the Agen-
6 cy may not exercise any rulemaking, supervisory, en-
7 forcement, or other authority, including authority to
8 order assessments, under this title with respect to
9 any pawnbroker licensed by a State or political sub-
10 division thereof, a territory of the United States, or
11 the District of Columbia, but only to the extent that
12 such person acts in such capacity and provides ei-
13 ther—

14 (A) non-recourse credit secured by a
15 possessory security interest in tangible goods
16 physically delivered by the consumer to the

1 pawnbroker for which the consumer does not
2 provide a written or electronic promise, order or
3 authorization to pay, or in any other manner
4 authorize a debit of a deposit account, prior to
5 or contemporaneously with the disbursement of
6 the original proceeds; or

7 (B) credit or any other financial activity
8 issued directly by a pawnbroker to a consumer,
9 in a case in which the good or service being
10 provided is not itself a consumer financial prod-
11 uct or service, exclusively for the purpose of en-
12 abling that consumer to purchase goods or serv-
13 ices directly from the pawnbroker.

14 (2) RULE OF CONSTRUCTION.—

15 (A) FTC AUTHORITY PRESERVED.—Ex-
16 cept as provided in subparagraph (B), no provi-
17 sion of this title shall be construed as modi-
18 fying, limiting, or superseding the authority of
19 the Federal Trade Commission with respect to
20 the activities described under paragraph (1).

21 (B) EXERCISE OF RULEMAKING AUTHOR-
22 ITY.—The Director may exercise any rule-
23 making authority regarding the activities de-
24 scribed in paragraph (1) only as may be author-
25 ized by the enumerated consumer laws or any

1 law or authority transferred under subtitle F or
2 H.

3 (m) EXCLUSION FOR CERTAIN CONSUMER REPORT-
4 ING AGENCIES.—

5 (1) IN GENERAL.—Except as permitted in para-
6 graph (2), the Director and the Agency may not ex-
7 ercise any rulemaking, supervisory, enforcement or
8 other authority, including authority to order assess-
9 ments, over a person that is a consumer reporting
10 agency, as such term is defined in section 603(f) of
11 the Fair Credit Reporting Act (15 U.S.C. 1681a(f)),
12 but only to the extent that such consumer reporting
13 agency furnishes a consumer report to another per-
14 son that it has reason to believe intends to use the
15 information for employment purposes, including for
16 security investigations, government licensing and
17 evaluating a consumer's residential or tenant his-
18 tory.

19 (2) DESCRIPTION OF ACTIVITIES.—Paragraph
20 (1) shall not apply to any person described in such
21 paragraph to the extent such person is engaged in
22 any financial activity described in any subparagraph
23 of section 4002(19) or is otherwise subject to any of
24 the enumerated consumer laws or the authorities
25 transferred under subtitle F or H.

1 (n) LIMITED AUTHORITY OF THE AGENCY TO OB-
2 TAIN INFORMATION.—Notwithstanding subsections (a),
3 (f), (g), (h), (i), and (k), the Director may request or re-
4 quire information from any person subject to or described
5 in any such subsection in order to carry out the respon-
6 sibilities and functions of the Agency and in accordance
7 with section 4206, 4501, or 4502.

Page 781, line 22, after the period insert the following: “This authority shall not prohibit or restrict a consumer from entering into a voluntary arbitration agreement with a covered person after a dispute has arisen.”.

Page 787, strike line 17 and all that follows through page 788, line 10, and insert the following new subsection:

8 (c) UNFAIR, DECEPTIVE, OR ABUSIVE ACTS OR
9 PRACTICES DEFINED.—

10 (1) UNFAIR ACTS OR PRACTICES.—Any deter-
11 mination by the Director and the Agency that an act
12 or practice is unfair shall be consistent with the
13 standard set forth under section 5 of the Federal
14 Trade Commission Act and with the policy state-
15 ment adopted by the Federal Trade Commission

1 pursuant to section 5 of the Federal Trade Commis-
2 sion Act and dated December 17, 1980.

3 (2) DECEPTIVE ACTS OR PRACTICES.—Any de-
4 termination by the Director and the Agency that an
5 act or practice is deceptive shall be consistent with
6 the policy statement adopted by the Federal Trade
7 Commission pursuant to section 5 of the Federal
8 Trade Commission Act and dated October 14, 1983.

9 (3) ABUSIVE ACTS OR PRACTICES.—The Direc-
10 tor and the Agency may determine that an act or
11 practice is abusive only if the Director finds that—

12 (A) the act or practice is reasonably likely
13 to result in a consumer's inability to under-
14 stand the terms and conditions of a financial
15 product or service or to protect their own inter-
16 ests in selecting or using a financial product or
17 service; and

18 (B) the widespread use of the act or prac-
19 tice is reasonably likely to contribute to insta-
20 bility and greater risk in the financial system.

Page 795, line 23, insert “(other than by the Agen-
cy, or by a State regulator, as may be necessary to en-
force an administrative order under this section)” before
the comma at the end.

Page 799, line 24, after “and” insert “, notwithstanding any other provision of this title,”.

Page 815, line 11, insert “to be effected or used primarily for personal, family, or household purposes” after “funds”.

Page 845, after line 13, insert the following new paragraph (and redesignate succeeding paragraphs accordingly):

1 (4) COVERED EMPLOYEE.—The term “covered
2 employee” means any individual performing tasks
3 related to the provision of a financial product or
4 service to a consumer.

Page 878, beginning on line 5, strike “for any violation of a regulation prescribed under section 4306 or”.

Page 880, strike line 16 through page 893, line 8 and insert the following:

5 **SEC. 4507. EMPLOYEE PROTECTION.**

6 (a) No covered person shall terminate or in any other
7 way discriminate against, or cause to be terminated or dis-
8 criminated against, any covered employee or any author-
9 ized representative of covered employees by reason of the
10 fact that such employee or representative whether at the
11 employee’s initiative or in the ordinary course of the em-

1 ployee's duties (or any person acting pursuant to a request
2 of the employee) has—

3 (1) provided information to the Agency or to
4 any other state, local, federal, or tribal government
5 entity, filed, instituted or caused to be filed or insti-
6 tuted any proceeding under this title, any enumer-
7 ated consumer law, any law for which authorities
8 were transferred by subtitles F and H, or has testi-
9 fied or is about to testify in any proceeding resulting
10 from the administration or enforcement of the provi-
11 sions of this title; or

12 (2) objected to, or refused to participate in, any
13 activity, policy, practice, or assigned task that the
14 employee (or other such person) reasonably believed
15 to be in violation of any law, rule, or regulation, or
16 to be unfair, deceptive, or abusive and likely to cause
17 specific and substantial injury to one or more con-
18 sumers.

19 (b)(1) A person who believes that he or she has been
20 discharged or otherwise discriminated against by any per-
21 son in violation of subsection (a) may, not later than 180
22 days after the date on which such violation occurs, file
23 (or have any person file on his or her behalf) a complaint
24 with the Secretary of Labor alleging such discharge or dis-
25 crimination and identifying the person responsible for

1 such act. Upon receipt of such a complaint, the Secretary
2 shall notify, in writing, the person named in the complaint
3 of the filing of the complaint, of the allegations contained
4 in the complaint, of the substance of evidence supporting
5 the complaint, and of the opportunities that will be af-
6 forded to such person under paragraph (2).

7 (2)(A) Not later than 60 days after the date of re-
8 ceipt of a complaint filed under paragraph (1) and after
9 affording the complainant and the person named in the
10 complaint an opportunity to submit to the Secretary a
11 written response to the complaint and an opportunity to
12 meet with a representative of the Secretary to present
13 statements from witnesses, the Secretary shall initiate an
14 investigation and determine whether there is reasonable
15 cause to believe that the complaint has merit and notify,
16 in writing, the complainant and the person alleged to have
17 committed a violation of subsection (a) of the Secretary's
18 findings. If the Secretary concludes that there is reason-
19 able cause to believe that a violation of subsection (a) has
20 occurred, the Secretary shall accompany the Secretary's
21 findings with a preliminary order providing the relief pre-
22 scribed by paragraph (3)(B). Not later than 30 days after
23 the date of notification of findings under this paragraph,
24 either the person alleged to have committed the violation
25 or the complainant may file objections to the findings or

1 preliminary order, or both, and request a hearing on the
2 record. The filing of such objections shall not operate to
3 stay any reinstatement remedy contained in the prelimi-
4 nary order. Any such hearing shall be conducted expedi-
5 tiously. If a hearing is not requested in such 30-day pe-
6 riod, the preliminary order shall be deemed a final order
7 that is not subject to judicial review.

8 (B)(i) The Secretary shall dismiss a complaint filed
9 under this subsection and shall not conduct an investiga-
10 tion otherwise required under subparagraph (A) unless the
11 complainant makes a prima facie showing that any behav-
12 ior described in paragraphs (1) through (4) of subsection
13 (a) was a contributing factor in the unfavorable personnel
14 action alleged in the complaint.

15 (ii) Notwithstanding a finding by the Secretary
16 that the complainant has made the showing required
17 under clause (i), no investigation otherwise required
18 under subparagraph (A) shall be conducted if the
19 employer demonstrates, by clear and convincing evi-
20 dence, that the employer would have taken the same
21 unfavorable personnel action in the absence of that
22 behavior.

23 (iii) The Secretary may determine that a viola-
24 tion of subsection (a) has occurred only if the com-
25 plainant demonstrates that any behavior described in

1 paragraphs (1) through (4) of subsection (a) was a
2 contributing factor in the unfavorable personnel ac-
3 tion alleged in the complaint.

4 (iv) Relief may not be ordered under subpara-
5 graph (A) if the employer demonstrates by clear and
6 convincing evidence that the employer would have
7 taken the same unfavorable personnel action in the
8 absence of that behavior.

9 (3)(A) Not later than 120 days after the date
10 of conclusion of any hearing under paragraph (2),
11 the Secretary shall issue a final order providing the
12 relief prescribed by this paragraph or denying the
13 complaint. At any time before issuance of a final
14 order, a proceeding under this subsection may be
15 terminated on the basis of a settlement agreement
16 entered into by the Secretary, the complainant, and
17 the person alleged to have committed the violation.

18 (B) If, in response to a complaint filed under
19 paragraph (1), the Secretary determines that a vio-
20 lation of subsection (a) has occurred, the Secretary
21 shall order the person who committed such viola-
22 tion—

23 (i) to take affirmative action to abate the
24 violation;

1 (ii) to reinstate the complainant to his or
2 her former position together with compensation
3 (including back pay) and restore the terms,
4 conditions, and privileges associated with his or
5 her employment; and

6 (iii) to provide compensatory damages to
7 the complainant. If such an order is issued
8 under this paragraph, the Secretary, at the re-
9 quest of the complainant, shall assess against
10 the person against whom the order is issued a
11 sum equal to the aggregate amount of all costs
12 and expenses (including attorneys' and expert
13 witness fees) reasonably incurred, as deter-
14 mined by the Secretary, by the complainant for,
15 or in connection with, the bringing of the com-
16 plaint upon which the order was issued.

17 (C) If the Secretary finds that a complaint
18 under paragraph (1) is frivolous or has been brought
19 in bad faith, the Secretary may award to the pre-
20 vailing employer a reasonable attorneys' fee, not ex-
21 ceeding \$ 1,000, to be paid by the complainant.

22 (4) If the Secretary has not issued a final decision
23 within 210 days after the filing of the complaint, or within
24 90 days after receiving a written determination, the com-
25 plainant may bring an action at law or equity for de novo

1 review in the appropriate district court of the United
2 States with jurisdiction, which shall have jurisdiction over
3 such an action without regard to the amount in con-
4 troversy, and which action shall, at the request of either
5 party to such action, be tried by the court with a jury.
6 The proceedings shall be governed by the same legal bur-
7 dens of proof specified in paragraph (2)(B). The court
8 shall have jurisdiction to grant all relief necessary to make
9 the employee whole, including injunctive relief and com-
10 pensatory damages, including—

11 (A) reinstatement with the same seniority sta-
12 tus that the employee would have had, but for the
13 discharge or discrimination;

14 (B) the amount of back pay, with interest; and

15 (C) compensation for any special damages sus-
16 tained as a result of the discharge or discrimination,
17 including litigation costs, expert witness fees, and
18 reasonable attorney's fees.

19 (5)(A) Unless the complainant brings an action under
20 paragraph (4), any person adversely affected or aggrieved
21 by a final order issued under paragraph (3) may obtain
22 review of the order in the United States Court of Appeals
23 for the circuit in which the violation, with respect to which
24 the order was issued, allegedly occurred or the circuit in
25 which the complainant resided on the date of such viola-

1 tion. The petition for review must be filed not later than
2 60 days after the date of the issuance of the final order
3 of the Secretary. Review shall conform to chapter 7 of title
4 5, United States Code. The commencement of proceedings
5 under this subparagraph shall not, unless ordered by the
6 court, operate as a stay of the order.

7 (B) An order of the Secretary with respect to
8 which review could have been obtained under sub-
9 paragraph (A) shall not be subject to judicial review
10 in any criminal or other civil proceeding.

11 (6) Whenever any person has failed to comply
12 with an order issued under paragraph (3), the Sec-
13 retary may file a civil action in the United States
14 district court for the district in which the violation
15 was found to occur, or in the United States district
16 court for the District of Columbia, to enforce such
17 order. In actions brought under this paragraph, the
18 district courts shall have jurisdiction to grant all ap-
19 propriate relief including, but not limited to, injunc-
20 tive relief and compensatory damages.

21 (7)(A) A person on whose behalf an order was
22 issued under paragraph (3) may commence a civil
23 action against the person to whom such order was
24 issued to require compliance with such order. The
25 appropriate United States district court shall have

1 jurisdiction, without regard to the amount in con-
2 troversy or the citizenship of the parties, to enforce
3 such order.

4 (B) The court, in issuing any final order
5 under this paragraph, may award costs of liti-
6 gation (including reasonable attorneys' and ex-
7 pert witness fees) to any party whenever the
8 court determines such award is appropriate.

9 (c) Any nondiscretionary duty imposed by this section
10 shall be enforceable in a mandamus proceeding brought
11 under section 1361 of title 28, United States Code.

12 (d)(1) Except as provided under paragraph (3), the
13 rights and remedies provided for in this section may not
14 be waived by any agreement, policy, form, or condition of
15 employment, including by any predispute arbitration
16 agreement.

17 (2) Except as provided under paragraph (3), no
18 predispute arbitration agreement shall be valid or enforce-
19 able if it requires arbitration of a dispute arising under
20 this section.

21 (e) Notwithstanding paragraphs (1) and (2), an arbi-
22 tration provision in a collective bargaining agreement shall
23 be enforceable as to disputes arising under paragraph
24 (a)(2) of this section unless the Agency determines by rule

1 that such provision is inconsistent with the purposes of
2 this Act.

3 (f) Any employer receiving covered funds shall post
4 notice of the rights and remedies provided under this sec-
5 tion.

Page 881, line 1, strike “provided information to”
and insert “provided, caused to be provided, or is about
to provide or cause to be provided information to the em-
ployer,”.

Page 893, line 6, strike “(a)(2)” and insert
“(a)(4)”.

Page 893, after line 8 insert the following new sec-
tion (and redesignate succeeding sections accordingly):

6 **SEC. 4508. NO PRIVATE RIGHT OF ACTION.**

7 Nothing in this title shall be construed to create a
8 private right of action, but this section shall not be con-
9 strued or interpreted to deny any private right of action
10 arising under the enumerated consumer laws or the au-
11 thorities transferred under subtitle F or H.

Page 897, beginning on line 21, strike “BACKSTOP”.

Page 898, line 2, strike “4202(e)(3)” and insert
“paragraph (2) or (3) of section 4202(e)”.

Page 898, line 8, insert “transferred under subsection (a)” after “functions”.

Page 922, beginning on line 1, strike “a Federal home loan bank, a joint office of the Federal home loan banks,”.

Page 922, line 5, strike “or”.

Page 922, line 6, insert “, or the Federal Home Loan Bank Board or any successor to such Board” before “shall be”.

Page 922, beginning on line 23, strike “a Federal home loan bank, a joint office of the Federal home loan banks,”.

Page 923, line 2, strike “or”.

Page 923, line 3, insert “, or the Federal Home Loan Bank Board or any successor to such Board” before “shall be”.

Page 933, line 4, insert “the Federal Home Loan Bank Board or any successor to such Board,” after “Federal reserve bank”.

Page 933, line 21, insert “the Federal Home Loan Bank Board or any successor to such Board,” after “reserve bank”.

Page 934, line 24, strike “before the designated transfer date” and insert “during the 24-month period beginning on the date of the enactment of this title”.

Page 954, line 2, insert “and shall not apply to the term ‘Board’ when used in reference to the Federal Deposit Insurance Corporation or the National Credit Union Administration” before the period.

Page 955, line 16, strike “25(a)” and insert “25A”.

Page 957, line 3, insert “(other than the Consumer Financial Protection Agency)” after “agency”.

Page 957, line 20, insert “(and except for any insertion of ‘Federal Trade Commission’ made by this subtitle)” after “subparagraph (B)”.

Page 958, line 2, strike “and 129(m) (as amended by paragraph (7))” and insert “129(m) (as amended by paragraph (7)), 140A, or 149 (as amended by paragraph (8)).”.

Page 959, after line 13, insert the following:

1 (8) SECTION 149.—Section 149(b) of the Truth
2 in Lending Act (15 U.S.C. 1665d(b)) is amended by
3 inserting “the Federal Trade Commission,” after “in
4 consultation with”.

Page 960, beginning on line 1, strike “paragraph (7)(A)” and insert “ paragraphs (7)(B), (8)(A), (8)(C), and (8)(D) of this subsection (and except for any insertion of ‘Federal Trade Commission’ made by this subtitle)”.

Page 961, after line 21, insert the following:

1 (5) SECTION 609.—Section 609(d)(1) of the
2 Fair Credit Reporting Act (15 U.S.C. 1681g(d)(1))
3 is amended by inserting “the Federal Trade Com-
4 mission,” after “in consultation with”.

Page 961, line 22, strike “(5)” and insert “(6)”.

Page 961, line 22, strike “611(e)(2)” and insert
“611(e)”.

Page 961, line 23, strike “15 U.S.C.1681i(e)(2)”
and insert “15 U.S.C. 1681i(e)”.

Page 961, line 24, strike “amended to read as follows:” and insert “amended—”, and after such line insert the following:

5 (A) by amending paragraph (2) to read as
6 follows:

Page 962, line 5, strike the period following the quotation marks and insert “; and” and after such line insert the following:

1 (B) in the heading of paragraph (3) by in-
2 serting “CONSUMER REPORTING” before
3 “AGENCY”.

Page 962, strike lines 6 through 8 and insert the following:

4 (8) SECTION 615.—Section 615 of the Fair
5 Credit Reporting Act (15 U.S.C. 1681m) is amend-
6 ed—

7 (A) in subsection (d)(2)(B), by inserting
8 “the Federal Trade Commission,” after “in
9 consultation with”;

10 (B) in subsection (e)(1), by striking “and
11 the Commission” and inserting “the Federal
12 Trade Commission, the Securities and Ex-
13 change Commission, and the Commodities Fu-
14 tures Trading Commission”; and

15 (C) by striking subparagraph (A) of sub-
16 section (h)(6) and inserting the following:

Page 962, line 11, strike “(7)” and insert “(8)”.

Page 963, line 2, insert “(other than the Consumer
Financial Protection Agency)” after “agency”.

Page 968, after line 7, insert the following (and redesignate succeeding subparagraphs accordingly):

- 1 (C) in paragraph (2) of subsection (c)—
2 (i) by inserting “the Agency and” be-
3 fore “the Federal Trade Commission” in
4 the first sentence;
5 (ii) by inserting “Agency and the Fed-
6 eral Trade” after “provide the”; and
7 (iii) by inserting “Agency,” before
8 “Federal Trade Commission” in the sec-
9 ond sentence;
- 10 (D) in paragraph (4) of subsection (c)—
11 (i) by inserting “Agency”, before “the
12 Federal Trade Commission”; and
13 (ii) inserting “Agency, the Federal
14 Trade” after “complaint of the”;
- 15 (E) in paragraph (2) of subsection (f), by
16 inserting “the Federal Trade Commission”
17 after “in consultation with”;

Page 968, beginning on line 12, strike “with respect to a covered person described in subsection (b)” and insert “, except that, with respect to sections 615(e) and 628 of this title, the agencies identified in subsections (a) and (b) of this section shall prescribe such regulations as necessary to carry out the purposes of such sections with

respect to entities within their enforcement authority under such subsections”.

Page 968, line 14, strike “(D)” and insert “(G)”.

Page 973, strike lines 8 and 9 and insert the following:

- 1 (iii) in paragraph (1)(B)—
2 (I) by inserting “of Governors of
3 the Federal Reserve System” after
4 “Board”; and
5 (II) by striking “and” after the
6 semicolon;

Page 974, line 2, insert “(other than the Consumer Financial Protection Agency)” after “agency”.

Page 978, line 4, insert “(other than the Consumer Financial Protection Agency)” after “agency”.

Page 982, line 21, strike “and” and after such line insert the following:

- 7 (iii) in paragraph (1)(B), by inserting
8 “of Governors of the Federal Reserve Sys-
9 tem” after “Board”;

Page 982, line 22, strike “(iii)” and insert “(iv)”.

Page 983, line 7, insert “(other than the Consumer Financial Protection Agency)” after “agency”.

Page 988, after line 7, insert the following (and redesignate succeeding subsections accordingly):

1 (a) SECTION 501.—Section 501(b) of the Gramm-
2 Leach-Bliley Act (15 U.S.C. 6801(b)) is amended by in-
3 serting “(other than the Consumer Financial Protection
4 Agency)” after “title”.

5 (b) SECTION 502.—Section 502(e)(5) of the Gramm-
6 Leach-Bliley Act (15 U.S.C. 6802(e)(5)) is amended by
7 inserting “the Consumer Financial Protection Agency,”
8 after “(including)”.

9 (c) SECTION 503.—Section 503(e)(1) of the Gramm-
10 Leach-Bliley Act (15 U.S.C. 6803(e)(1)) is amended—

11 (1) by inserting “Consumer Financial Protec-
12 tion Agency in consultation with the other” before
13 “agencies”; and

14 (2) by striking “jointly”.

Page 988, line 13, strike “and” at the end.

Page 988, line 15, strike the period and insert “;
and” and after such line insert the following:

15 (3) by inserting “the Federal banking agencies,
16 the National Credit Union Administration, the Sec-
17 retary of the Treasury, the Federal Trade Commis-

1 sion, and” before “representatives of State insurance
2 authorities”.

Page 989, after line 15, insert the following:

3 (f) SECTION 507.—Subsection 507(b) of the Gramm-
4 Leach-Bliley Act (15 U.S.C. 6807(b)) is amended by strik-
5 ing “Federal Trade Commission” and inserting “Con-
6 sumer Financial Protection Agency, or in the case of a
7 rule under section 501(b), the Federal Trade Commission
8 or the Securities and Exchange Commission”.

Page 997, line 6, strike “25(a)” and insert “25A”.

Page 1016, strike line 7 through page 1018, line 5,
and insert the following:

9 **SEC. 4815. AMENDMENTS TO THE TELEMARKETING AND**
10 **CONSUMER FRAUD ABUSE AND PREVENTION**
11 **ACT.**

12 (a) Section 4 of the Telemarketing and Consumer
13 Fraud Abuse and Prevention Act (15 U.S.C. 6102) is
14 amended—

15 (1) in subsection (b)—

16 (A) by inserting “and the Consumer Fi-
17 nancial Protection Agency with respect to a
18 person subject to the authority of that Agency
19 under the Consumer Financial Protection Agen-

1 cy Act” after “Commission” each of the first 2
2 places it appears; and

3 (B) by inserting “or the Consumer Finan-
4 cial Protection Agency” after “Commission” the
5 last place it appears; and

6 (2) in subsection (d), by inserting “or the Con-
7 sumer Financial Protection Agency” after “Commis-
8 sion” each place such term appears.

9 (b) Section 5 of the Telemarketing and Consumer
10 Fraud Abuse and Prevention Act (15 U.S.C. 6102) is
11 amended—

12 (1) in subsection (b)—

13 (A) by inserting “and the Consumer Fi-
14 nancial Protection Agency with respect to a
15 person subject to the authority of that Agency
16 under the Consumer Financial Protection Agen-
17 cy Act” after “Commission” each of the first 2
18 places it appears; and

19 (B) by inserting “or the Consumer Finan-
20 cial Protection Agency” after “Commission” the
21 last place it appears; and

22 (2) in subsection (c), by inserting “or the Con-
23 sumer Financial Protection Agency” after “Commis-
24 sion” each place such term appears.

1 (c) Section 6 of the Telemarketing and Consumer
2 Fraud Abuse and Prevention Act (15 U.S.C. 6102) is
3 amended by redesignating subsection (c) as subsection (d)
4 and inserting after subsection (b) the following:

5 “(c) ENFORCEMENT BY THE CONSUMER FINANCIAL
6 PROTECTION AGENCY.—Subject to section 4202 of the
7 Consumer Financial Protection Agency Act of 2009, this
8 Act shall be enforced by the Consumer Financial Protec-
9 tion Agency, under subtitle E of that Act, with respect
10 to a person subject to the authority of that Agency under
11 that Act. For the purpose of the exercise by the Consumer
12 Financial Protection Agency of its powers under subtitle
13 E, a violation of any requirement imposed under this Act
14 shall be deemed to be a violation of a requirement imposed
15 under the Consumer Financial Protection Agency Act. In
16 addition to its powers under subtitle E of that Act, the
17 Agency may exercise, for the purpose of enforcing compli-
18 ance with any requirement imposed under this Act, any
19 other authority conferred on it by law.”.

Page 1019, line 8, strike “and” and after such line
insert the following:

20 (2) by inserting a comma after “under this
21 Act”;

22 (3) by inserting a comma after “subsection
23 (a)(1)”;

Page 1019, line 9, strike “(2)” and insert “(4)”.

Page 1019, line 15, insert “partnership, or corporation” after “person,”.

Page 1020, after line 20, insert the following new subtitle:

1 **Subtitle J—Miscellaneous**
2 **SEC. 4951. REQUIREMENTS FOR STATE-LICENSED LOAN**
3 **ORIGINATORS.**

4 Paragraph (2) of section 1505 (b) of the S.A.F.E.
5 Mortgage Licensing Act of 2008 (12 U.S.C. 5104(b)(2))
6 is amended by inserting after and below subparagraph
7 (B), the following:

8 “Notwithstanding the preceding sentence, a State
9 loan originator supervisory authority may provide
10 for review of applicants and for granting exceptions,
11 on a case-by-case basis, to the minimum standard
12 under subparagraph (B), but only to the extent that
13 any such exception otherwise complies with the pur-
14 poses of this title.”.

Page 1021, strike lines 24 and 25 and insert the following:

15 “(i) in total, fewer than 15 clients and
16 investors in the United States in private

1 funds advised by the investment adviser;
2 and”.

Page 1022, strike lines 1 and 2 and insert the following:

3 “(ii) aggregate assets under manage-
4 ment attributable to clients and investors
5 in the United States in private funds ad-
6 vised by the investment adviser of”.

Page 1022, line 20, strike “Section” and insert the following:

7 (a) EXEMPTION.—Section

Page 1024, after line 3, insert the following:

8 (b) CONSIDERATION OF RISK.—Section 203(c) of the
9 Investment Advisers Act of 1940 (15 U.S.C. 80b—3(c))
10 is amended by adding at the end the following:

11 “(3) The Commission shall take into account
12 the relative risk profile of different classes of private
13 funds as it establishes, by rule or regulation, the
14 registration requirements for private funds.”.

Page 1024, line 4, strike “**SYSTEMIC RISK**”.

Page 1024, beginning on line 23, strike “, and to
any other entity that the Commission identifies as having

systemic risk responsibility” and insert “and to the Financial Services Oversight Council”.

Page 1027, beginning on line 12, strike “, and to any other entity that the Commission identifies as having systemic risk responsibility” and insert “and to the Financial Services Oversight Council”.

Page 1027, line 17, strike “such other entity” and insert “the Financial Services Oversight Council”.

Page 1028, strike line 11 and all that follows through page 1029, line 2, and insert the following:

1 “(8) NON-DISCLOSURE OF CERTAIN PROPRI-
2 ETARY INFORMATION AND CONFIDENTIALITY OF RE-
3 PORTS.—Any proprietary information of an invest-
4 ment adviser ascertained by the Commission from
5 any report required to be filed with the Commission
6 pursuant to this section 204(b) shall be subject to
7 the same limitations on public disclosure as any
8 facts ascertained during an examination as provided
9 by section 210(b) of this title. The Commission may
10 not compel the private fund to disclose such propri-
11 etary information to counterparties and creditors.
12 For purposes of this section, proprietary information
13 shall include sensitive, non-public information re-
14 garding the investment adviser’s investment or trad-

1 ing strategies, analytical or research methodologies,
2 trading data, computer hardware or software con-
3 taining intellectual property, and any additional in-
4 formation that the Commission determines to be
5 proprietary. Notwithstanding any other provision of
6 law, the Commission shall not be compelled to dis-
7 close any report or information contained therein re-
8 quired to be filed with the Commission under this
9 subsection. Nothing in this paragraph shall author-
10 ize the Commission to withhold information from the
11 Congress or to prevent the Commission from com-
12 plying with a request for information from any other
13 Federal department or agency or any self-regulatory
14 organization requesting the report or information for
15 purposes within the scope of its jurisdiction, or com-
16 plying with an order of a court of the United States
17 in an action brought by the United States or the
18 Commission. For purposes of section 552 of title 5,
19 United States Code, this paragraph shall be consid-
20 ered a statute described in subsection (b)(3)(B) of
21 such section.”.

Page 1030, line 12, strike “private funds” the sec-
ond place it appears and insert “investment adviser acts
solely as an adviser to private funds and”.

Page 1032, line 23, insert “, 203(m),” after “203(l)”.

Page 1033, line 23, insert “to the extent necessary” after “regulations”.

Page 1034, line 7, insert “in any rule or regulation” after “any factor used”.

Page 1034, line 11, insert “by order,” after “Commission shall,”.

Page 1034, line 15, strike “\$1,000” and insert “\$100,000”.

Page 1034, line 16, strike “\$1,000” and insert “\$100,000”.

Page 1038, line 2, insert “disclosure of” after “with respect to”.

Page 1041, beginning on line 13, strike “and reliable”.

Page 1042, beginning on line 2, strike “or its ultimate holding company”.

Page 1059, line 2, strike “; and” and insert a period.

Page 1059, strike lines 3 through 8 and insert the following:

1 (2) SYMBOLS.— The Commission may prescribe
2 rules that require nationally recognized statistical
3 rating organizations to establish credit rating sym-
4 bols that distinguish credit ratings for structured
5 products from credit ratings for other products that
6 the Commission determines appropriate or necessary
7 in the public interest and for the protection of inves-
8 tors, provided such rules do not prevent public pen-
9 sion funds or other State regulated entities from in-
10 vesting in rated products.

Page 1059, line 9, strike “(2)” and insert “(3)”.

Page 1066, line 7, insert “certify that they” after
“diligence services”.

Page 1067, line 10, strike “service,” and insert
“service to that issuer, underwriter, or placement agent
in determining a credit rating,”.

Page 1068, line 17, strike “this title” and insert
“the securities laws”.

Page 1068, line 21, strike “or a similar”.

Page 1090, line 14, insert “section 211 of” after
“under”.

Page 1090, line 18, insert after the period the fol-
lowing: “Nothing in this section shall require a broker or

dealer or registered representative to have a continuing duty of care or loyalty to the customer after providing personalized investment advice about securities.”.

Page 1092, line 1, strike “(3)” and insert “(2)”.

Page 1096, line 4, insert “**AND RULEMAKING**” after “**STUDY**”.

Page 1096, beginning on line 9, strike “manner in which” and all that follows through “products or services” on line 12 and insert “provision of documents or information to retail customers prior to the purchase of investment products or services”.

Page 1098, line 19, strike “in connection with” and insert “rules that require the provision of documents or information to retail customers prior to”.

Page 1103, strike “**ADVISOR**” and insert “**ADVISER**”.

Page 1109, line 11, insert “law enforcement agency,” after the comma.

Page 1109, line 17, strike “or” and after such line insert the following:

- 1 (C) to any whistleblower who gains the in-
- 2 formation through the performance of an audit

1 of financial statements required under the secu-
2 rities laws; or

Page 1109, line 18 strike “(C)” and insert “(D)”.

Page 1116, strike lines 11 through page 1118, line
13, and insert the following:

3 “(2) CONFIDENTIALITY.—

4 “(A) IN GENERAL.—Except as provided in
5 subparagraph (B), the Commission and any of-
6 ficer or employee of the Commission shall not
7 disclose any information, including information
8 provided by a whistleblower to the Commission,
9 which could reasonably be expected to reveal
10 the identity of a whistleblower, except in ac-
11 cordance with the provisions of section 552a of
12 title 5, United States Code, unless and until re-
13 quired to be disclosed to a defendant or re-
14 spondent in connection with a public proceeding
15 instituted by the Commission or any entity de-
16 scribed in subparagraph (B). For purposes of
17 section 552 of title 5, United States Code, this
18 paragraph shall be considered a statute de-
19 scribed in subsection (b)(3)(B) of such section
20 552.

1 “(B) AVAILABILITY TO GOVERNMENT
2 AGENCIES.—Without the loss of its status as
3 confidential and privileged in the hands of the
4 Commission, all information referred to in sub-
5 paragraph (A) may, in the discretion of the
6 Commission, when determined by the Commis-
7 sion to be necessary to accomplish the purposes
8 of this Act and protect investors, be made avail-
9 able to—
10 “(i) the Attorney General of the
11 United States,
12 “(ii) an appropriate regulatory au-
13 thority,
14 “(iii) a self-regulatory organization,
15 “(iv) State attorneys general in con-
16 nection with any criminal investigation,
17 and
18 “(v) any appropriate State regulatory
19 authority,
20 “each of which shall not disclose such informa-
21 tion in accordance with subparagraph (A).”.

Page 1123, line 13, insert “municipal financial ad-
viser,” after “transfer agent,”.

Page 1123, line 22, insert “municipal financial ad-
viser,” after “transfer agent,”.

Page 1124, line 6, insert “municipal financial adviser,” after “municipal securities dealer,”.

Page 1124, line 15, insert “municipal financial adviser,” after “transfer agent,”.

Page 1127, beginning on line 18, strike “head of any division or office within the Commission or his designee” and insert “Director of the Division of Enforcement of the Commission or the Director’s designee”.

Page 1127, beginning on line 24, strike “head of any division or office within the Commission or his designee” and insert “Director of the Division of Enforcement of the Commission or the Director’s designee”.

Page 1128, beginning on line 3, strike “head of any division or office within the Commission or his designee” and insert “Director of the Division of Enforcement of the Commission or the Director’s designee”.

Page 1128, beginning on line 9, strike “head of any division or office within the Commission or his designee” and insert “Director of the Division of Enforcement of the Commission or the Director’s designee”.

Page 1128, line 24, strike “without findings” and insert “, has concluded without findings,”.

Page 1129, line 3, insert “responsible for compliance examinations and inspections” after “Commission”.

Page 1129, line 7, insert a comma after “inspection”.

Page 1129, line 8, insert a comma after “action”.

Page 1129, line 11, insert “responsible for compliance examinations and inspections” after “Commission”.

Page 1129, strike line 16 through page 1131, line 2, and insert the following:

1 (a) SECURITIES ACT OF 1933.—Section 22(a) of the
2 Securities Act of 1933 (15 U.S.C. 77v(a)) is amended by
3 inserting after the second sentence the following: “In any
4 civil action instituted by the Commission under this title
5 in a United States district court for any judicial district,
6 subpoenas issued to compel the attendance of witnesses
7 or the production of documents or tangible things (or
8 both) at any hearing or trial may be served at any place
9 within the United States. Rule 45(c)(3)(A)(ii) of the Fed-
10 eral Rules of Civil Procedure does not apply to a subpoena
11 so issued.”.

12 (b) SECURITIES EXCHANGE ACT OF 1934.—Section
13 27 of the Securities Exchange Act of 1934 (15 U.S.C.
14 78aa) is amended by inserting after the third sentence the
15 following: “In any civil action instituted by the Commis-

1 sion under this title in a United States district court for
2 any judicial district, subpoenas issued to compel the at-
3 tendance of witnesses or the production of documents or
4 tangible things (or both) at any hearing or trial may be
5 served at any place within the United States. Rule
6 45(c)(3)(A)(ii) of the Federal Rules of Civil Procedure
7 does not apply to a subpoena so issued.”.

8 (c) INVESTMENT COMPANY ACT OF 1940.—Section
9 44 of the Investment Company Act of 1940 (15 U.S.C.
10 80a–43) is amended by inserting after the fourth sentence
11 the following: “In any civil action instituted by the Com-
12 mission under this title in a United States district court
13 for any judicial district, subpoenas issued to compel the
14 attendance of witnesses or the production of documents
15 or tangible things (or both) at any hearing or trial may
16 be served at any place within the United States. Rule
17 45(c)(3)(A)(ii) of the Federal Rules of Civil Procedure
18 does not apply to a subpoena so issued.”.

19 (d) INVESTMENT ADVISERS ACT OF 1940.—Section
20 214 of the Investment Advisers Act of 1940 (15 U.S.C.
21 80b–14) is amended by inserting after the third sentence
22 the following: “In any civil action instituted by the Com-
23 mission under this title in a United States district court
24 for any judicial district, subpoenas issued to compel the
25 attendance of witnesses or the production of documents

1 or tangible things (or both) at any hearing or trial may
2 be served at any place within the United States. Rule
3 45(c)(3)(A)(ii) of the Federal Rules of Civil Procedure
4 does not apply to a subpoena so issued.”.

Page 1131, line 9, strike “MONEY” and insert
“MONETARY”.

Page 1133, line 21, strike “TO ASSESS MONEY” and
insert “TO ASSESS MONETARY”.

Page 1143, beginning on line 2, strike “Except as
provided in subsection (f), the” and insert “The”.

Page 1146, beginning on line 8, strike “The juris-
diction” and all that follows through line 11 and insert
“With respect to any actions or proceedings brought or
instituted by the Commission or the United States, this
jurisdiction includes violations of section 17(a) of this
title, and all”.

Page 1147, beginning on line 4, strike “The juris-
diction” and all that follows through “subsection (a)”
and insert “With respect to any actions or proceedings
brought or instituted by the Commission or the United
States, this jurisdiction”.

Page 1148, beginning on line 3, strike “The juris-
diction” and all that follows through “subsection (a)”

and insert “With respect to any actions or proceedings brought or instituted by the Commission or the United States, this jurisdiction”.

Page 1149, line 18, strike the semicolon at the end.

Page 1158, line 7, insert “and” after “with”.

Page 1190, line 13, strike “that—” and insert the following: “that is not exempt from registration under section 203 and—”.

Page 1190, beginning on line 15, strike “by a State” and insert “in the State where it maintains its principal office and place of business”.

Page 1191, line 8, insert after the first period the following: “If no State in which an investment adviser described in subparagraph (B) is registered conducts such an examination, the investment adviser must register with the Commission. If, pursuant to this paragraph, an investment adviser would be required to register with 5 or more States, then the adviser may maintain its registration with the Commission.”.

Page 1191, strike line 10 and all that follows through page 1192, line 3, and insert the following:

- 1 (a) IN GENERAL.—Not later than 180 days after the
- 2 date of the enactment of this title, the Securities and Ex-

1 change Commission shall adopt a rule pursuant to its au-
2 thority under section 211(a) of the Investment Advisers
3 Act of 1940 making it unlawful under section 206(4) of
4 that Act for an investment adviser registered under such
5 Act to have custody of funds or securities of a client the
6 value of which exceeds \$10,000,000, unless—

7 (1) the funds and securities are maintained
8 with a qualified custodian either in a separate ac-
9 count for each client under the client's name, or in
10 accounts that contain only client funds and securi-
11 ties under the name of the investment adviser as
12 agent or trustee for the client; and

13 (2) the qualified custodian does not directly or
14 indirectly provide investment advice with respect to
15 such funds or securities.

16 (b) EXCEPTIONS.—The rule adopted under sub-
17 section (a) shall include such exceptions as the Commis-
18 sion determines in the public interest and consistent with
19 the protection of investors. Any exemption granted under
20 this subsection shall ensure that at least once per year,
21 a client described in subsection (a) shall receive a report
22 from an independent entity with a fiduciary responsibility
23 to the client to verify that the assets in the client's account
24 are in accord with those stated on the client's account
25 statement.

1 (c) NO LIMITS ON OTHER ACTIONS.—Nothing in this
2 section shall be construed to limit other actions the Securi-
3 ties and Exchange Commission may take under this Act
4 to require the protection of client assets.

Page 1192, line 21, strike “maintain” and insert
“assure that safeguards exist to maintain”.

Page 1193, line 9, strike “regards” and insert “re-
gard”.

Page 1193, after line 10, insert the following new
sections:

5 **SEC. 7421. NOTICE TO MISSING SECURITY HOLDERS.**

6 Section 17A of the Securities Exchange Act of 1934
7 (15 U.S.C. 78q-1) is amended by adding at the end the
8 following new subsection:

9 “(g) DUE DILIGENCE FOR THE DELIVERY OF DIVI-
10 DENDS, INTEREST, AND OTHER VALUABLE PROPERTY
11 RIGHTS.—

12 “(1) REVISION OF RULES REQUIRED.—The
13 Commission shall revise its regulations in section
14 240.17Ad-17 of title 17, Code of Federal Regula-
15 tions, as in effect on December 8, 1997, to extend
16 the application of such section to brokers and deal-
17 ers and to provide for the following:

1 “(A) A requirement that the paying agent
2 provide a single written notification to each
3 missing security holder that the missing secu-
4 rity holder has been sent a check that has not
5 yet been negotiated. The written notification
6 may be sent along with a check or other mailing
7 subsequently sent to the missing security holder
8 but must be provided no later than 7 months
9 after the sending of the not yet negotiated
10 check.

11 “(B) An exclusion for paying agents from
12 the notification requirements when the value of
13 the not yet negotiated check is less than \$25.

14 “(C) A provision clarifying that the re-
15 quirements described in subparagraph (A) shall
16 have no effect on State escheatment laws.

17 “(D) For purposes of such revised regula-
18 tions—

19 “(i) a security holder shall be consid-
20 ered a ‘missing security holder’ if a check
21 is sent to the security holder and the check
22 is not negotiated before the earlier of the
23 paying agent sending the next regularly
24 scheduled check or the elapsing of 6

1 months after the sending of the not yet ne-
2 gotiated check; and

3 “(ii) the term ‘paying agent’ includes
4 any issuer, transfer agent, broker, dealer,
5 investment adviser, indenture trustee, cus-
6 todian, or any other person that accepts
7 payments from the issuer of a security and
8 distributes the payments to the holders of
9 the security.

10 “(2) RULEMAKING.—The Commission shall
11 adopt such rules, regulations, and orders necessary
12 to implement this subsection no later than 1 year
13 after the date of enactment of this subsection. In
14 proposing such rules, the Commission shall seek to
15 minimize disruptions to current systems used by or
16 on behalf of paying agents to process payment to ac-
17 count holders and avoid requiring multiple paying
18 agents to send written notification to a missing secu-
19 rity holder regarding the same not yet negotiated
20 check.”.

21 **SEC. 7422. SHORT SALE REFORMS.**

22 (a) **SHORT SALE DISCLOSURE.**—Section 13(f) of the
23 Securities Exchange Act of 1934 (15 U.S.C. 78m(f)) is
24 amended by redesignating paragraphs (2), (3), (4), and

1 (5) as paragraphs (3), (4), (5), and (6), respectively, and
2 inserting after paragraph (1) the following:

3 “(2)(A) Every institutional investment manager
4 that effects a short sale of an equity security shall
5 also file a report on a daily basis with the Commis-
6 sion in such form as the Commission, by rule, may
7 prescribe. Such report shall include, as applicable,
8 the name of the institution, the name of the institu-
9 tional investment manager and the title, class,
10 CUSIP number, number of shares or principal
11 amount, aggregate fair market value of each secu-
12 rity, and any additional information requested by
13 the Commission. For purposes of section 552 of title
14 5, United States Code, this subparagraph shall be
15 considered a statute described in subsection
16 (b)(3)(B) of such section. The information contained
17 in reports of an institutional investment manager
18 filed with the Commission pursuant to this section,
19 shall be subject to the same non-disclosure and con-
20 fidentiality protection provided under section
21 204(b)(8) of the Investment Advisers Act of 1940.

22 “(B) The Commission shall prescribe rules pro-
23 viding for the public disclosure of the name of the
24 issuer and the title, class, CUSIP number, aggregate
25 amount of the number of short sales of each secu-

1 rity, and any additional information determined by
2 the Commission following the end of the reporting
3 period. At a minimum, such public disclosure shall
4 occur every month.”.

5 (b) SHORT SELLING ENFORCEMENT.—Section 9 of
6 the Securities Exchange Act of 1934 (15 U.S.C. 78i) is
7 amended—

8 (1) by redesignating subsections (d), (e), (f),
9 (g), (h), and (i) as subsections (e), (f), (g), (h), (i),
10 and (j), respectively; and

11 (2) inserting after subsection (c), the following
12 new subsection:

13 “(d) TRANSACTIONS RELATING TO SHORT SALES OF
14 SECURITIES.—It shall be unlawful for any person, directly
15 or indirectly, by the use of the mails or any means or in-
16 strumentality of interstate commerce, or of any facility of
17 any national securities exchange, or for any member of
18 a national securities exchange to effect, alone or with one
19 or more other persons, a manipulative short sale of any
20 security. The Commission shall issue such other rules as
21 are necessary or appropriate to ensure that the appro-
22 priate enforcement options and remedies are available for
23 violations of this subsection in the public interest or for
24 the protection of investors.”.

1 (c) INVESTOR NOTIFICATION.—Section 15 of the Se-
2 curities Exchange Act of 1934 (15 U.S.C. 78o) is amend-
3 ed—

4 (1) by redesignating subsections (e), (f), (g),
5 (h), and (i) as subsections (f), (g), (h), (i), and (j),
6 respectively; and

7 (2) inserting after subsection (d) the following
8 new subsection:

9 “(e) NOTICES TO CUSTOMERS REGARDING SECURI-
10 TIES LENDING.—Every registered broker or dealer shall
11 provide notice to its customers that they may elect not
12 to allow their fully paid securities to be used in connection
13 with short sales. If a broker or dealer uses a customer’s
14 securities in connection with short sales, the broker or
15 dealer shall provide notice to its customer that the broker
16 or dealer may receive compensation in connection with
17 lending the customer’s securities. The Commission, by
18 rule, as it deems necessary or appropriate in the public
19 interest and for the protection of investors, may prescribe
20 the form, content, time, and manner of delivery of any
21 notice required under this paragraph.”.

22 **SEC. 7423. STREAMLINING OF SEC FILING PROCEDURES.**

23 (a) APPROVAL PROCESS.—Section 19(b)(2) of the
24 Securities Exchange Act of 1934 (15 U.S.C. 78s(b)(2))
25 is amended to read as follows:

1 “(2) FILING PROCEDURES.—

2 “(A) IN GENERAL.—Within thirty-five
3 days of the date of publication of notice of the
4 filing of a proposed rule change in accordance
5 with paragraph (1) of this subsection, or within
6 such longer period as the Commission may des-
7 ignate up to ninety days of such date if it finds
8 such longer period to be appropriate and pub-
9 lishes its reasons for so finding or as to which
10 the self-regulatory organization consents, the
11 Commission shall—

12 “(i) by order approve such proposed
13 rule change; or

14 “(ii) institute proceedings under sub-
15 paragraph (B) to determine whether the
16 proposed rule change should be dis-
17 approved.

18 “(B) PROCEEDINGS.—Proceedings to de-
19 termine whether the proposed rule change
20 should be disapproved shall include notice of
21 the grounds for disapproval under consideration
22 and opportunity for hearing and be concluded
23 within 200 days from the date of receipt of a
24 proper filing. At the conclusion of such pro-
25 ceedings the Commission, by order, shall ap-

1 prove or disapprove such proposed rule change.
2 The Commission may extend the time for con-
3 clusion of such proceedings for up to 60 days
4 if it finds good cause for such extension and
5 publishes its reasons for so finding or for such
6 longer period as to which the self-regulatory or-
7 ganization consents. The Commission shall ap-
8 prove a proposed rule change of a self-regu-
9 latory organization if it finds that such pro-
10 posed rule change is consistent with the re-
11 quirements of this title and the rules and regu-
12 lations thereunder applicable to such organiza-
13 tion. The Commission shall disapprove a pro-
14 posed rule change of a self-regulatory organiza-
15 tion if it does not make such finding. The Com-
16 mission shall not approve any proposed rule
17 change prior to the thirtieth day after the date
18 of publication of notice of the filing thereof, un-
19 less the Commission finds good cause for so
20 doing and publishes its reasons for so finding.”.

21 (b) RULES.—Not later than 12 months after the date
22 of enactment of this Act, the Commission shall issue rules
23 implementing a disapproval process for filings submitted
24 on or after the effective date of such rules.

Page 1196, line 5, strike “containing”.

Page 1198, strike line 22 through page 1199, line 16.

Page 1199, line 17, strike “(3)” and insert “(2)”.

Page 1199, line 21, strike “or (2)”.

Page 1206, strike lines 15, through 23.

Page 1211 strike line 24 through page 1212, line 21, and insert the following:

1 (e) INSPECTIONS BY REGISTERED ACCOUNTING
2 FIRMS.—Subsection (a) of Section 104 of such Act is
3 amended—

4 (1) by striking “(a) IN GENERAL.—The Board
5 shall” and inserting the following:

6 “(a) IN GENERAL.—

7 “(1) The Board shall”; and

8 (2) by adding at the end of such subsection the
9 following:

10 “(2) INSPECTIONS OF AUDIT REPORT FOR BRO-
11 KERS AND DEALERS.—

12 “(A) The Board may, by rule, conduct and
13 require a program of inspection in accordance
14 with paragraph (a)(1), on a basis to be deter-
15 mined by the Board, of registered public ac-
16 counting firms that provide one or more audit
17 reports for a broker or dealer. The Board, in

1 establishing such a program, may allow for dif-
2 ferentiation among classes of brokers and deal-
3 ers, as appropriate.

4 “(B) If the Board determines to establish
5 a program of inspection pursuant to subpara-
6 graph (A), the Board shall consider in estab-
7 lishing any inspection schedules whether dif-
8 fering schedules would be appropriate with re-
9 spect to registered public accounting firms that
10 issue audit reports only for one or more brokers
11 or dealers that do not receive, handle, or hold
12 customer securities or cash or are not a mem-
13 ber of the Securities Investor Protection Cor-
14 poration.

15 “(C) Any rules of the Board pursuant to
16 this paragraph shall be subject to prior ap-
17 proval by the Commission pursuant to section
18 107(b) before the rules become effective, includ-
19 ing an opportunity for public notice and com-
20 ment.

21 “(D) Notwithstanding anything to the con-
22 trary in section 102 of this Act, a public ac-
23 counting firm shall not be required to register
24 with the Board if the public accounting firm is
25 exempt from the inspection program which may

1 be established by the Board under subpara-
2 graph (a)(2)(A) of this section.

3 “(3) CONFORMING AMENDMENT.—Section 17
4 (e)(1)(A) of the Securities Exchange Act of 1934
5 (15 U.S.C. 78q(e) (1) (A)) is amended by striking
6 ‘registered public accounting firm’ and inserting
7 ‘independent public accounting firm or by a reg-
8 istered public accounting firm if registration is re-
9 quired under the Sarbanes-Oxley Act of 2002 as
10 amended.’”.

Page 1215, line 1, strike “dealer” and insert “deal-
ers”.

Page 1219, beginning on line 10, strike “domestic”
and insert “domestically”.

Page 1223, lines 5, strike “shall—” and all that fol-
lows through line 13 and insert “shall prevent the Board
from responding to requests for reports from the Com-
mittee’s specified under subsection (h) about the activi-
ties or programs of the Board, provided that any con-
fidential information contained therein shall be subject to
the provisions of section 105(b)(5).”.

Page 1228, line 14, strike “**MISLEAD**” and insert
“**MISLED**”.

Page 1231, after line 15, insert the following:

1 (4) APPLICATION OF FIDUCIARY DUTY FOR
2 PERSONALIZED INVESTMENT ADVICE ABOUT SECURI-
3 TIES.—Nothing in this section shall diminish in any
4 manner nor supersede the standard of conduct appli-
5 cable to all brokers, dealers and investment advisers
6 providing personalized investment advice about secu-
7 rities as set forth in section 7103 of this Act.

Page 1231, line 16, strike “(4)” and insert “(5)”.

Page 1231, beginning on line 19, strike “, to the extent practicable; conform to the” and insert “meet or exceed”.

Page 1232, strike lines 3 through page 1235, line 5, and insert the following:

8 (6) SUITABILITY AND SUPERVISION RULES FOR
9 ANNUITY PRODUCTS.—A State shall have adopted
10 rules that govern suitability requirements in the sale
11 of annuities which shall meet or exceed the minimum
12 requirements established by the National Association of Insurance Commissioners Suitability in
13 Annuity Transactions Model Regulation in effect on
14 the date of the enactment of this Act, or any successor
15 thereto.
16

Page 1235, line 18, strike “senior” and insert “seniors who are”.

Page 1238, line 13, insert a comma after “finding”.

Page 1242, line 7, insert “United States Code,” after “title 18,”.

Page 1243, line 9, insert “or the rules of the Municipal Securities Rulemaking Board,” after “statutes,”.

Page 1243, line 17, insert “or the rules of the Municipal Securities Rulemaking Board,” after “statutes,”.

Page 1247, line 18, insert “broker, dealer, investment adviser, municipal securities dealer, transfer agent, nationally recognized statistical rating organization, or”.

Page 1248, line 1, strike “or (E)” and insert “(E), (G), or (H)”.

Page 1254, line 22, strike “or”.

Page 1254, line 24, strike the period at the end and insert “; or” and after such line insert the following:

- 1 (v) the independent accountant that
- 2 audits the financial statements of the mu-
- 3 nicipal securities issuer.

Page 1259, after line 24, insert the following new subparagraph and redesignate subsequent subparagraphs accordingly):

1 “(C) To monitor the extent to which tradi-
2 tionally underserved communities and con-
3 sumers, minorities (as such term is defined in
4 24 section 1204(c) of the Financial Institutions
5 Reform, Recovery, and Enforcement Act of
6 1989 (12 U.S.C. 1811 note)), and low- and
7 moderate-income persons have access to afford-
8 able insurance products regarding all lines of
9 insurance, except health insurance.”.

Page 1261, after line 6, insert the following new paragraph:

10 “(3) ADVISORY CAPACITY ON COUNCIL.—The
11 Director shall serve in an advisory capacity on the
12 Financial Services Oversight Council established
13 under the Financial Stability Improvement Act of
14 2009.”.

Page 1261, line 9, after “Secretary” insert “in co-
ordination with the Secretary of the Department of
Health and Human Services”.

Page 1261, line 14, after “data” insert “, including
financial data,”.

Page 1262, beginning on line 2, strike “is author-
ized to write” and insert “writes”.

Page 1262, line 3, strike “reinsure” and insert “re-insures”.

Page 1262, line 4, strike “issue” and insert “issues”.

Page 1278, line 13, strike “and broadened”.

Page 1279, line 1, insert “Federal or State” after “any”.

Page 1279, line 3, insert “with respect to such study” before “to modernize”.

Page 17 of title VII of the bill, as added by the amendment TITLE7__02, strike lines 14 and 15 and insert the following:

1 “(A) permitting any yield spread premium
2 or other similar compensation that would, for
3 any mortgage loan, permit the total amount of
4 direct and indirect compensation from all
5 sources permitted to a mortgage originator to
6 vary based on the terms of the loan (other than
7 the amount of the principal);”.

Page 17 of title VII of the bill, as added by the amendment TITLE7__02, line 25, strike “including through principal” and insert “at the option of the consumer, including through principal or rate”.

Page 18 of title VII of the bill, as added by the amendment TITLE7__02, line 5, after “costs were” insert “limited by agreement with the consumer and were”.

Page 33 of title VII of the bill, as added by the amendment TITLE7__02, line 24, after “that” insert “is insured by the Federal Housing Administration or”.

Page 153 of title VII of the bill, as added by the amendment TITLE7__02, line 11, after “loan” insert “, other than a reverse mortgage loan insured by the Federal Housing Administration,”.

Add at the end of the bill the following:

1 **TITLE VIII—FORECLOSURE**
2 **AVOIDANCE AND AFFORD-**
3 **ABLE HOUSING**

4 **SEC. 10001. EMERGENCY MORTGAGE RELIEF.**

5 (a) USE OF TARP FUNDS.—Using the authority
6 available under sections 101(a) and 115(a) of division A
7 of the Emergency Economic Stabilization Act of 2008 (12
8 U.S.C. 5211(a), 5225(a)), the Secretary of the Treasury
9 shall transfer to the Secretary of Housing and Urban De-
10 velopment \$3,000,000,000, and the Secretary of Housing
11 and Urban Development shall credit such amount to the
12 Emergency Homeowners’ Relief Fund, which such Sec-
13 retary shall establish pursuant to section 107 of the Emer-

1 gency Housing Act of 1975 (12 U.S.C. 2706), as such
2 Act is amended by this section, for use for emergency
3 mortgage assistance in accordance with title I of such Act.

4 (b) REAUTHORIZATION OF EMERGENCY MORTGAGE
5 RELIEF PROGRAM.—Title I of the Emergency Housing
6 Act of 1975 is amended—

7 (1) in section 103 (12 U.S.C. 2702)—

8 (A) in paragraph (2)—

9 (i) by striking “have indicated” and
10 all that follows through “regulation of the
11 holder” and insert “have certified”;

12 (ii) by striking “(such as the volume
13 of delinquent loans in its portfolio)”; and

14 (iii) by striking “, except that such
15 statement” and all that follows through
16 “purposes of this title”; and

17 (B) in paragraph (4), by inserting “or
18 medical conditions” after “adverse economic
19 conditions”;

20 (2) in section 104 (12 U.S.C. 2703)—

21 (A) in subsection (b), by striking “, but
22 such assistance” and all that follows through
23 the period at the end and inserting the fol-
24 lowing: “. The amount of assistance provided to
25 a homeowner under this title shall be an

1 amount that the Secretary determines is rea-
2 sonably necessary to supplement such amount
3 as the homeowner is capable of contributing to-
4 ward such mortgage payment, except that the
5 aggregate amount of such assistance provided
6 for any homeowner shall not exceed \$50,000.”

7

;

8 (B) in subsection (d), by striking “interest
9 on a loan or advance” and all that follows
10 through the end of the subsection and inserting
11 the following: “(1) the rate of interest on any
12 loan or advance of credit insured under this
13 title shall be fixed for the life of the loan or ad-
14 vance of credit and shall not exceed the rate of
15 interest that is generally charged for mortgages
16 on single-family housing insured by the Sec-
17 retary of Housing and Urban Development
18 under title II of the National Housing Act at
19 the time such loan or advance of credit is made,
20 and (2) no interest shall be charged on interest
21 which is deferred on a loan or advance of credit
22 made under this title. In establishing rates,
23 terms and conditions for loans or advances of
24 credit made under this title, the Secretary shall

1 take into account a homeowner's ability to
2 repay such loan or advance of credit.”; and

3 (C) in subsection (e), by inserting after the
4 period at the end of the first sentence the fol-
5 lowing: “Any eligible homeowner who receives a
6 grant or an advance of credit under this title
7 may repay the loan in full, without penalty, by
8 lump sum or by installment payments at any
9 time before the loan becomes due and pay-
10 able.”;

11 (3) in section 105 (12 U.S.C. 2704)—

12 (A) by striking subsection (b);

13 (B) in subsection (e)—

14 (i) by inserting “and emergency mort-
15 gage relief payments made under section
16 106” after “insured under this section”;
17 and

18 (ii) by striking “\$1,500,000,000 at
19 any one time” and inserting
20 “\$3,000,000,000”;

21 (C) by redesignating subsections (c), (d),
22 and (e) as subsections (b), (c), and (d), respec-
23 tively; and

24 (D) by adding at the end the following new
25 subsection:

1 “(e) The Secretary shall establish underwriting
2 guidelines or procedures to allocate amounts made avail-
3 able for loans and advances insured under this section and
4 for emergency relief payments made under section 106
5 based on the likelihood that a mortgagor will be able to
6 resume mortgage payments, pursuant to the requirement
7 under section 103(5).”;

8 (4) in section 107—

9 (A) by striking “(a)”; and

10 (B) by striking subsection (b);

11 (5) in section 108 (12 U.S.C. 2707), by adding
12 at the end the following new subsection:

13 “(d) COVERAGE OF EXISTING PROGRAMS.—The Sec-
14 retary shall allow funds to be administered by a State that
15 has an existing program that is determined by the Sec-
16 retary to provide substantially similar assistance to home-
17 owners. After such determination is made such State shall
18 not be required to modify such program to comply with
19 the provisions of this title.”;

20 (6) in section 109 (12 U.S.C. 2708)—

21 (A) in the section heading, by striking

22 “AUTHORIZATION AND”;

23 (B) by striking subsection (a);

24 (C) by striking “(b)”; and

1 (D) by striking “1977” and inserting
2 “2011”;
3 (7) by striking sections 110, 111, and 113 (12
4 U.S.C. 2709, 2710, 2712); and
5 (8) by redesignating section 112 (12 U.S.C.
6 2711) as section 110.

7 **SEC. 10002. ADDITIONAL ASSISTANCE FOR NEIGHBORHOOD**
8 **STABILIZATION PROGRAM.**

9 Using the authority made available under sections
10 101(a) and 115(a) of division A of the Emergency Eco-
11 nomic Stabilization Act of 2008 (12 U.S.C. 5211(a),
12 5225(a)), the Secretary of the Treasury shall transfer to
13 the Secretary of Housing and Urban Development
14 \$1,000,000,000, and the Secretary of Housing and Urban
15 Development shall use such amounts for assistance to
16 States and units of general local government for the rede-
17 velopment of abandoned and foreclosed homes, in accord-
18 ance with the same provisions applicable under the second
19 undesignated paragraph under the heading “Community
20 Planning and Development--Community Development
21 Fund” in title XII of division A of the American Recovery
22 and Reinvestment Act of 2009 (Public Law 111–5; 123
23 Stat. 217) to amounts made available under such second
24 undesignated paragraph, except as follows:

1 (1) Notwithstanding the matter of such second
2 undesignated paragraph that precedes the first pro-
3 viso, amounts made available by this section shall re-
4 main available until expended.

5 (2) The 3rd, 4th, 5th, 6th, 7th, and 15th pro-
6 visos of such second undesignated paragraph shall
7 not apply to amounts made available by this section.

8 (3) Amounts made available by this section
9 shall be allocated based on a funding formula for
10 such amounts established by the Secretary in ac-
11 cordance with section 2301(b) of the Housing and
12 Economic Recovery Act of 2008 (42 U.S.C. 5301
13 note), except that—

14 (A) notwithstanding paragraph (2) of such
15 section 2301(b), the formula shall be estab-
16 lished not later than 30 days after the date of
17 the enactment of this Act;

18 (B) the Secretary may not establish any
19 minimum grant amount or size for grants to
20 States;

21 (C) the Secretary may establish a min-
22 imum grant amount for direct allocations to
23 units of general local government located within
24 a State, which shall not exceed \$1,000,000; and

1 (D) each State and local government re-
2 ceiving grant amounts shall establish proce-
3 dures to create preferences for the development
4 of affordable rental housing for properties as-
5 sisted with amounts made available by this sec-
6 tion.

7 (4) Paragraph (1) of section 2301(c) of the
8 Housing and Economic Recovery Act of 2008 shall
9 not apply to amounts made available by this section.

10 (5) Section 2302 of the Housing and Economic
11 Recovery Act of 2008 shall not apply to amounts
12 made available by this section.

13 (6) The fourth proviso from the end of such
14 second undesignated paragraph shall be applied to
15 amounts made available by this section by sub-
16 stituting “2013” for “2012”.

17 (7) Notwithstanding section 2301(a) of the
18 Housing and Economic Recovery Act of 2008, the
19 term “State” means any State of the United States,
20 the District of Columbia, the Commonwealth of
21 Puerto Rico, the Commonwealth of the Northern
22 Mariana Islands, Guam, the Virgin Islands, Amer-
23 ican Samoa, and other territory or possession of the
24 United States for purposes of this section and title

1 III of division B of such Act, as applied to amounts
2 made available by this section.

3 (8)(A) None of the amounts made available by
4 this section shall be distributed to—

5 (i) any organization which has been con-
6 victed for a violation under Federal law relating
7 to an election for Federal office; or

8 (ii) any organization which employs appli-
9 cable individuals.

10 (B) In this paragraph, the term “applicable in-
11 dividual” means an individual who—

12 (i) is—

13 (I) employed by the organization in a
14 permanent or temporary capacity;

15 (II) contracted or retained by the or-
16 ganization; or

17 (III) acting on behalf of, or with the
18 express or apparent authority of, the orga-
19 nization; and

20 (ii) has been convicted for a violation
21 under Federal law relating to an election for
22 Federal office.

Page 204, line 14, strike “may decrease” and insert
“decreases”.

Page 826, after line 20, insert the following new subsection:

1 (c) ADDITIONAL CONSUMER PROTECTION REGULA-
2 TIONS IN RESPONSE TO STATE ACTION.—

3 (1) NOTICE OF PROPOSED RULE REQUIRED.—

4 The Agency shall issue a notice of proposed rule-
5 making whenever a majority of the States has en-
6 acted a resolution in support of the establishment or
7 modification of a consumer protection regulation by
8 the Agency.

9 (2) AGENCY CONSIDERATIONS REQUIRED FOR
10 ISSUANCE OF FINAL REGULATION.—Before pre-
11 scribing a final regulation based upon a notice
12 issued pursuant to paragraph (1), the Agency shall
13 take into account whether—

14 (A) the proposed regulation would afford
15 greater protection to consumers than any exist-
16 ing regulation;

17 (B) the intended benefits of the proposed
18 regulation for consumers would outweigh any
19 increased costs or inconveniences for con-
20 sumers, and would not discriminate unfairly
21 against any category or class of consumers; and

22 (C) a Federal banking agency has advised
23 that the proposed regulation is likely to present

1 an unacceptable safety and soundness risk to
2 insured depository institutions.

3 (3) EXPLANATION OF CONSIDERATIONS.—The
4 Agency—

5 (A) shall include a discussion of the con-
6 siderations required in subsection (b) in the
7 Federal Register notice of a final regulation
8 prescribed pursuant to this section; and

9 (B) whenever the Agency determines not to
10 prescribe a final regulation, shall publish an ex-
11 planation of such determination in the Federal
12 Register, and provide a copy of such expla-
13 nation to each State that enacted a resolution
14 in support of the proposed regulation, the Com-
15 mittee on Financial Services of the House of
16 Representatives, and the Committee on Bank-
17 ing, Housing, and Urban Affairs of the Senate.

18 (4) RESERVATION OF AUTHORITY.—No provi-
19 sion of this section shall be construed as limiting or
20 restricting the authority of the Agency to enhance
21 consumer protection standards established pursuant
22 to this title in response to its own motion or in re-
23 sponse to a request by any other interested person.

24 (5) RULE OF CONSTRUCTION.—No provision of
25 this section shall be construed as exempt the Agency

1 from complying with subchapter II of chapter 5 of
2 title 5, United States Code.

3 (6) DEFINITION.—For purposes of this section,
4 the term “consumer protection regulation” means a
5 regulation that the Agency is authorized to prescribe
6 under this title, the enumerated consumer laws, or
7 any law or authority transferred under subtitle F or
8 H.

Page 827, line 4, after “defendant,” strike the rest of line 4 through line 6 and insert, “to enforce and secure remedies under provisions of this title or regulations issued thereunder, or otherwise provided under other law.”.

Page 831, line 23, after “that” insert “directly and specifically”.

Page 832, beginning on line 8, strike “National banks” and all that follows through “State laws.” on line 9.

Page 832, line 9, strike “State laws are” and insert “State consumer financial laws are”.

Page 832, line 11, strike “state” and insert “State consumer financial”.

Page 832, strike lines 15 through 20, and insert the following:

1 “(B) the State consumer financial law pre-
2 vents, significantly interferes with, or materially
3 impairs the ability of an institution chartered as
4 a national bank to engage in the business of
5 banking. Any preemption determination under
6 this subparagraph may be made by a court or
7 by regulation or order of the Comptroller of the
8 Currency in accordance with applicable law, on
9 a case-by-case basis. Any such determination by
10 a court shall comply with the standards set
11 forth in subsection (d) of this section, with the
12 court making the subsection (d) finding de
13 novo; or

Page 832, line 21, insert “consumer financial” after
“State”

Page 832, strike line 23 and all that follows through
page 833, line 2 and insert the following:

14 “(2) SAVINGS CLAUSE.—This Act does not pre-
15 empt or alter the applicability of any State law to
16 any subsidiary or affiliate of a national bank (other
17 than an institution chartered as a national bank)
18 that is not a depository institution.

Page 833, strike lines 3 through 17 and insert the following:

1 “(3) CASE-BY-CASE DETERMINATION.—

2 “(A) DEFINITION.—The term ‘case-by-case
3 determination pursuant to this section’ means a
4 determination made by the Comptroller con-
5 cerning the impact of a particular State con-
6 sumer financial law on any national bank that
7 is subject to that law, or the law of any other
8 State with substantively equivalent terms.

9 “(B) CONSULTATION.—When making
10 case-by-case determination pursuant to this sec-
11 tion that a State consumer financial law of an-
12 other State has a substantively equivalent terms
13 as one that the Comptroller is preempting, the
14 Comptroller shall first consult with the Con-
15 sumer Financial Protection Agency and shall
16 take such Agency’s views into account when
17 making the determination.

18 “(4) RULE OF CONSTRUCTION.—This Act does
19 not occupy the field in any area of State law.

20 “(5) STANDARDS OF REVIEW.—

21 “(A) PREEMPTION.—A court reviewing
22 any determinations made by the Comptroller re-
23 garding preemption of a State law by this Act

1 shall assess the validity of such determinations
2 depending upon the thoroughness evident in the
3 agency's consideration, the validity of the agen-
4 cy's reasoning, the consistency with other valid
5 determinations made by the agency, and other
6 factors which the court finds persuasive and rel-
7 evant to its decision.

8 “(B) SAVINGS CLAUSE.—Except as pro-
9 vided in subparagraph (A), nothing in this sec-
10 tion shall affect the deference that a court may
11 afford to the Comptroller in making determina-
12 tions regarding the meaning or interpretation of
13 title LXII of the Revised Statutes of the United
14 States or other Federal laws.

15 “(6) COMPTROLLER DETERMINATION NOT DEL-
16 EGABLE.—Any regulation, order or determination
17 made by the Comptroller of the Currency under sub-
18 section (b)(1)(B) shall be made by the Comptroller
19 and shall not be delegable to another officer or em-
20 ployee of the Comptroller of the Currency.

Page 833, line 18, after “regulation” insert “or
order”.

Page 833, strike line 25 and all that follows through
page 834, line 2, and insert the following: “prevents, sig-
nificantly interferes with, or materially impairs the ability

of a national bank to engage in the business of banking.”.

Page 834, line 5, after “prescribe” insert “a”, after “regulation” insert “or order”.

Page 835, after line 9, insert new subsections as follows:

1 “(g) PRESERVATION OF POWERS RELATED TO
2 CHARGING INTEREST.—No provision of this title shall be
3 construed as altering or otherwise affecting the authority
4 conferred by section 5197 of the Revised Statutes of the
5 United States (12 U.S.C. 85) for the charging of interest
6 by a national bank at the rate allowed by the laws of the
7 State, territory or district where the bank is located, in-
8 cluding with respect to the meaning of ‘interest’ under
9 such provision.

10 “(h) TRANSPARENCY OF OCC PREEMPTION DETER-
11 MINATIONS.—The Comptroller of the Currency shall pub-
12 lish and update no less frequently than quarterly, a list
13 of preemption determinations by the Comptroller of the
14 Currency then in effect that identifies the activities and
15 practices covered by each determination and the require-
16 ments and constraints determined to be preempted.

Page 835, on lines 21 and 22 strike “supervisory, examination, or regulatory” and insert “visitorial”.

Page 836, strike lines 4 through 7 and renumber subsequent sections accordingly.

Page 836, line 12, after “or” delete the rest of line 12 through line 15 and insert, “nonpreempted State law against a national bank, as authorized by such law, or to seek relief as authorized by such law.”.

Page 838, line 13, after “that” and insert “directly and specifically”.

Page 838, beginning line 19, strike “Federal savings association” and all that follows through “State laws.”

Page 838, beginning on line 20, strike “State laws are” and insert “State consumer financial laws are”.

Page 838, line 22, strike “state” and insert “State consumer financial”.

Page 839, strike lines 1 through 7, and insert the following:

1 “(B) the State consumer financial law pre-
2 vents, significantly interferes with, or materially
3 impairs the ability of an institution chartered as
4 a Federal savings association to engage in the
5 business of banking. Any preemption deter-
6 mination under this subparagraph may be made
7 by a court or by regulation or order of the Di-

1 rector of the Office of Thrift Supervision in ac-
2 cordance with applicable law, on a case-by-case
3 basis. Any such determination by a court shall
4 comply with the standards set forth in sub-
5 section (d) of this section, with the court mak-
6 ing the subsection (d) finding de novo; or

Page 839, line 8, insert “consumer financial” after
“State”.

Page 839, strike lines 10 through 14 and insert the
following:

7 “(2) SAVINGS CLAUSE.—This Act does not pre-
8 empt or alter the applicability of any State law to
9 any subsidiary or affiliate of a Federal savings asso-
10 ciation (other than an institution chartered as a
11 Federal savings association) that is not a depository
12 institution.

Page 839, strike line 15 and all that follows through
page 840, line 4 and insert the following:

13 “(3) CASE-BY-CASE DETERMINATION.—
14 “(A) DEFINITION.—The term ‘case-by-case
15 determination pursuant to this section’ means a
16 determination made by the Director concerning
17 the impact of a particular State consumer fi-
18 nancial law on any Federal savings association

1 that is subject to that law, or the law of any
2 other State with substantively equivalent terms.

3 “(B) CONSULTATION.—When making
4 case-by-case determination pursuant to this sec-
5 tion that a State consumer financial law of an-
6 other State has a substantively equivalent terms
7 as one that the Director of the Office of Thrift
8 Supervision is preempting, the Director shall
9 first consult with the Consumer Financial Pro-
10 tection Agency and shall take such Agency’s
11 views into account when making the determina-
12 tion.

13 “(4) RULE OF CONSTRUCTION.—This Act does
14 not occupy the field in any area of State law.

15 “(5) STANDARDS OF REVIEW.—

16 “(A) PREEMPTION.—A court reviewing
17 any determinations made by the Director re-
18 garding preemption of a State law by this Act
19 shall assess the validity of such determinations
20 depending upon the thoroughness evident in the
21 agency’s consideration, the validity of the agen-
22 cy’s reasoning, the consistency with other valid
23 determinations made by the agency, and other
24 factors which the court finds persuasive and rel-
25 evant to its decision.

1 “(B) SAVINGS CLAUSE.—Except as pro-
2 vided in subparagraph (A), nothing in this sec-
3 tion shall affect the deference that a court may
4 afford to the Director in making determinations
5 regarding the meaning or interpretation of the
6 Home Owners’ Loan Act or other Federal laws.

7 “(6) OTS DETERMINATION NOT DELEGABLE.—
8 Any regulation, order, or determination made by the
9 Director of the Office of Thrift Supervision under
10 subsection (b)(1)(B) shall be made by the Director
11 and shall not be delegable to another officer or em-
12 ployee of the Director of the Office of Thrift Super-
13 vision.

Page 840, line 7, after “regulation” insert “or order”.

Page 840, line 15, after “regulation” insert “or order”.

Page 840, strike lines 22 through 24 and insert the following: “finding that the provision prevents, significantly interferes with, or materially impairs the ability of a Federal savings association to engage in the business of banking.”.

Page 841, after line 23, insert new subsections as follows and renumber subsequent sections accordingly:

1 “(g) PRESERVATION OF POWERS RELATED TO
2 CHARGING OF INTEREST.—No provision of this title shall
3 be construed as altering or otherwise affecting the author-
4 ity conferred by section 4(g) of the Home Owners’ Loan
5 Act (12 U.S.C. 1463(g)) for the charging of interest by
6 a Federal savings association at the rate allowed by the
7 laws of the State, territory, or district where the bank is
8 located, including with respect to the meaning of ‘interest’
9 under such provision.

10 “(h) TRANSPARENCY OF OTS PREEMPTION DETER-
11 MINATIONS.—The Director of the Office of Thrift Super-
12 vision shall publish and update no less frequently than
13 quarterly, a list of preemption determinations by such Di-
14 rector then in effect that identifies the activities and prac-
15 tices covered by each determination and the requirements
16 and constraints determined to be preempted.

Page 842, strike lines 13 through 16 and renumber subsequent sections accordingly.

Page 842, line 22, after “law,” delete the rest of line 22 through page 843, line 2 and insert, “or to seek relief as authorized by such law”.

Page 30, after line 21, insert the following new subsection:

1 (e) STUDY OF EFFECTS CONSUMER FINANCIAL PRO-
2 TECTION AGENCY REGULATIONS AND STANDARDS.—

3 (1) STUDY REQUIRED.—The Council shall con-
4 duct a study of the effects that regulations and
5 standards of the Consumer Financial Protection
6 Agency will have on all covered persons (as such
7 term is defined in section 4002(9)), including non-
8 depository institution covered persons. The Director
9 of the Consumer Financial Protection Agency shall
10 take the findings of the study into account when
11 issuing regulations.

12 (2) VALUE OF NONBANK PRODUCTS.—The
13 study shall include an evaluation and assessment of
14 the appropriateness of using “APR” as a true meas-
15 ure of the value of all nonbank products.

16 (3) SUBMISSION.—Not later than 240 days
17 after the date of the enactment of this Act, the Di-
18 rector of the Consumer Financial Protection Agency
19 shall submit the study to Congress and include any
20 recommendations the Director may have for changes
21 in law and regulations to improve consumer protec-
22 tions and maintain access to credit.

Page 734, strike lines 8 through 12, and insert the
following:

1 (A) consider the potential benefits and
2 costs to consumers, covered persons, and the
3 Federal Government, including the potential re-
4 duction of consumers' access to consumer finan-
5 cial products or services, resulting from such
6 regulation; and

Page 734, line 20, insert before the period the fol-
lowing: "and whether such regulation will have an incon-
sistent effect on nondepository institution covered persons
and depository institution covered persons".

Page 747, after line 21, add the following new sub-
sections:

7 (i) NO ONE SIZE FITS ALL REGULATION OF
8 NONBANK PRODUCTS.—The Director shall be required to
9 issue only product specific rules and regulations for each
10 of the non-bank products under the jurisdiction of the
11 Agency.

12 (j) NONBANK REGULATORY APPEAL RIGHTS.—

13 (1) ADMINISTRATIVE.—The Agency shall estab-
14 lish a procedure through which a nonbank financial
15 company that has been given contradictory or con-
16 flicting supervisory determinations or directives from
17 the Agency and their prudential supervisors will be

1 able to appeal the decisions to a disinterested gov-
2 erning panel.

3 (2) JUDICIAL REVIEW.—Any nonbank financial
4 company which has been subjected to contradictory
5 or conflicting supervisory determinations or direc-
6 tives may seek judicial review by filing a petition for
7 such review in the United States Court of Appeals
8 for the District of Columbia.

Page 731, after line 24, insert the following new
subsection:

9 (h) ASSESSMENTS FOR CERTAIN NONDEPOSITORY
10 INSTITUTION COVERED PERSONS.—

11 (1) IN GENERAL.—Notwithstanding any other
12 provision of this Act, a nondepository institution
13 covered person shall not be subject to assessments
14 by the Agency if—

15 (A) the assets that are financial activities
16 of that nondepository covered person represent
17 less than a substantial portion of its total as-
18 sets; and

19 (B) the gross revenues derived from finan-
20 cial activities of that nondepository covered per-
21 son are less than a substantial portion of its
22 gross revenues.

1 (2) EXTENSIVE CONSUMER FINANCIAL PROD-
2 UCTS OR SERVICES OPERATIONS.—Paragraph (1)
3 shall not apply to nondepository institution covered
4 person that the Director determines has a level of
5 assets or revenues derived from financial activities,
6 a number of transactions in consumer financial
7 products or services, or a number of accounts relat-
8 ing to consumer financial products or services that
9 the Director determines represents an extensive con-
10 sumer financial products or services operation.

Page 1068, line 7, strike “knowingly or recklessly violated” and insert “was grossly negligent in violating”.

Page 1068, beginning on line 18, strike “knowledge and recklessness” and insert “gross negligence”.

Page 1019, line 22, strike “57a(b)” and insert “57a”.

Page 1019, after line 22, insert the following:

11 (1) in subsection (a)(1), by striking “(h)” and
12 inserting “(f)”;

Page 1019, line 23, strike “(1)” and insert “(2)”.

Page 1020, strike lines 6 through 13 and insert the following:

1 (3) by striking subsection (c);

2 (4) in subsection (d), by striking “(d)(1) The
3 Commission’s” and all that follows through the end
4 of paragraph (2) and by redesignating paragraph (3)
5 of such subsection as subsection (c);

6 (5) In such subsection (c) (as so redesignated),
7 by inserting “prescribed” after “any rule”;

8 (6) by striking subsections (f), (i), and (j) and
9 redesignating subsections (e), (g), and (h) as sub-
10 sections (d), (e), and (f), respectively;

Page 1020, line 14, strike “(4)” and insert “(7)”.

Page 1020, after line 14, insert the following:

11 (A) in paragraph (1)(A), by striking “pro-
12 mulgated” and inserting “prescribed”;

Page 1020, line 15, strike “(A)” and insert “(B)”.

Page 1020, strike lines 17 through 20 and insert the
following:

13 (C) in paragraph (3), by striking “The
14 court shall hold unlawful” and all that follows
15 through the end of the paragraph; and

16 (D) by striking paragraphs (4) and (5)
17 and inserting the following:

1 “(4) The procedure set forth in this subsection for
2 judicial review of a rule prescribed under subsection
3 (a)(1)(B) is the exclusive means for such review, other
4 than in an enforcement proceeding.”; and

5 (7) in subsection (e)(2) (as so redesignated), by
6 striking “class or persons” and inserting “class of
7 persons”.

Page 754, after line 1, add the following new sub-
section at the end of section 4203:

8 (h) ASSISTIVE DIVISION FOR COMMUNITY FINANCIAL
9 INSTITUTIONS.—

10 (1) ESTABLISHMENT; PURPOSE.—There is es-
11 tablished in the Agency an office to be known as the
12 “Assistive Division for Community Financial Institu-
13 tions” to advise the Director on the impact of Agen-
14 cy policies and regulations on community financial
15 institutions and to help ensure that the policies and
16 regulations of the Agency do not unduly burden
17 community financial institutions.

18 (2) ADDITIONAL DUTIES.—The Assistive Divi-
19 sion for Community Financial Institutions shall
20 also—

21 (A) provide assistance to and respond to
22 inquiries from community financial institutions
23 regarding policies of the Agency and the effects

1 of such policies on community financial institu-
2 tions;

3 (B) provide educational materials, training
4 aides, and support to community financial insti-
5 tutions with respect to any new regulatory obli-
6 gations the Agency establishes during the initial
7 rule-making period;

8 (C) establish and maintain a toll-free tele-
9 phone number, to be available at least 8 hours
10 a day and 7 days a week, at which community
11 financial institution may make inquiries and re-
12 ceive assistance under subparagraph (A); and

13 (D) perform other duties and exercise such
14 other powers set by the Director.

Page 949, after line 2, add the following new section
(and update the table of contents appropriately):

15 **SEC. 4704. REPORTING OF MORTGAGE DATA BY STATE.**

16 (a) IN GENERAL.—Section 104(a) of the Helping
17 Families Save Their Homes Act of 2009 (division A of
18 Public Law 111–22) is amended—

19 (1) in paragraph (2), by striking “resulting”
20 and inserting “in each State that result”;

21 (2) in paragraph (3), by inserting “each State
22 for” after “modifications in”; and

1 (3) in paragraph (4), by inserting “in each
2 State” after “total number of loans”.

3 (b) CONFORMING AMENDMENT.—Section
4 104(b)(1)(A) of such Act is amended by adding at the end
5 the following sentence: “Not later than 60 days after the
6 date of the enactment of the Wall Street Reform and Con-
7 sumer Protection Act of 2009, the Comptroller of the Cur-
8 rency and the Director of the Office of Thrift Supervision
9 shall update such requirements to reflect amendments
10 made to this section by such Act.”.

 In subtitle H of title VII (relating to mortgage re-
form) insert “**and Data Collection**” after “**Re-
ports**”

 At the end of title VII (relating to mortgage re-
form), add the following new section (and update the
table of contents appropriately):

11 **SEC. 9702. REPORTING OF MORTGAGE DATA BY STATE.**

12 (a) IN GENERAL.—Section 104(a) of the Helping
13 Families Save Their Homes Act of 2009 (division A of
14 Public Law 111–22) is amended—

15 (1) in paragraph (2), by striking “resulting”
16 and inserting “in each State that result”;

17 (2) in paragraph (3), by inserting “each State
18 for” after “modifications in”; and

1 (3) in paragraph (4), by inserting “in each
2 State” after “total number of loans”.

3 (b) CONFORMING AMENDMENT.—Section
4 104(b)(1)(A) of such Act is amended by adding at the end
5 the following sentence: “Not later than 60 days after the
6 date of the enactment of the Wall Street Reform and Con-
7 sumer Protection Act of 2009, the Comptroller of the Cur-
8 rency and the Director of the Office of Thrift Supervision
9 shall update such requirements to reflect amendments
10 made to this section by such Act.”.

Page 119, strike lines 12 to 13 and insert the fol-
lowing new paragraph:

11 (1) the Board determines that a specified finan-
12 cial company fails to meet prudential standards es-
13 tablished by the Board; or

Page 1035, line 4, strike “Section” and insert “(a)
IN GENERAL.—Section”.

Page 1035, strike lines 7 and 8 and insert the fol-
lowing:

14 (A) by amending paragraph (1)(A) to read
15 as follows:

16 “(A) IN GENERAL.—Each credit rating
17 agency shall register as a nationally recognized
18 statistical rating organization for the purposes

1 of this title (in this section referred to as the
2 ‘applicant’), and shall file with the Commission
3 an application for registration, in such form as
4 the Commission shall require, by rule or regula-
5 tion issued in accordance with subsection (n),
6 and containing the information described in
7 subparagraph (B).”.

Page 1035, line 10, strike “and”.

Page 1035, line 12, insert “and” after the semicolon
and after such line insert the following:

8 (D) by adding at the end of paragraph (1)
9 the following:

10 “(F) EXEMPTIONS.—The registration re-
11 quirement in subparagraph (A) shall not apply
12 to—

13 “(i) a credit rating agency if the cred-
14 it rating agency—

15 “(I) does not engage in the provi-
16 sion of credit ratings to issuers of se-
17 curities for a fee; and

18 “(II) issues credit ratings only in
19 any bona fide newspaper, news maga-
20 zine, or business or financial publica-

1 tion of general and regular circula-
2 tion; or
3 “(ii) such other persons as the Com-
4 mission may designate by rules and regula-
5 tions or order when in the public interest
6 and for the protection of investors.”.

Page 1067, after line 20, insert the following:

7 (b) CONFORMING AMENDMENT.—Section 3(a)(62) of
8 the Securities Exchange Act of 1934 is amended by strik-
9 ing subparagraph (A) and redesignating subparagraphs
10 (B) and (C) as subparagraphs (A) and (B), respectively.

Page 731, after line 24, insert the following:

11 (4) FINANCIAL EDUCATION AND COUNSELING
12 PROGRAM.—
13 (A) IN GENERAL.—To the extent such vic-
14 tims cannot be located or such payments are
15 otherwise not practicable, 5 percent of the Vic-
16 tims Relief Fund shall be transferred, up to
17 \$10,000,000 on an annual basis, to the Sec-
18 retary of the Treasury so that the Secretary
19 may carry out the Financial Education and
20 Counseling Grant Program established under
21 section 1132 of the Housing and Economic Re-
22 covery Act of 2008 (12 U.S.C. 1701).

1 (B) MEMORANDUM OF UNDERSTANDING.—

2 Not later than 12 months after the date of en-
3 actment of this subtitle, the Director shall enter
4 into a memorandum of understanding with the
5 Secretary of the Treasury to coordinate the re-
6 lease of Civil Penalty Fund amounts under sub-
7 paragraph (A).

8 (C) ASSISTANCE FOR INDIVIDUALS AT FI-
9 NANCIAL RISK.—Section 1132 of the Housing
10 and Economic Recovery Act of 2008 (12 U.S.C.
11 1701) is amended—

12 (i) in subsection (a), by striking “pro-
13 spective homebuyers” each place that term
14 appears and inserting “individuals at fi-
15 nancial risk”;

16 (ii) in subsection (b)—

17 (I) in paragraph (1), by striking
18 “prospective homebuyers” and insert-
19 ing “individuals at financial risk”;
20 and

21 (II) by adding at the end the fol-
22 lowing:

23 “(3) DETERMINATION OF FINANCIAL RISK.—

24 For purposes of this section, the Director of the
25 Consumer Financial Protection Agency shall estab-

1 lish the criteria used to determine whether an indi-
2 vidual is at financial risk, and the Secretary shall
3 use such criteria when selecting organizations under
4 paragraph (2).”; and

5 (iii) in subsection (c)(1)—

6 (I) in subparagraph (A), by strik-
7 ing “or”;

8 (II) in subparagraph (B), by
9 striking the period and inserting “;
10 or”; and

11 (III) by adding at the end the
12 following:

13 “(C) a nonprofit corporation that—

14 “(i) is exempt from taxation under
15 section 501(c)(3) of the Internal Revenue
16 Code of 1986; and

17 “(ii) specializes or has expertise in
18 working with individuals at financial
19 risk.”.

Page 1278, after line 17 insert the following:

20 (7) Geographic disparities in access to and cost
21 of insurance products.

Page 35, line 25, insert “compelled to waive and
shall not be” after “be”.

Page 26, line 22, strike “DEPARTMENT OF THE TREASURY” and insert “VOTING MEMBERS OF THE COUNCIL”.

Page 26, line 23, insert “and all other voting members of the Council may, with the approval of the Council,” after “shall”.

Page 27, line 10, strike “Secretary of the Treasury” and insert “Council”.

Page 33, after line 10, insert the following new section (and conform the table of contents accordingly):

1 **SEC. 1100. FEDERAL RESERVE BOARD AUTHORITY THAT OF**
2 **AGENT ACTING ON BEHALF OF COUNCIL.**

3 For purposes of this subtitle, the Board of Governors
4 of the Federal Reserve System shall act in the capacity
5 of agent for the Council, acting on behalf of the Council.

Page 1028, after line 10, insert the following new paragraph (and redesignate the subsequent paragraph):

6 “(8) APPLICABLE PRIVILEGES NOT WAIVED.—
7 An investment advisor, and investment advisor to a
8 private fund, a private fund, foreign private fund ad-
9 visor, a foreign private fund, an advisor to a venture
10 capital fund, a venture capital fund, or other person
11 shall not be compelled to waive and shall not be

1 deemed to have waived any privilege otherwise appli-
2 cable to any data or information by transferring the
3 data or information to, or permitting that data or
4 information to be used by—

5 “(A) the Financial Services Oversight
6 Council; (B)

7 “(B) the Commission;

8 “(C) any Federal financial regulator or
9 State financial regulator, in any capacity; or

10 “(D) any other agency of the Federal Gov-
11 ernment (as defined in section 6 of title 18,
12 United States Code).”.

Page 701, after line 9, insert the following:

13 (D) CONSUMER COMPLAINT WEBSITE.—
14 The Director shall establish an Internet website
15 for consumer complaints and inquiries con-
16 cerning institutions regulated by the Agency.
17 The website shall be interoperable with the
18 database established under subparagraph (A).

Page 825, after line 12, insert the following:

19 **SEC. 4313. OVERDRAFT PROTECTION NOTICE REQUIRE-**
20 **MENTS.**

21 Not later than 180 days after the date of the enact-
22 ment of this Act, the Director shall promulgate a new rule

1 that requires banks to prominently place in each consumer
2 branch office information regarding the fees and charges
3 associated with enrollment in the bank's overdraft protec-
4 tion program.

Page 1230, line 15, strike "\$500,000" and insert
"1,000,000".

Page 1230, line 18, strike "\$100,000" and insert
"250,000".

Page 1236, line 13, strike "\$8,000,000" and insert
"16,000,000".

Page 93, line 8, insert "pursuant to subsection
(e)(5)" after "action".

Page 93, beginning line 12, insert the following new
subsection:

5 (i) RULE OF CONSTRUCTION.—Nothing in subsection
6 (h) shall be construed as limiting the authority of a Fed-
7 eral financial regulatory agency to take action with respect
8 to a financial company subject to the jurisdiction of such
9 agency pursuant to applicable law other than this section.

Page 22, after line 12, insert the following new sub-
paragraph:

1 (C) A State securities commissioner (or an
2 officer performing like functions), to be des-
3 igned by a selection process determined by
4 such State securities commissioners, provided
5 that the term for which a State securities com-
6 missioner may serve shall last no more than the
7 2-year period beginning on the date that the
8 commissioner is selected.

Page 253, after line 21, insert the following new
paragraph:

9 (3) Section 4(j) of the Bank Holding Company
10 Act of 1956 is amended by inserting after paragraph
11 (4) the following new paragraph (and redesignating
12 succeeding paragraphs accordingly):

13 “(5) FINANCIAL STABILITY.—

14 “(A) IN GENERAL.—In every case, the
15 Board shall take into consideration the extent
16 to which the proposed acquisition, merger, or
17 consolidation may pose risk to the stability of
18 the United States financial system or the econ-
19 omy of the United States, including the result-
20 ing scope, nature, size, scale, concentration, or
21 interconnectedness of activities that are finan-
22 cial in nature.

1 “(B) STANDARDS FOR APPROVAL.—The
2 Board may, in the sole discretion of the Board,
3 disapprove any acquisition, merger, or consoli-
4 dation of, or by, a financial holding company
5 subject to stricter standards if the Board deter-
6 mines that the resulting concentration of liabil-
7 ities on a consolidated basis is likely to pose a
8 great threat to financial stability during times
9 of severe economic distress.”.

Page 255, after line 2, insert the following new section:

10 **SEC. 1316. MUTUAL NATIONAL BANKS AND FEDERAL MU-**
11 **TUAL BANK HOLDING COMPANIES AUTHORIZED.**
12 **IZED.**

13 (a) IN GENERAL.—Chapter one of title LXII of the
14 Revised Statutes of the United States (12 U.S.C. 21 et
15 seq.) is amended by inserting after section 5133 the fol-
16 lowing new sections:

17 **“SEC. 5133A. MUTUAL NATIONAL BANKS.**

18 “(a) IN GENERAL.—Notwithstanding the section des-
19 igned the ‘Third’ of section 5134, in order to provide
20 mutual institutions for the deposit of funds, the extension
21 of credit, and provision of other services, the Comptroller
22 of the Currency may charter mutual national banks either
23 de novo or through a conversion of any insured depository

1 institution or any State mutual bank or credit union, sub-
2 ject to regulations prescribed by the Comptroller of the
3 Currency in accordance with this section. The powers con-
4 ferred by this section are intended to provide for the cre-
5 ation and maintenance of mutual national banks as bodies
6 corporate existing in perpetuity for the benefit of their de-
7 positors and the communities in which they operate.

8 “(b) REGULATIONS.—

9 “(1) REGULATIONS OF THE COMPTROLLER.—

10 The Comptroller of the Currency is authorized to
11 prescribe appropriate regulations for the organiza-
12 tion, incorporation, examination, operation, and reg-
13 ulation of mutual national banks. Except to the ex-
14 tent that such existing regulations conflict with sec-
15 tions 5133A and 5133B, mutual national banks
16 shall be subject to the regulations of the Director of
17 the Office of Thrift Supervision governing corporate
18 organization, governance, and conversion of mutual
19 institutions, as in effect on the date of the enact-
20 ment of the Wall Street Reform and Consumer Pro-
21 tection Act of 2009, including parts 543, 544, 546,
22 563b, and 563c of chapter V of title 12, Code of
23 Federal Regulations (as in effect on that date), for
24 up to 3 years beginning on the date of the enact-

1 ment of the Wall Street Reform and Consumer Pro-
2 tection Act of 2009.

3 “(2) APPLICABILITY OF CAPITAL STOCK RE-
4 QUIREMENTS.—The Comptroller of the Currency
5 shall prescribe regulations regarding the manner in
6 which requirements of this title with respect to cap-
7 ital stock, and limitations imposed on national banks
8 under this title based on capital stock, shall apply to
9 mutual national banks.

10 “(c) CONVERSIONS.—

11 “(1) CONVERSION OF A MUTUAL DEPOSITORY
12 TO A MUTUAL NATIONAL BANK.—Subject to such
13 regulations as the Comptroller of the Currency may
14 prescribe for the protection of depositors’ rights and
15 for any other purpose the Comptroller of the Cur-
16 rency may consider appropriate, any mutual deposi-
17 tory may convert to a mutual national bank by filing
18 with the Comptroller of the Currency a notice of its
19 election to convert on a specified date that is not
20 earlier than 30 days after the date on which the no-
21 tice is filed, and the mutual depository shall be con-
22 verted to a mutual national bank charter on the date
23 specified in the notice.

24 “(2) CONVERSION TO STOCK NATIONAL
25 BANK.—Subject to such regulations as the Comp-

1 troller of the Currency may prescribe for the protec-
2 tion of depositors' rights and for any other purpose
3 the Comptroller of the Currency may consider ap-
4 propriate, any national bank that is organized in the
5 mutual form under subsection (a) may reorganize as
6 a stock national bank.

7 “(3) CONVERSION TO STATE BANKS.—Any na-
8 tional mutual bank may convert to a State bank
9 charter in accordance with regulations prescribed by
10 the Comptroller of the Currency and applicable
11 State law.

12 “(d) TERMINATING MUTUALITY.—If a mutual na-
13 tional bank elects to terminate mutuality, it must do so
14 by—

15 “(1) liquidating; or

16 “(2) converting to a national banking associa-
17 tion operating in stock form.

18 “(e) STATUS AND RIGHTS OF MEMBERS.—

19 “(1) In general, the status of a member is pri-
20 marily that of a depositor and secondarily that of a
21 holder of a contingent right to participate in the eq-
22 uity of a mutual national bank upon a liquidation or
23 conversion.

24 “(2) Each member of a mutual national bank
25 shall have the following rights:

1 “(A) Such rights as may be agreed upon,
2 by contract, between the member and the mu-
3 tual national bank.

4 “(B) The right to vote for members of the
5 board of directors of the mutual national bank.

6 “(C) The right to attend any meeting of
7 members properly called by the board of direc-
8 tors of a mutual national bank.

9 “(D) In the event the board of directors,
10 in its sole discretion, determines a conversion of
11 a mutual national bank to a national banking
12 association operating in stock form is in the
13 best interests of the community in which the
14 bank operates and the members approve the
15 conversion through a special proxy, then the
16 members as of a record date set by the board
17 of directors shall have the first right to sub-
18 scribe for and purchase stock in the converted
19 bank.

20 “(E) In the event the board of directors, in
21 its sole discretion, determines a liquidation of
22 the mutual national bank is in the best inter-
23 ests of the community in which the bank oper-
24 ates and the members approve the liquidation,
25 or if for any other reason the bank is liquidated

1 by operation of law, then the members as of the
2 date of liquidation shall have the right to have
3 credited to their accounts, on a pro rata basis,
4 any residual assets left after the liquidation of
5 the mutual national bank.

6 “(3) In the consideration of all questions re-
7 quiring action by the members of a national mutual
8 bank, the bank may provide in its charter that each
9 member shall be permitted (i) one vote per member,
10 or (ii) to cast one vote for each \$100, or fraction
11 thereof, of the withdrawal value of the member’s ac-
12 count, but not more than 1,000 votes per member.

13 “(f) PROXIES.—

14 “(1) A member may give, in writing or elec-
15 tronically, a perpetual proxy to a committee of the
16 board of directors of a mutual depository, provided
17 that the member may revoke such a proxy in writing
18 or electronically, with such revocation to take effect
19 after six business days.

20 “(2) Such proxies may be used to vote on any
21 issue requiring approval of the members, including
22 the conversion of a mutual depository into a mutual
23 national bank and the reorganization of a mutual
24 national bank into a Federal mutual bank holding
25 company, except that, without a prior finding by the

1 regulator of the mutual national bank that such ac-
2 tion is needed to avoid loss to the Federal Deposit
3 Insurance Corporation's deposit insurance fund or to
4 protect the stability of the United States financial
5 system, such proxies may not be used to vote in
6 favor of—

7 “(A) terminating mutuality for a mutual
8 national bank or a Federal mutual bank holding
9 company;

10 “(B) permitting the modification of a Fed-
11 eral mutual bank holding company; or

12 “(C) issuing mutual capital certificates
13 (except when used to found a mutual national
14 bank or a Federal mutual bank holding com-
15 pany de novo).

16 “(3) Proxies given by a member, in writing or
17 electronically, to management of, or to a committee
18 of the board of directors of, a mutual depository
19 shall not be deemed to have been revoked solely be-
20 cause of, and shall continue to exist following, a con-
21 version to a mutual national bank and any concu-
22 rent or subsequent reorganization to a Federal mu-
23 tual bank holding company.

24 “(g) DEFINITIONS.—For purposes of this section, the
25 following definitions shall apply:

1 “(1) INSURED DEPOSITORY INSTITUTION.—The
2 term ‘insured depository institution’ has the same
3 meaning as in section 3 of the Federal Deposit In-
4 surance Act.

5 “(2) MUTUAL NATIONAL BANK.—The term
6 ‘mutual national bank’ means a national banking as-
7 sociation that operates in mutual form and is char-
8 tered by the Comptroller of the Currency under this
9 section.

10 “(3) MUTUAL DEPOSITORY.—The term ‘mutual
11 depository’ means a depository institution that is or-
12 ganized in non-stock form, including a Federal non-
13 stock depository and any form of non-stock depository
14 provided for under State law, the deposits of
15 which are insured by an instrumentality of the Fed-
16 eral Government.

17 “(4) MUTUALITY.—The term ‘mutuality’ means
18 the quality of being an insured depository institution
19 organized under a Federal or State law providing for
20 the organization of non-stock depository institutions,
21 or a holding company organized under a Federal or
22 State law providing for the organization of non-stock
23 entities that control one or more depository institu-
24 tions.

1 “(5) MEMBER.—The term ‘member’ means
2 each tax-liable depositor in a mutual depository’s
3 savings, demand, or other authorized depository ac-
4 counts and each tax-liable depositor in such an ac-
5 count in a depository subsidiary of a Federal mutual
6 bank holding company.

7 “(6) TAX LIABLE DEPOSITOR.—The term ‘tax
8 liable depositor’ means the single person responsible
9 for paying any Federal taxes due on any interest
10 paid on any deposits held within any savings, de-
11 mand, or other authorized depository account or ac-
12 counts with any mutual depository.

13 “(7) MEMBERSHIP RIGHTS.—The term ‘mem-
14 bership rights’ means the rights of each member
15 under this section.

16 “(h) CONFORMING REFERENCES.—Unless otherwise
17 provided by the Comptroller of the Currency—

18 “(1) any reference in any Federal law to a na-
19 tional bank operating in stock form, including a ref-
20 erence to the term ‘national banking association’,
21 ‘member bank’, ‘national bank’, ‘national associa-
22 tion’, ‘bank’, ‘insured bank’, ‘insured depository in-
23 stitution’, or ‘depository institution’, shall be deemed
24 to refer also to a mutual national bank;

1 “(2) any reference in any Federal law to the
2 term ‘board of directors’, ‘director’, or ‘directors’ of
3 a national bank operating in stock form shall be
4 deemed to refer also to the board of a mutual na-
5 tional bank; and

6 “(3) any terms in Federal law that may apply
7 only to a national bank operating in stock form, in-
8 cluding the terms ‘stock’, ‘shares’, ‘shares of stock’,
9 ‘capital stock’, ‘common stock’, ‘stock certificate’,
10 ‘stock certificates’, ‘certificates representing shares
11 of stock’, ‘stock dividend’, ‘transferable stock’, ‘each
12 class of stock’, ‘cumulate such shares’, ‘par value’,
13 ‘preferred stock’ shall not apply to a mutual national
14 bank, unless the Comptroller of the Currency deter-
15 mines that the context requires otherwise.

16 **“SEC. 5133B. FEDERAL MUTUAL BANK HOLDING COMPA-**
17 **NIES.**

18 “(a) REORGANIZATION OF MUTUAL NATIONAL BANK
19 AS A HOLDING COMPANY.—

20 “(1) IN GENERAL.—Subject to approval under
21 the Bank Holding Company Act of 1956, a mutual
22 national bank may reorganize so as to become a
23 Federal mutual bank holding company by submitting
24 a reorganization plan to the appropriate bank hold-
25 ing company regulator.

1 “(2) PLAN APPROVAL.—Upon the approval of
2 the reorganization plan by the appropriate bank
3 holding company regulator and the issuance of the
4 appropriate charters—

5 “(A) the substantial part of the mutual na-
6 tional bank’s assets and liabilities, including all
7 of the bank’s insured liabilities, shall be trans-
8 ferred to a national banking association, a ma-
9 jority of the shares of voting stock of which is
10 owned, directly or indirectly, by the mutual na-
11 tional bank that is to become a Federal mutual
12 bank holding company; and

13 “(B) the mutual national bank shall be-
14 come a Federal mutual bank holding company.

15 “(b) DIRECTORS AND CERTAIN ACCOUNT HOLDERS’
16 APPROVAL OF PLAN REQUIRED.—This subsection does
17 not authorize a reorganization unless—

18 “(1) a majority of the mutual national bank’s
19 board of directors has approved the plan providing
20 for such reorganization; and

21 “(2) a majority of members has approved the
22 plan at a meeting held at the call of the directors
23 under the procedures prescribed by the bank’s char-
24 ter and bylaws.

1 “(c) OWNERSHIP OF DEPOSITORY SUBSIDIARIES.—

2 To avoid terminating mutuality, a Federal mutual bank
3 holding company must own, directly or indirectly, a major-
4 ity of the shares of voting stock of each of its depository
5 subsidiaries.

6 “(d) NO TERMINATION OF MUTUALITY.—Neither a
7 reorganization of a mutual depository nor a modification
8 of a Federal mutual bank holding company shall cause a
9 termination of mutuality.

10 “(e) RETENTION OF CAPITAL.—In connection with a
11 transaction described in subsection (a), a mutual national
12 bank may, subject to the approval of the appropriate bank
13 holding company regulator, retain capital at the holding
14 company level to the extent that the capital retained at
15 the holding company level exceeds the amount of capital
16 required for the national banking association chartered as
17 a part of a transaction described in subsection (a) to meet
18 all relevant capital standards established by the Comp-
19 troller of the Currency for national banking associations.

20 “(f) TERMINATING MUTUALITY.—If a Federal mu-
21 tual bank holding company elects to terminate mutuality,
22 it must do so by either liquidating or converting to a bank
23 holding company operating in stock form.

24 “(g) MEMBERSHIP RIGHTS.—Holders of savings, de-
25 mand, or other authorized depository accounts in a deposi-

1 tory subsidiary of a Federal mutual bank holding company
2 shall have the same membership rights with respect to the
3 Federal mutual bank holding company as those holders
4 would have had if the depository subsidiary of the Federal
5 mutual bank holding company had been a mutual national
6 bank.

7 “(h) REGULATION.—A Federal mutual bank holding
8 company shall be—

9 “(1) chartered by the appropriate bank holding
10 company regulator and shall be subject to such regu-
11 lations as the appropriate bank holding company
12 regulator shall prescribe; and

13 “(2) regulated under the Bank Holding Com-
14 pany Act of 1956 on the same terms and subject to
15 the same limitations as any other company that con-
16 trols a bank.

17 “(i) CAPITAL IMPROVEMENT.—

18 “(1) PLEDGE OF STOCK OF NATIONAL BANK
19 SUBSIDIARY.—This section shall not prohibit a Fed-
20 eral mutual bank holding company from pledging all
21 or a portion of the stock of the national banking as-
22 sociation chartered as part of a transaction de-
23 scribed in subsection (a) to raise capital for such na-
24 tional banking association.

1 “(2) ISSUANCE OF NONVOTING SHARES.—This
2 section shall not prohibit a national banking associa-
3 tion chartered as part of a transaction described in
4 subsection (a) from issuing any nonvoting shares or
5 less than 50 percent of the voting shares of such
6 bank to any person other than the Federal mutual
7 bank holding company.

8 “(j) INSOLVENCY AND LIQUIDATION.—

9 “(1) IN GENERAL.—Notwithstanding any other
10 provision of law, the appropriate bank holding com-
11 pany regulator may file a petition under chapter 7
12 of title 11, United States Code, with respect to a
13 Federal mutual bank holding company upon—

14 “(A) the default of any national bank—

15 “(i) the stock of which is owned by
16 the Federal mutual bank holding company;
17 and

18 “(ii) that was chartered in a trans-
19 action described in subsection (a); or

20 “(B) a foreclosure on a pledge by the Fed-
21 eral mutual bank holding company described in
22 subsection (i)(1).

23 “(2) DISTRIBUTION OF NET PROCEEDS.—Ex-
24 cept as provided in paragraph (3), the net proceeds
25 of any liquidation of any Federal mutual bank hold-

1 ing company under paragraph (1) shall be trans-
2 ferred to persons who hold membership interests in
3 such Federal mutual bank holding company.

4 “(3) RECOVERY BY FDIC.—If the Federal De-
5 posit Insurance Corporation incurs a loss as a result
6 of the default of any insured bank subsidiary of a
7 Federal mutual bank holding company that is liq-
8 uidated under paragraph (1), the Federal Deposit
9 Insurance Corporation shall succeed to the interests
10 of the depositors of the bank as members in the
11 Federal mutual bank holding company, to the extent
12 of the Federal Deposit Insurance Corporation’s loss.

13 “(k) DEFINITIONS.—

14 “(1) FEDERAL MUTUAL BANK HOLDING COM-
15 PANY.—The term ‘Federal mutual bank holding
16 company’ means a holding company that is orga-
17 nized in mutual form and owns, directly or indi-
18 rectly, a majority of the shares of voting stock of
19 one or more depository subsidiaries of a Federal mu-
20 tual bank holding company.

21 “(2) DEPOSITORY SUBSIDIARY OF A FEDERAL
22 MUTUAL BANK HOLDING COMPANY.—The term ‘de-
23 pository subsidiary of a Federal mutual bank hold-
24 ing company’ means a depository institution orga-
25 nized in stock form that is insured by the Federal

1 Deposit Insurance Corporation, the majority of the
2 shares of voting stock of which are owned by the
3 Federal mutual bank holding company or its wholly
4 owned subsidiaries and none of the shares of stock
5 of which are pledged or otherwise subjected to lien
6 except as permitted in subsection (i).

7 “(3) REORGANIZATION OF A MUTUAL DEPOSI-
8 TORY.—The term ‘reorganization of a mutual depos-
9 itory’ means the conversion of a mutual depository
10 into a depository subsidiary of a Federal mutual
11 bank holding company.

12 “(4) MODIFICATION OF A FEDERAL MUTUAL
13 BANK HOLDING COMPANY.—The term ‘modification
14 of a Federal mutual bank holding company’ means
15 either (A) the sale of shares of common or preferred
16 stock in a depository subsidiary of a Federal mutual
17 bank holding company to any party other than the
18 subsidiary’s parent Federal mutual bank holding
19 company or a wholly owned subsidiary of that par-
20 ent, or (B) the voluntary grant of a lien on shares
21 of common or preferred stock in a depository sub-
22 sidiary of a Federal mutual bank holding company.

23 “(5) DEFAULT.—With respect to a national
24 bank, the term ‘default’ means an adjudication or
25 other official determination by any court of com-

1 petent jurisdiction, the Comptroller of the Currency,
2 or other public authority pursuant to which a con-
3 servator, receiver, or other legal custodian is ap-
4 pointed for the national bank.

5 “(1) CONFORMING REFERENCES.—Unless otherwise
6 provided by the appropriate bank holding company regu-
7 lator—

8 “(1) any reference in any Federal law to a bank
9 holding company operating in stock form shall be
10 deemed to refer also to a Federal mutual bank hold-
11 ing company;

12 “(2) any reference in any Federal law to the
13 term ‘board of directors’, ‘director’, or ‘directors’ of
14 a national bank operating in stock form shall be
15 deemed to refer also to the board of a Federal mu-
16 tual bank holding company; and

17 “(3) any terms in Federal law that may apply
18 only to a national bank operating in stock form, in-
19 cluding the terms ‘stock’, ‘shares’, ‘shares of stock’,
20 ‘capital stock’, ‘common stock’, ‘stock certificate’,
21 ‘stock certificates’, ‘certificates representing shares
22 of stock’, ‘stock dividend’, ‘transferable stock’, ‘each
23 class of stock’, ‘cumulate such shares’, ‘par value’,
24 ‘preferred stock’ shall not apply to a Federal mutual
25 bank holding company, unless the appropriate bank

1 holding company regulator determines that the con-
2 text requires otherwise.”.

3 (b) LIMITATION ON FEDERAL REGULATION OF
4 STATE BANKS.—Except as otherwise provided in Federal
5 law, the Comptroller of the Currency, the Board of Gov-
6 ernors of the Federal Reserve System, and the Federal
7 Deposit Insurance Corporation may not adopt or enforce
8 any regulation that contravenes the corporate governance
9 rules prescribed by State law or regulation for State banks
10 unless the Director, Board, or Corporation finds that the
11 Federal regulation is necessary to assure the safety and
12 soundness of the State banks.

13 (c) TECHNICAL AMENDMENT.—The table of sections
14 for chapter one of title LXII of the Revised Statutes of
15 the United States (12 U.S.C. 21 et seq) is amended by
16 inserting after the item relating to section 5133 the fol-
17 lowing new items:

“5133A. Mutual national banks

“5133B. Federal mutual bank holding companies”

18 (d) APPROPRIATE FEDERAL BANKING AGENCY FOR
19 FEDERAL MUTUAL BANK HOLDING COMPANIES.—Sec-
20 tion 3(q)(1) of the Federal Deposit Insurance Act (12
21 U.S.C. 1813(q)(2)) is amended by inserting after subpara-
22 graph (F) the following new subparagraph:

23 “(G) supervisory or regulatory proceedings
24 arising from the authority given to the appro-

1 priate bank holding company regulator under
2 section 5133B of the Revised Statutes of the
3 United States.”.

4 (e) MUTUAL HOLDING COMPANY CONVERSION.—

5 (1) IN GENERAL.—Any mutual holding com-
6 pany, including any form of mutual depository hold-
7 ing company provided for under State law, may con-
8 vert to a Federal mutual bank holding company by
9 filing with the appropriate bank holding company
10 regulator a notice of its election to convert on a
11 specified date that is not earlier than 30 days after
12 the date on which the notice is filed, and the mutual
13 holding company shall be converted to a Federal mu-
14 tual holding company charter on the date specified
15 in the notice.

16 (2) DEFINITIONS.—For purposes of this sub-
17 section, the following definitions shall apply:

18 (A) FEDERAL MUTUAL BANK HOLDING
19 COMPANY.—The term “Federal mutual bank
20 holding company” has the same meaning as in
21 section 5133B of the Revised Statutes of the
22 United States (as added by this section); and

23 (B) MUTUAL HOLDING COMPANY.—The
24 term “mutual holding company” has the same
25 meaning as in section 10(o)(10)(A) of the

1 Home Owners Loan Act as in effect on the day
2 before the date of enactment of this Act.

3 (f) EFFECTIVE DATE.—This section shall take effect
4 on the date of enactment of this Act.

Page 255, after line 2, insert the following new section (and conform the table of contents accordingly):

5 **SEC. 1316. NATIONWIDE DEPOSIT CAP FOR INTERSTATE AC-**
6 **QUISITIONS.**

7 (a) AMENDMENTS TO THE BANK HOLDING COMPANY
8 ACT OF 1956.—

9 (1) CONCENTRATION LIMIT FOR BANK HOLDING
10 COMPANIES.—Section 3(d)(2)(A) of the Bank Hold-
11 ing Company Act (12 U.S.C. 1842(d)(2)(A)) is
12 amended by striking “paragraph (1)(A)” and in-
13 serting “subsection (a) of this section”.

14 (2) REMOVAL OF NONBANK SAVINGS ASSOCIA-
15 TION PROVISION IN LIGHT OF BEING DEFINED AS A
16 BANK.—Section 4 of the Bank Holding Company
17 Act is amended by striking subsection (i) and insert
18 the following new subsection:

19 “(i) [Repealed.]”.

20 (b) AMENDMENTS TO THE FEDERAL DEPOSIT IN-
21 SURANCE ACT.—

1 (1) IN GENERAL.—Section 18(e) of the Federal
2 Deposit Insurance Act (12 U.S.C. I 828(c)) is
3 amended—

4 (A) by redesignating paragraph (12) as
5 paragraph (13); and

6 (B) by inserting after paragraph (11), the
7 following new paragraph:

8 “(12) NATIONWIDE DEPOSIT CAP.—The respon-
9 sible agency may not approve an application for an
10 interstate merger transaction if the resulting insured
11 depository institution (including all insured deposi-
12 tory institutions which are affiliates of the resulting
13 insured depository institution), upon consummation
14 of the transaction, would control more than 10 per-
15 cent of, the total amount of deposits of insured de-
16 pository institutions in the United States.”.

17 (2) PARALLEL REQUIREMENT.—Section
18 44(b)(2) of the Federal Deposit Insurance Act (12
19 U.S.C. 1831u(b)(2)(A) is amended to read as fol-
20 lows:

21 “(A) NATIONWIDE CONCENTRATION LIM-
22 ITS.—The responsible agency may not approve
23 an application for an interstate merger trans-
24 action involving two or more insured depository
25 institutions if the resulting insured depository

1 institution (including all insured depository in-
2 stitutions which are affiliates of such institu-
3 tion), upon consummation of the transaction
4 would control more than 10 percent of the total
5 amount of deposits of insured depository insti-
6 tutions in the United States.”.

7 (c) AMENDMENTS TO THE HOME OWNERS’ LOAN
8 ACT.—Section 10(e)(2) of the Home Owners’ Loan Act
9 (12 U.S.C. 467a(e)(2)) is amended—

10 (1) by striking “or” at the end of subparagraph
11 (C); and

12 (2) by striking the period at the end of sub-
13 paragraph (D), the following new subparagraph:

14 “(E) in the case of an application involving
15 an interstate acquisition, if the applicant (in-
16 cluding all insured depository institutions which
17 are affiliates of the applicant) controls, or upon
18 consummation of the acquisition for which such
19 application is filed would control, more than 10
20 percent of the total amount of deposits of in-
21 sured depository institutions in the United
22 States.”.

Page 763, beginning online 11, strike “authority to
exercise” and all that follows through “this title” and in-
sert “rulemaking, supervisory, enforcement or other au-

thority, including the authority to order assessments, under this title”.

Page 436, after line 11, insert the following new section:

1 **SEC. 1615. TREASURY STUDY.**

2 (a) **STUDY REQUIRED.**—The Secretary shall carry
3 out a study analyzing how the resolution authority pro-
4 vided under this subtitle should be funded. Such study
5 shall consider the following factors:

6 (1) The consequences of any assessments on the
7 overall recovery of the economy of the United States.

8 (2) Any immediate or continuing consequences
9 of assessments on other aspects of the economy of
10 the United States, including job creation, public and
11 private investments, small business loans, and gen-
12 eral credit availability.

13 (3) The consequences of any assessments on in-
14 dividual sectors of the financial services industry.

15 (4) The consequences of any assessments on the
16 financial integrity on individual firms within each
17 sector of the financial services industry.

18 (5) The appropriateness and effect of assess-
19 ments on firms that are subject to separate assess-
20 ments under existing State or Federal depositor, pol-
21 icyholder, or investor protection mechanisms and the

1 consequences of any such assessments on these
2 mechanisms themselves.

3 (6) The implications of assessments on all rel-
4 evant stakeholders, including taxpayers, depositors,
5 insurance policyholders, investors, counterparties,
6 and creditors.

7 (7) Evaluation of the appropriate assessment
8 base, including but not limited to factors such as as-
9 sets and liabilities, assets under management, policy-
10 holder reserves, other reserves, statutory and regu-
11 latory capital requirements, trustee assets, and de-
12 posits and inflationary factors.

13 (b) REPORT.—Not later than the end of the 6-month
14 period beginning on the date of the enactment of this sub-
15 title, the Secretary shall issue a report to the Congress
16 containing all determinations and conclusions made by the
17 Secretary in carrying out the study required under sub-
18 section (a).

Page 894, after line 4, add at the end of section
4601(a)(1) the following new subparagraph:

19 (C) RETENTION OF CONSUMER ADVISORY
20 COUNCIL.—

21 (i) RETENTION AND CONTINU-
22 ATION.—Notwithstanding the transfer of
23 functions under subparagraph (A), the

1 Consumer Advisory Council established by
2 the Board of Governors pursuant to sec-
3 tion 703(b) of Public Law 90–321 (15
4 U.S.C. 1691b(b)) shall continue as an enti-
5 ty within the Federal Reserve System.

6 (ii) ADDITIONAL FUNCTIONS.—In ad-
7 dition to the functions performed by the
8 Consumer Advisory Council as of the des-
9 ignated transfer date, the Consumer Advi-
10 sory Council shall—

11 (I) submit to the Director (and
12 make available to the public) an an-
13 nual set of recommendations for con-
14 sumer protection regulations and meet
15 with the Director to discuss the an-
16 nual recommendations;

17 (II) meet with the Board of Gov-
18 ernors of the Federal Reserve System
19 at least once a year and provide oral
20 or written representations concerning
21 matters within the jurisdiction of the
22 Board; and

23 (III) call for information and
24 make recommendations in regard to
25 consumer protection regulations.

1 (iii) RESPONSE TO RECOMMENDA-
2 TIONS.—When the Chair of the Federal
3 Reserve testifies before Congress, the
4 Chair shall also testify about the rec-
5 ommendations of the Consumer Advisory
6 Council under clause (ii)(II) and its rec-
7 ommendations for consumer protection
8 regulations.

Page 216, line 21, strike “or”.

Page 216, after line 21, insert the following new
subparagraphs:

9 “(II) a change of control of an
10 industrial bank, its section 6 holding
11 company, or any entity that directly
12 or indirectly controls the industrial
13 bank, in a transaction other than a
14 merger described in subclause (I), by
15 an acquiring company that is pre-
16 dominately engaged in activities not
17 permissible for a financial holding
18 company pursuant to subsection (k),
19 if—
20 “(aa) the transaction is ap-
21 proved by the appropriate Fed-

1 eral banking agency and the
2 Board; and
3 “(bb) the industrial bank
4 does not thereafter establish a
5 domestic branch as defined in
6 section 3(o) of the Federal De-
7 posit Insurance Act (12 U.S.C.
8 1813(o)),
9 “(III) an inadvertent acquisition
10 of control, as determined by the
11 Board, if such inadvertent acquisition
12 of control is reversed or rectified with-
13 in 180 days of its discovery, or”.

Page 216, line 22, strike “(II)” and insert “(IV)”.

Page 669, line 15, insert “(b),” after “Subsections”.

Page 669, line 20, insert “except for section 505 as
it applies to section 501(b)” before the period.

Page 670, after line 9, insert the following:

- 14 (N) Section 626 of the Omnibus Appro-
15 priations Act, 2009 (Public Law 111-8).
16 (O) The Unlawful Internet Gambling En-
17 forcement Act of 2006.

Page 701, line 1, insert “the Federal Trade Commission,” after “banking agencies,”.

Page 714, line 13, strike “received and collected” and insert “identified”.

Page 743, line 3, insert “a provision of” after “reports under”.

Page 743, line 4, insert “a provision of” after “title,”.

Page 743, line 5, insert “any provision of” after “law,”.

Page 743, line 8, insert “under that provision of law” after “exclusive authority”.

Page 897, beginning on line 21, strike “BACKSTOP”.

Page 898, line 2, strike “4202(e)(3)” and insert “paragraph (2) or (3) of section 4202(e)”.

Page 898, line 8, insert “transferred under subsection (a)” after “functions”.

Page 954, line 2, insert “and shall not apply to the term ‘Board’ when used in reference to the Federal Deposit Insurance Corporation or the National Credit Union Administration” before the period.

Page 957, line 3, insert “(other than the Consumer Financial Protection Agency)” after “agency”.

Page 957, line 20, insert “(and except for any insertion of ‘Federal Trade Commission’ made by this subtitle)” after “subparagraph (B)”.

Page 958, line 2, strike “and 129(m) (as amended by paragraph (7))” and insert “129(m) (as amended by paragraph (7)), 140A, or 149 (as amended by paragraph (8)).”.

Page 959, after line 13, insert the following:

1 (8) SECTION 149.—Section 149(b) of the Truth
2 in Lending Act (15 U.S.C. 1665d(b)) is amended by
3 inserting “the Federal Trade Commission,” after “in
4 consultation with”.

Page 960, beginning on line 1, strike “paragraph (7)(A)” and insert “ paragraphs (7)(B), (8)(A), (8)(C), and (8)(D) of this subsection (and except for any insertion of ‘Federal Trade Commission’ made by this subtitle)”.

Page 961, after line 21, insert the following:

5 (5) SECTION 609.—Section 609(d)(1) of the
6 Fair Credit Reporting Act (15 U.S.C. 1681g(d)(1))

1 is amended by inserting “the Federal Trade Com-
2 mission,” after “in consultation with”.

Page 961, line 22, strike “(5)” and insert “(6)”.

Page 961, line 22, strike “611(e)(2)” and insert
“611(e)”.

Page 961, line 23, strike “15 U.S.C.1681i(e)(2)”
and insert “15 U.S.C. 1681i(e)”.

Page 961, line 24, strike “amended to read as fol-
lows:” and insert “amended—”, and after such line in-
sert the following:

3 (A) by amending paragraph (2) to read as
4 follows:

Page 962, line 5, strike the period following the
quotation marks and insert “; and” and after such line
insert the following:

5 (B) in the heading of paragraph (3) by in-
6 serting “CONSUMER REPORTING” before
7 “AGENCY”.

Page 962, strike lines 6 through 8 and insert the
following:

1 (7) SECTION 615.—Section 615 of the Fair
2 Credit Reporting Act (15 U.S.C. 1681m) is amend-
3 ed—

4 (A) in subsection (d)(2)(B), by inserting
5 “the Federal Trade Commission,” after “in
6 consultation with”;

7 (B) in subsection (e)(1), by striking “and
8 the Commission” and inserting “the Federal
9 Trade Commission, the Securities and Ex-
10 change Commission, and the Commodities Fu-
11 tures Trading Commission”; and

12 (C) by striking subparagraph (A) of sub-
13 section (h)(6) and inserting the following:

Page 962, line 11, strike “(7)” and insert “(8)”.

Page 963, line 2, insert “(other than the Consumer
Financial Protection Agency)” after “agency”.

Page 968, after line 7 insert the following:

14 (C) in paragraph (2) of subsection (c)—

15 (i) by inserting “the Agency and” be-
16 fore “the Federal Trade Commission” in
17 the first sentence;

18 (ii) by inserting “Agency and the Fed-
19 eral Trade” after “provide the”; and

- 1 (iii) by inserting “Agency,” before
2 “Federal Trade Commission” in the sec-
3 ond sentence;
4 (D) in paragraph (4) of subsection (c)—
5 (i) by inserting “Agency”, before “the
6 Federal Trade Commission”; and
7 (ii) inserting “Agency, the Federal
8 Trade” after “complaint of the”;
9 (E) in paragraph (2) of subsection (f), by
10 inserting “the Federal Trade Commission”
11 after “in consultation with”;

Page 968, line 8, strike “(C)” and insert “(F)”.

Page 968, beginning on line 12, strike “with respect to a covered person described in subsection (b)” and insert “, except that, with respect to sections 615(e) and 628 of this title, the agencies identified in subsections (a) and (b) of this section shall prescribe such regulations as necessary to carry out the purposes of such sections with respect to entities within their enforcement authority under such subsections”.

Page 968, line 14, strike “(D)” and insert “(G)”.

Page 973, strike lines 8 and 9 and insert the following:

- 12 (iii) in paragraph (1)(B)—

- 1 (I) by inserting “of Governors of
2 the Federal Reserve System” after
3 “Board”; and
4 (II) by striking “and” after the
5 semicolon;

Page 974, line 2, insert “(other than the Consumer Financial Protection Agency)” after “agency”.

Page 978, line 4, insert “(other than the Consumer Financial Protection Agency)” after “agency”.

Page 982, line 21, strike “and” and after such line insert the following:

- 6 (iii) in paragraph (l)(B), by inserting
7 “of Governors of the Federal Reserve Sys-
8 tem” after “Board”;

Page 982, line 22, strike “(iii)” and insert “(iv)”.

Page 983, line 7, insert “(other than the Consumer Financial Protection Agency)” after “agency”.

Page 988, after line 7, insert the following (and redesignate succeeding subsections accordingly):

- 9 (a) SECTION 501.—Section 501(b) of the Gramm-
10 Leach-Bliley Act (15 U.S.C. 6801(b)) is amended by in-

1 serting “(other than the Consumer Financial Protection
2 Agency)” after “title”.

3 (b) SECTION 502.—Section 502(e)(5) of the Gramm-
4 Leach-Bliley Act (15 U.S.C. 6802(e)(5)) is amended by
5 inserting “the Consumer Financial Protection Agency,”
6 after “(including”.

7 (c) SECTION 503.—Section 503(e)(1) of the Gramm-
8 Leach-Bliley Act (15 U.S.C. 6803(e)(1)) is amended—

9 (1) by inserting “Consumer Financial Protec-
10 tion Agency in consultation with the other” before
11 “agencies”; and

12 (2) by striking “jointly”.

Page 988, line 13, strike “and” at the end.

Page 988, line 15, strike the period and insert “;
and” and after such line insert the following:

13 (3) by inserting “the Federal banking agencies,
14 the National Credit Union Administration, the Sec-
15 retary of the Treasury, the Federal Trade Commis-
16 sion, and” before “representatives of State insurance
17 authorities”.

Page 989, after line 15, insert the following:

18 (f) SECTION 507.—Subsection 507(b) of the Gramm-
19 Leach-Bliley Act (15 U.S.C. 6807(b)) is amended by strik-
20 ing “Federal Trade Commission” and inserting “Con-

1 sumer Financial Protection Agency, or in the case of a
2 rule under section 501(b), the Federal Trade Commission
3 or the Securities and Exchange Commission”.

Page 1019, line 8, strike “and” and after such line
insert the following:

4 (2) by inserting a comma after “under this
5 Act”;

6 (3) by inserting a comma after “subsection
7 (a)(1)”;

Page 1019, line 9, strike “(2)” and insert “(4)”.

Page 1019, line 15, insert “partnership, or corpora-
tion” after “person,”.

Page 825, after line 12, insert the following:

8 **SEC. 4313. REVIEW, REPORT, AND PROGRAM WITH RE-**
9 **SPECT TO EXCHANGE FACILITATORS.**

10 (a) **REVIEW.**—The Director shall review all Federal
11 laws and regulations relating to the protection of persons
12 who utilize exchange facilitators.

13 (b) **REPORT.**—Not later than 180 days after the ef-
14 fective date of this subtitle, the Director shall submit to
15 Congress a report describing—

16 (1) recommendations for legislation to ensure
17 the appropriate protection of persons who utilize ex-
18 change facilitators;

1 (2) recommendations for updating the regula-
2 tions of Federal departments and agencies to ensure
3 the appropriate protection of such persons; and

4 (3) recommendations for Agency regulations to
5 ensure the appropriate protection of such persons.

6 (c) PROGRAM.—Not later than 180 days after the
7 date of the submission of the report under subsection (b),
8 the Director shall establish and carry out a program, uti-
9 lizing the authorities of the Agency, to protect persons
10 who utilize exchange facilitators.

11 (d) EXCHANGE FACILITATOR DEFINED.—In this sec-
12 tion, the term “exchange facilitator” means a person
13 that—

14 (1) facilitates, for a fee, an exchange of like-
15 kind property by entering into an agreement with a
16 taxpayer by which the exchange facilitator acquires
17 from the taxpayer the contractual rights to sell the
18 taxpayer’s relinquished property and transfers a re-
19 placement property to the taxpayer as a qualified
20 intermediary (within the meaning of Treasury Regu-
21 lations section 1.1031(k)-1(g)(4)) or enters into an
22 agreement with the taxpayer to take title to a prop-
23 erty as an exchange accommodation titleholder
24 (within the meaning of Revenue Procedure 2000-37)
25 or enters into an agreement with a taxpayer to act

1 as a qualified trustee or qualified escrow holder
2 (within the meaning of Treasury Regulations section
3 1.1031(k)-1(g)(3));

4 (2) maintains an office for the purpose of solici-
5 ting business as an exchange facilitator; or

6 (3) purports to be an exchange facilitator by
7 advertising any of the services listed in paragraph
8 (1) or soliciting clients in printed publications, direct
9 mail, television or radio advertisements, telephone
10 calls, facsimile transmissions, or other electronic
11 communications directed to the general public for
12 purposes of providing any such services.

Page 255, after line 2, insert the following new sec-
tion:

13 **SEC. 1316. DE NOVO BRANCHING INTO STATES.**

14 (a) NATIONAL BANKS.—Section 5155(g)(1)(A) of the
15 Revised Statutes (12 U.S.C. 36(g)(1)(A)) is amended to
16 read as follows:

17 “(A) the law of the State where the branch
18 is located, or is to be located, would permit es-
19 tablishment of the branch if the national bank
20 were a state bank chartered by such State;”.

21 (b) STATE INSURED BANKS.—Section 18(d)(4)(A)(i)
22 of the Federal Deposit Insurance Act (12 U.S.C.
23 1828(d)(4)(A)(i)) is amended to read as follows:

1 “(i) the law of the State where the
2 branch is located, or is to be located, would
3 permit establishment of the branch if the
4 bank were a State bank chartered by such
5 State;”.

Page 277, line 22, strike the period and insert “;
and”.

Page 277, after line 22, insert the following:

6 (C) is not an insured depository institution
7 (as defined in section 3(c) of the Federal De-
8 posit Insurance act), a Federal credit union or
9 a State-chartered credit union (as such terms
10 are defined in section 101 of the Federal Credit
11 Union Act), or a government-sponsored enter-
12 prise (as such term is defined in section 1004(f)
13 of the Financial Institutions Reform, Recovery
14 and Enforcement Act of 1989 (12 U.S.C. 1811
15 note)).

Page 305, beginning on line 25, strike “(that be-
came a legally enforceable or perfected security interest
after the date of the enactment of this clause) other than
a legally enforceable or perfected security interest of the
Federal Government,” and insert “in assets of the cov-
ered financial company arising under a qualified financial

contract (as defined under subsection (c)(8)(D)(i)) with an original term of 30 days or less (except that, for a contract for a term linked to a calendar month, the original term must be less than one calendar month), secured by collateral other than securities issued by the United States Treasury, the Board of Governors of the Federal Reserve System, any agency of the United States, any Federal Reserve bank, or any Government Sponsored Enterprise, that became a legally enforceable or perfected security interest after the date of the enactment of this clause, and that is not a security interest of the Federal Government”.

Page 306, beginning on line 7, strike “the amount of up to 20 percent” and insert “in the amount specified under clause (v)”.

Page 306, line 13, insert after the period the following sentence: “This clause shall not apply with respect to debt obligations secured by real property. This clause may only be implemented with respect to secured creditors if, as a result of the dissolution of the covered financial company, no funds are available to satisfy, in whole or in part, any claims of unsecured creditors or shareholders.”.

Page 306, after line 13, insert the following:

1 (v) AMOUNT SPECIFIED.—For pur-
2 poses of clause (iv), the amount specified
3 under this clause, in the case of a secured
4 creditor, is the amount of up to 10 per-
5 cent.

Page 318, after line 11, insert the following sub-
paragraphs (and redesignate subparagraphs (B) through
(E) as subparagraphs (J) through (M), respectively):

6 (B) PREFERENTIAL TRANSFERS.—The
7 Corporation as receiver for any covered finan-
8 cial company may avoid a transfer of an inter-
9 est of the covered financial company in property
10 that—

11 (i) was made to or for the benefit of
12 a creditor;

13 (ii) was made for or on account of an
14 antecedent debt that was owed by the cov-
15 ered financial company before the transfer
16 was made;

17 (iii) was made while the covered fi-
18 nancial company was insolvent;

19 (iv) was made—

20 (I) on or within 90 days before
21 the date on which the Corporation
22 was appointed receiver; or

1 (II) between 90 days and one
2 year before the date that the Corpora-
3 tion was appointed receiver, if such
4 creditor at the time of the transfer
5 was an insider, as that term is defined
6 in section 101(31) of title 11, United
7 States Code; and

8 (v) enables such creditor to receive
9 more than such creditor would receive in
10 the liquidation of the covered financial
11 company if—

12 (I) the transfer had not been
13 made; and

14 (II) such creditor received pay-
15 ment of such debt to the extent pro-
16 vided by the provisions of this sub-
17 title.

18 (C) POST-RECEIVERSHIP TRANSACTIONS.—
19 The Corporation as receiver for any covered fi-
20 nancial company may avoid a transfer of prop-
21 erty of the receivership that occurred after the
22 Corporation was appointed receiver that was
23 not authorized under this title.

24 (D) RIGHT OF RECOVERY.—To the extent
25 that a transfer is avoided under subparagraphs

1 (A), (B) or (C), the Corporation may recover,
2 for the benefit of the covered financial com-
3 pany, the property transferred or, if a court so
4 orders, the value of such property from—

5 (i) the initial transferee of such trans-
6 fer or the entity for whose benefit such
7 transfer was made; or

8 (ii) any immediate or mediate trans-
9 feree of any such initial transferee.

10 (E) RIGHTS OF TRANSFEREE OR OBLI-
11 GEE.—The Corporation may not recover under
12 subparagraph (D)(ii)—

13 (i) from a transferee that takes for
14 value, including satisfaction or securing of
15 a present or antecedent debt, in good faith,
16 and without knowledge of the violability of
17 the transfer avoided; or

18 (ii) any immediate or mediate good
19 faith transferee of such transferee.

20 (F) DEFENSES.—A transferee or obligee
21 from whom the Corporation seeks to recover a
22 transfer or avoid an obligation under subpara-
23 graphs (A), (B) or (C) shall have the same af-
24 firmative defenses and rights to liens on the
25 property transferred to the extent they would be

1 available to a transferee or obligee from whom
2 a trustee under title 11 seeks to recover a
3 transfer under sections 547, 548, and 549 of
4 title 11, United States Code.

5 (G) LIMITATIONS ON AVOIDING POWERS.—
6 The rights of the Corporation under subpara-
7 graphs (A), (B) or (C) are restricted to the
8 same extent as the rights of a trustee in bank-
9 ruptcy under section 546(b)(1) of the Bank-
10 ruptcy Code.

11 (H) PRESUMPTION OF INSOLVENCY.—For
12 purposes of subparagraph (B), the covered fi-
13 nancial company is presumed to have been in-
14 solvent on and during the 90 days immediately
15 preceding the date on which the Corporation is
16 appointed as receiver.

17 (I) RIGHTS UNDER THIS SUBSECTION.—
18 The rights of the Corporation as receiver for a
19 covered financial company under this subsection
20 shall be superior to any rights of a trustee or
21 any other party (other than any party which is
22 a Federal agency of a Federal Home Loan
23 Bank) under title 11, United States Code.

Page 31, line 24, strike “control of the Council;
and” and insert “control of or used by the Council;”.

Page 32, line 5, strike the period and insert “; and”
and after such line insert the following:

1 (C) the officers, directors, employees, fi-
2 nancial advisors, staff, working groups, and
3 agents and representatives of the Council (as
4 related to the agent’s or representative’s activi-
5 ties on behalf of the Council) at such reasonable
6 times as the Comptroller General may request.

Page 32, after line 12, insert the following:

7 (3) COPIES.—Comptroller General may make
8 and retain copies of such books, accounts, and other
9 records access to which is granted under this provi-
10 sion as the Comptroller General considers appro-
11 priate.

Page 732, after line 10, insert the following:

12 **SEC. 4111. OVERSIGHT BY GAO.**

13 (a) AUTHORITY.—The Comptroller General may
14 audit the programs, activities, receipts, expenditures, and
15 financial transactions of the Agency and of any agents and
16 representatives of the Agency as related to the agent’s or
17 representative’s activities on behalf of or under authority
18 of the Agency.

19 (b) ACCESS.—Notwithstanding any other provision of
20 law, the Comptroller General shall have access, upon re-

1 quest, to any information, data, schedules, books, ac-
2 counts, financial records, reports, files, electronic commu-
3 nications, or other papers, things, or property belonging
4 to or in use by the Agency, or any vehicles established
5 by the Agency under this Act, and to the directors, offi-
6 cers, employees, independent public accountants, financial
7 advisors, staff, working groups, and agents and represent-
8 atives of the Agency (as related to the agent's or rep-
9 resentative's activities on behalf of the Agency) or any ve-
10 hicle established by the Agency at such reasonable time
11 as the Comptroller General may request. The Comptroller
12 General may make and retain copies of such books, ac-
13 counts, and other records as the Comptroller General
14 deems appropriate.

Page 732, line 11, strike "4111" and insert "4112".

Page 1077, line 23, strike "1 year" and insert "18
months".

Page 1079, after line 24, insert the following:

- 15 (3) ACCESS.—
16 (A) IN GENERAL.—For purposes of con-
17 ducting the study described in paragraph (1),
18 the Comptroller General shall have access, upon
19 request and with the consent of the Securities
20 and Exchange Commission, to any information,

1 data, schedules, books, accounts, financial
2 records, reports, files, electronic communica-
3 tions, or other papers, things, or property be-
4 longing to or in use by each nationally recog-
5 nized statistical rating organization, and to the
6 officers, directors, employees, independent pub-
7 lic accountants, financial advisors, staff and
8 agents and representatives of the organization
9 (as related to the agent's or representative's ac-
10 tivities on behalf of the organization) at such
11 reasonable times as the Comptroller General
12 may request. The Comptroller General may
13 make and retain copies of books, records, ac-
14 counts, and other records as the Comptroller
15 General deems appropriate.

16 (B) CONFIDENTIALITY.—The Comptroller
17 General may not disclose reasonably designated
18 proprietary, trade secret or business confiden-
19 tial information obtained from the organization
20 except that such information shall be disclosed
21 by the Comptroller General—

22 (i) to other Federal Government de-
23 partments, agencies, and officials for offi-
24 cial use upon request;

1 (ii) to committees of Congress upon
2 request; and

3 (iii) to a court in any judicial pro-
4 ceeding under court order.

5 Nothing in this provision shall be construed to
6 limit the requirements imposed by section 1905
7 of title 18, United States Code.

Page 1186, beginning on line 8, strike “and the Se-
curities and Exchange Commission shall each” and insert
“shall”.

Page 1186, line 17, strike “and”.

Page 1186, line 20, strike the period and insert a
semicolon and after such line insert the following:

8 (3) determine how to reduce the burden of com-
9 plying with section 404(b) of the Sarbanes-Oxley Act
10 of 2002 for companies whose market capitalization
11 is less than \$250,000,000 for the relevant reporting
12 period while maintaining investor protections for
13 such companies; and

14 (4) determine whether various methods of re-
15 ducing the compliance burden or a complete exemp-
16 tion for such companies (whose market capitalization
17 is less than \$250,000,000 for the relevant reporting
18 period) from such compliance would encourage com-

1 panies to list on exchanges in the United States in
2 their initial public offerings.

Page 1186, beginning on line 21, strike “On or before June 1, 2010” and insert “Not later than 9 months after the date of the enactment of this subtitle”.

Page 1186, beginning on line 22, strike “and the Securities and Exchange Commission shall submit separate reports” and insert “shall submit a report”.

Page 1222, line 4, strike “and the Comptroller General shall jointly” and insert “shall”.

Page 1222, line 15, strike “180 days” and insert “9 months”.

Page 1222, beginning on line 16, strike “and the Comptroller General”.

Page 706, after line 7, insert the following new paragraph:

3 (3) OFFICE OF FINANCIAL PROTECTION FOR
4 OLDER AMERICANS.—

5 (A) ESTABLISHMENT.—Before the end of
6 the 180-day period beginning on the date of the
7 enactment of this title, the Director shall estab-
8 lish within the Agency the Office of Financial
9 Protection for Older Americans, whose func-

1 tions shall include activities designed to facili-
2 tate the financial literacy of individuals who
3 have attained the age of 62 years or more (in
4 this paragraph, referred to as “seniors”) on
5 protection from unfair and deceptive practices
6 and on current and future financial choices, in-
7 cluding through the dissemination of materials
8 to seniors on such topics.

9 (B) DIRECTOR.—The Office of Financial
10 Protection for Older Americans shall be headed
11 by a director.

12 (C) DUTIES.—Such unit shall perform the
13 following duties:

14 (i) Develop goals for programs that
15 provide seniors financial literacy and coun-
16 seling, including programs that—

17 (I) help seniors recognize warn-
18 ing signs of unfair and deceptive prac-
19 tices, protect themselves from such
20 practices;

21 (II) provide one-on-one financial
22 counseling on issues including long-
23 term savings and later-life economic
24 security; and

1 (III) provide personal consumer
2 credit advocacy to respond to con-
3 sumer problems caused by unfair and
4 deceptive practices.

5 (ii) Monitor certifications or designa-
6 tions of financial advisors who advise sen-
7 iors and alert the Securities and Exchange
8 Commission and State regulators of certifi-
9 cations or designations that are identified
10 as unfair or deceptive.

11 (iii) Not later than 18 months after
12 the date of the establishment of the Office
13 of Financial Protection for Older Ameri-
14 cans, submit to Congress and the Securi-
15 ties and Exchange Commission rec-
16 ommendations of the best practices for any
17 legislative and regulatory—

18 (I) disseminating information re-
19 garding the legitimacy of certifications
20 of financial advisers who advise sen-
21 iors;

22 (II) methods in which a senior
23 can identify the financial advisor most
24 appropriate for the senior's needs; and

1 (III) methods in which a senior
2 can verify a financial advisor's creden-
3 tials.

4 (iv) Conduct research to identify best
5 practices and effective methods, tools, tech-
6 nology and strategies to educate and coun-
7 sel seniors about personal finance manage-
8 ment with a focus on—

9 (I) protecting themselves from
10 unfair and deceptive practices;

11 (II) long-term savings; and

12 (III) planning for retirement and
13 long-term care.

14 (v) Coordinate consumer protection
15 efforts of seniors with other Federal agen-
16 cies and State regulators, as appropriate,
17 to promote consistent, effective, and effi-
18 cient enforcement.

19 (vi) Work with community organiza-
20 tions, non-profit organizations, and other
21 entities that are involved with educating or
22 assisting seniors (including the National
23 Education and Resource Center on Women
24 and Retirement Planning).

Page 760, strike line 19 and all that follows through page 762, line 22, and insert the following:

1 (a) EXCLUSION FOR MERCHANTS, RETAILERS, AND
2 SELLERS OF NONFINANCIAL SERVICES.—

3 (1) IN GENERAL.—Notwithstanding any provi-
4 sion of this title (other than paragraph (4)) and sub-
5 ject to paragraph (2), the Director and the Agency
6 may not exercise any rulemaking, supervisory, en-
7 forcement or other authority, including authority to
8 order assessments, under this title with respect to—

9 (A) credit extended directly by a merchant,
10 retailer, or seller of nonfinancial goods or serv-
11 ices to a consumer, in a case in which the good
12 or service being provided is not itself a con-
13 sumer financial product or service, exclusively
14 for the purpose of enabling that consumer to
15 purchase such goods or services directly from
16 the merchant, retailer, or seller of financial
17 services; or

18 (B) collection of debt, directly by the mer-
19 chant, retailer, or seller of nonfinancial services,
20 arising from such credit extended. In the appli-
21 cation of this paragraph, the extension of credit
22 and the collection of debt described in subpara-
23 graphs (A) and (B), respectively, shall not be

1 considered a consumer financial product or
2 service.

3 (2) EXCEPTIONS FOR EXISTING AUTHORITY.—

4 The Director may exercise any rulemaking authority
5 regarding an extension of credit described in para-
6 graph (1)(A) or the collection of debt arising from
7 such extension, as may be authorized by the enumer-
8 ated consumer laws or any law or authority trans-
9 ferred under subtitle F or H.

10 (3) RULE OF CONSTRUCTION.—No provision of
11 this title shall be construed as modifying, limiting,
12 or superseding the authority of the Federal Trade
13 Commission or any agency other than the Agency
14 with respect to credit extended, or the collection of
15 debt arising from such extension, directly by a mer-
16 chant or retailer to a consumer exclusively for the
17 purpose of enabling that consumer to purchase
18 goods or services directly from the merchant or re-
19 tailer.

20 (4) EXCLUSION NOT APPLICABLE TO CERTAIN
21 CREDIT TRANSACTIONS.—Paragraph (1) shall not
22 apply to—

23 (A) any credit transaction, including the
24 collection of the debt arising from such exten-
25 sion, in which the merchant, retailer, or seller

1 of nonfinancial services assigns, sells, or other-
2 wise conveys such debt owed by the consumer
3 to another person; or

4 (B) any credit transaction—

5 (i) in which the credit provided sig-
6 nificantly exceeds the market value of the
7 product or service provided, and

8 (ii) with respect to which the Director
9 finds that the sale of the product or service
10 is done as a subterfuge so as to evade or
11 circumvent the provisions of this title.

Page 675, strike line 10 and all that follows through
page 676, line 9, and insert the following:

12 (xi) Financial data processing by any
13 technological means, including providing
14 data processing, access to or use of data-
15 bases or facilities, or advice regarding
16 processing or archiving, if the data to be
17 processed, furnished, stored, or archived
18 are financial, banking, or economic, except
19 that it shall not be considered a financial
20 activity with respect to financial data proc-
21 essing—

22 (I) to the extent the person is
23 providing interactive computer service,

1 as defined in section 230 of the Com-
2 munications Act of 1934 (47 U.S.C.
3 230); or
4 (II) if the person—
5 (aa) unknowingly or inciden-
6 tally transmits, processes, or
7 stores financial data in a manner
8 that such data is undifferentiated
9 from other types of data that the
10 person transmits, processes, or
11 stores;
12 (bb) does not provide to any
13 consumer a consumer financial
14 product or service in connection
15 with or relating to in any manner
16 financial data processing; and
17 (cc) does not provide a ma-
18 terial service to any covered per-
19 son in connection with the provi-
20 sion of a consumer financial
21 product or service.

Page 1205, line 2, insert before the period at the end the following: “and to provide additional levels of coverage on an optional basis”.

Page 1205, line 22, strike “and” after the semi-colon.

Page 1205, line 25, strike the period at the end and insert “; and”.

Page 1205, after line 25, insert the following:

1 (6) examine the feasibility of SIPC providing
2 additional levels of coverage on an optional basis,
3 what those additional levels of coverage should be,
4 and the appropriate risk-based premium for pro-
5 viding additional coverage.

Page 1018, after line 25, insert the following:

6 **SEC. 4818. AMENDMENTS TO TRUTH IN LENDING ACT.**

7 (a) IN GENERAL.—Section 128(e) of the Truth in
8 Lending Act is amended—

9 (1) by striking paragraph (3) and inserting the
10 following new paragraph (3):

11 “(3) INSTITUTIONAL CERTIFICATION RE-
12 QUIRED.—(A) Except as provided in subparagraph
13 (B), before a creditor may issue any funds with re-
14 spect to an extension of credit described in para-
15 graph (1), the creditor shall obtain from the relevant
16 institution of higher education such institution’s cer-
17 tification—

1 “(i) of the enrollment status of the bor-
2 rower;

3 “(ii) of the borrower’s cost of attendance
4 at the institution as determined by the institu-
5 tion under part F of title IV of the Higher
6 Education Act of 1965;

7 “(iii) of the difference between the bor-
8 rower’s cost of attendance and the borrower’s
9 estimated financial assistance received under
10 title IV of the Higher Education Act of 1965
11 and other assistance known to the institution,
12 as applicable; and

13 “(iv) that the institution has—

14 “(I) informed the borrower—

15 “(aa) about the availability of,
16 and the borrower’s potential eligibility
17 for, Federal financial assistance under
18 this title, including disclosing the
19 terms, conditions, and interest rates
20 of Federal student loans;

21 “(bb) of the borrower’s ability to
22 select a private educational lender of
23 the borrower’s choice;

24 “(cc) about the impact of a pro-
25 posed private education loan on the

1 borrowers' potential eligibility for
2 other financial assistance, including
3 Federal financial assistance under the
4 Higher Education Act of 1965; and

5 “(dd) about a borrower’s right to
6 accept or reject a private education
7 loan within the 30-day period fol-
8 lowing a private educational lender’s
9 approval of a borrower’s application
10 and about a borrower’s 3-day right to
11 cancel altogether;

12 “(II) determined whether the bor-
13 rower has applied for and exhausted the
14 Federal financial assistance available to
15 the borrower under the Higher Education
16 Act of 1965 and informed the borrower ac-
17 cordingly; and

18 “(III) counseled the borrower on the
19 borrower’s financial aid options.

20 “(B) A creditor may issue funds with respect to
21 an extension of credit described in paragraph (1)
22 without obtaining from the relevant institution of
23 higher education such institution’s certification if
24 such institution fails to provide such certification
25 within 21 calendar days or 15 business days, which-

1 ever comes first, of the creditor's request for such
2 certification.”;

3 (2) by redesignating paragraphs (9), (10), and
4 (11) as paragraphs (10), (11), and (12), respec-
5 tively; and

6 (3) by inserting after paragraph (8) the fol-
7 lowing new paragraph (9):

8 “(9) PROVISION OF INFORMATION.—On or be-
9 fore the date a creditor issues any funds with re-
10 spect to an extension of credit described in para-
11 graph (1), the creditor shall notify the relevant insti-
12 tution of higher education, in writing, of the amount
13 of the extension of credit and the student on whose
14 behalf credit is extended. The form of such written
15 notification shall be subject to the regulations of the
16 Agency.”.

17 (b) REGULATIONS.—

18 (1) DEADLINE FOR REGULATIONS.—Not later
19 than 365 days after the date of enactment of this
20 Act, the Agency shall issue regulations in final form
21 to implement paragraphs (3) and (9) of section
22 128(e) of the Truth in Lending Act, as amended by
23 subsection (a). Such regulations shall become effec-
24 tive not later than 6 months after their date of
25 issuance.

1 (2) EFFECTIVE DATE.—The regulations in ef-
2 fect pursuant to section 128(e) of the Truth in
3 Lending Act as of the date of the enactment of this
4 Act shall remain in effect until the effective date of
5 the regulations issued under paragraph (1).

6 (c) STUDY AND REPORT ON PRIVATE EDUCATION
7 LOANS AND PRIVATE EDUCATIONAL LENDERS.—

8 (1) REPORT.—Not later than 2 years after the
9 date of enactment of this Act, the Director and the
10 Secretary of Education, in consultation with the
11 Commissioners of the Federal Trade Commission,
12 and the Attorney General, shall submit a report to
13 the Committee on Financial Services and the Com-
14 mittee on Education and Labor of the House of
15 Representatives and the Committee on Banking,
16 Housing, and Urban Affairs and the Committee on
17 Health Education, Labor, and Pensions of the Sen-
18 ate on private education loans (as that term is de-
19 fined in section 140 of the Truth in Lending Act (15
20 U.S.C. 1650)) and private educational lenders (as
21 that term is defined in such section).

22 (2) CONTENT.—The report required by this
23 subsection shall examine, at a minimum, the fol-
24 lowing:

1 (A) the growth and changes of the private
2 education loan market in the United States;

3 (B) factors influencing such growth and
4 changes;

5 (C) the extent to which students and par-
6 ents of students rely on private education loans
7 to finance postsecondary education and the pri-
8 vate education loan indebtedness of borrowers,

9 (D) the characteristics of private education
10 loan borrowers, including the types of institu-
11 tions of higher education they attend, socio-
12 economic characteristics (including income and
13 education levels, racial characteristics, geo-
14 graphical background, age, and gender), what
15 other forms of financing borrowers use to pay
16 for education, whether they exhaust their fed-
17 eral loan options before taking out a private
18 loan, whether such borrowers are dependent or
19 independent students (as determined under part
20 F of title IV of the Higher Education Act of
21 1965) or parents of such students, whether
22 such borrowers are students enrolled in a pro-
23 gram leading to a certificate, license or creden-
24 tial other than a degree, an associates degree,
25 a baccalaureate degree, or a graduate or profes-

1 sional degree and, if practicable, employment
2 and repayment behaviors;

3 (E) the characteristics of private edu-
4 cational lenders, including whether such credi-
5 tors are for-profit, non-profit, or institutions of
6 higher education;

7 (F) the underwriting criteria used by pri-
8 vate educational lenders, including the use of
9 cohort default rate (as such term is defined in
10 section 435(m) of the Higher Education Act of
11 1965);

12 (G) the terms, conditions, and pricing of
13 private education loans;

14 (H) the consumer protections available to
15 private education loan borrowers, including the
16 effectiveness of existing disclosures and require-
17 ments and borrowers' awareness and under-
18 standing about terms and conditions of various
19 financial products;

20 (I) whether federal regulators and the pub-
21 lic have access to information sufficient to pro-
22 vide them with assurances that private edu-
23 cation loans are provided in accord with the
24 Nation's fair lending laws and that allows pub-

1 lic officials to determine lenders' compliance
2 with fair lending laws; and

3 (J) any statutory or legislative rec-
4 ommendations necessary to improve consumer
5 protections for private education loan borrowers
6 and to better enable federal regulators and the
7 public to ascertain private educational lender
8 compliance with fair lending laws.

9 (d) REPORT.— Not later than 18 months after the
10 issuance of regulations under subsection (b)(1), the Con-
11 sumer Financial Protection Agency and the Secretary of
12 Education shall jointly submit to Congress a report on the
13 compliance of institutions and private educational lenders
14 with the amendments made by this section. The report
15 shall include the degree to which specific institutions uti-
16 lize certifications in effectively encouraging the exhaustion
17 of Federal student loan eligibility and lowering student
18 debt.

 Page 198, after line 15, insert the following new
 subtitle:

1 **Subtitle K—Home Affordable**
2 **Modification Program**

3 **SEC. 9911. HOME AFFORDABLE MODIFICATION PROGRAM**
4 **GUIDELINES.**

5 (a) NET PRESENT VALUE INPUT DATA.—The Sec-
6 retary of the Treasury (in this section referred to as the
7 “Secretary”) shall revise the supplemental directives and
8 other guidelines for the Home Affordable Modification
9 Program of the Making Home Affordable initiative of the
10 Secretary of the Treasury, authorized under the Emer-
11 gency Economic Stabilization Act of 2008 (Public Law
12 110–343), to require each mortgage servicer participating
13 in such program to provide each borrower under a mort-
14 gage whose request for a mortgage modification under the
15 Program is denied with all borrower-related and mort-
16 gage-related input data used in any net present value
17 (NPV) analyses performed in connection with the subject
18 mortgage. Such input data shall be provided to the bor-
19 rower at the time of such denial.

20 (b) WEB-BASED SITE FOR NPV CALCULATOR AND
21 APPLICATION.—

22 (1) NPV CALCULATOR.—In carrying out the
23 Home Affordable Modification Program, the Sec-
24 retary shall establish and maintain a site on the
25 World Wide Web that provides a calculator for net

1 present value analyses of a mortgage, based on the
2 Secretary's methodology for calculating such value,
3 that mortgagors can use to enter information re-
4 garding their own mortgages and that provides a de-
5 termination after entering such information regard-
6 ing a mortgage of whether such mortgage would be
7 accepted or rejected for modification under the Pro-
8 gram, using such methodology.

9 (2) DISCLOSURE.— Such Web site shall also
10 prominently disclose that each mortgage servicer
11 participating in such Program may use a method for
12 calculating net present value of a mortgage that is
13 different than the method used by such calculator.

14 (3) APPLICATION.— The Secretary shall make
15 a reasonable effort to include on such World Wide
16 Web site a method for homeowners to apply for a
17 mortgage modification under the Home Affordable
18 Modification Program.

19 (c) PUBLIC AVAILABILITY OF NPV METHODOLOGY,
20 COMPUTER MODEL, AND VARIABLES.—The Secretary
21 shall make publicly available, including by posting on a
22 World Wide Web site of the Secretary—

23 (1) the Secretary's methodology and computer
24 model, including all formulae used in such computer
25 model, used for calculating net present value of a

1 mortgage that is used by the calculator established
2 pursuant to subsection (b); and
3 (2) all variables used in such net present value
4 analysis.

Page 1068, after line 22, insert the following:

5 (c) REQUIREMENTS FOR LIABILITY.—Section 21D of
6 the Securities Exchange Act of 1934 (15 U.S.C. 78u–4)
7 is amended—

8 (1) by redesignating subsections (c) through (f)
9 as subsections (d) through (g), respectively; and

10 (2) by inserting after subsection (b) the fol-
11 lowing:

12 “(c) REQUIREMENTS FOR LIABILITY.—A purchaser
13 of a security given a rating by a nationally recognized sta-
14 tistical rating organization shall have the right to recover
15 for damages if the process of determining the credit rating
16 was—

17 “(1) grossly negligent, based on the facts and
18 circumstances at the time the rating was issued; and

19 “(2) a substantial factor in the economic loss
20 suffered by the investor.

21 No action shall be maintained to enforce any liability cre-
22 ated under this subsection unless brought within 2 years
23 after the discovery of the facts constituting the violation

1 and within 3 years after the initial issuance of the rat-
2 ing.”.

Strike section 1109 and insert the following new section:

3 **SEC. 1109. EMERGENCY FINANCIAL STABILIZATION.**

4 (a) IN GENERAL.—Upon the written determination
5 of the Council that a liquidity event exists that could de-
6 stabilize the financial system (which determination shall
7 be made upon a vote of not less than two-thirds of the
8 members of the Council then serving) and with the written
9 consent of the Secretary of the Treasury (after certifi-
10 cation by the President that an emergency exists), the
11 Corporation may create a widely-available program de-
12 signed to avoid or mitigate adverse effects on systemic eco-
13 nomic conditions or financial stability by guaranteeing ob-
14 ligations of solvent insured depository institutions or sol-
15 vent depository institution holding companies (including
16 any affiliates thereof), if necessary to prevent systemic fi-
17 nancial instability during times of severe economic dis-
18 tress, except that a guarantee of obligations under this
19 section may not include provision of equity in any form.

20 (b) POLICIES AND PROCEDURES.—Prior to exercising
21 any authority under this section, the Corporation shall es-
22 tablish policies and procedures governing the issuance of

1 guarantees. The terms and conditions of any guarantees
2 issued shall be established by the Corporation with the ap-
3 proval of the Secretary of the Treasury and the Financial
4 Stability Oversight Council. Such terms and conditions
5 may include the Corporation requiring collateral as a con-
6 dition of any such guarantee.

7 (c) CAP FOR GUARANTEED AMOUNT.—

8 (1) IN GENERAL.—In connection with any pro-
9 gram established pursuant to subsection (a) and
10 subject to paragraph (2), the Corporation may not
11 have guaranteed debt outstanding at any time of
12 more than \$500,000,000,000 (as indexed to reflect
13 growth in assets of insured depository institutions
14 and depository institution holding companies as de-
15 termined by the Corporation).

16 (2) ADDITIONAL DEBT GUARANTEE AUTHOR-
17 ITY.—If the Corporation, with the concurrence of
18 the Council and the Secretary (in consultation with
19 the President), determines that the Corporation
20 must guarantee debt in excess of \$500,000,000,000
21 (as indexed pursuant to paragraph (1)) to prevent
22 systemic financial instability, the Corporation may
23 transmit to the Congress a request for authority to
24 guarantee debt in excess of \$500,000,000,000 (as
25 indexed pursuant to paragraph (1)). Such request

1 shall be considered granted by Congress upon adop-
2 tion of a joint resolution approving such request.
3 Such joint resolution shall be considered in the Sen-
4 ate under expedited procedures.

5 (d) FUNDING.—

6 (1) ADMINISTRATIVE EXPENSES AND COST OF
7 GUARANTEES.—A program established pursuant to
8 this section shall require funding only for the pur-
9 poses of paying administrative expenses and for pay-
10 ing a guarantee in the event that a guaranteed loan
11 defaults.

12 (2) FEES AND OTHER CHARGES.—The Corpora-
13 tion shall charge fees or other charges to all partici-
14 pants in such program established pursuant to this
15 section to offset projected losses and administrative
16 expenses. To the extent that a program established
17 pursuant to this section has expenses or losses, the
18 program will be funded entirely through fees or
19 other charges assessed on participants in such pro-
20 gram.

21 (3) EXCESS FUNDS.—If at the conclusion of
22 such program there are any excess funds collected
23 from the fees associated with such program, the
24 funds will be deposited into the Systemic Dissolution
25 Fund established pursuant to section 1609(n).

1 (4) AUTHORITY OF CORPORATION.—For pur-
2 poses of conducting a program established pursuant
3 to this section, the Corporation—

4 (A) may borrow funds from the Secretary
5 of the Treasury, which shall be repaid in full
6 with interest through fees and charges paid by
7 participants in accordance with paragraph (2),
8 and there shall be available to the Corporation
9 amounts in the Treasury not otherwise appro-
10 priated, including for the payment of reasonable
11 administrative expenses;

12 (B) may not borrow funds from the De-
13 posit Insurance Fund established pursuant to
14 section 11(a)(4) of the Federal Deposit Insur-
15 ance Act; and

16 (C) may not borrow funds from the Sys-
17 temic Dissolution Fund established pursuant to
18 section 1609(n).

19 (5) BACK-UP SPECIAL ASSESSMENT.—To the
20 extent that the funds collected pursuant to para-
21 graph (2) are insufficient to cover any losses or ex-
22 penses (including monies borrowed pursuant to
23 paragraph (4)) arising from a program established
24 pursuant to this section, the Corporation shall im-

1 pose a special assessment solely on participants in
2 the program.

3 (e) PLAN FOR MAINTENANCE OR INCREASE OF
4 LENDING.—In connection with any application or request
5 to participate in such program authorized pursuant to this
6 section, a solvent entity seeking to participate in such pro-
7 gram shall be required to submit to the Corporation a plan
8 detailing how the use of such guaranteed funds will facili-
9 tate the increase or maintenance of such solvent com-
10 pany's level of lending to consumers or small businesses.

11 (f) SUNSET OF CORPORATION'S AUTHORITY.—The
12 Corporation's authority under subsections (a) and (d) and
13 the authority to borrow funds from the Treasury under
14 section 1609(o) shall expire on December 31, 2013.

15 (g) RULE OF CONSTRUCTION.—For purposes of this
16 section, a guarantee of deposits held by insured depository
17 institutions shall not be treated as a debt guarantee pro-
18 gram.

19 (h) DEFINITIONS.—For purposes of this section, the
20 following definitions apply:

21 (1) CORPORATION.—The term "Corporation"
22 means the Federal Deposit Insurance Corporation.

23 (2) DEPOSITORY INSTITUTION HOLDING COM-
24 PANY.—The term "depository institution holding
25 company" has the meaning given the term in section

1 3 of the Federal Deposit Insurance Act (12 U.S.C.
2 1813).

3 (3) INSURED DEPOSITORY INSTITUTION.—The
4 term “insured depository institution” has the mean-
5 ing given the term in section 3 of the Federal De-
6 posit Insurance Act (12 U.S.C. 1813).

7 (4) SOLVENT.—The term “solvent” means as-
8 sets are more than the obligations to creditors.

Page 110, after line 7, insert the following new sec-
tion (and redesignate the subsequent sections accord-
ingly):

9 **SEC. 1110. ADDITIONAL RELATED AMENDMENTS.**

10 (a) FEDERAL DEPOSIT INSURANCE ACT RELATED
11 AMENDMENTS.—

12 (1) SUSPENSION OF PARALLEL FEDERAL DE-
13 POSIT INSURANCE ACT AUTHORITY.—Effective upon
14 the date of the enactment of this section through
15 December 31, 2013, the Corporation may not exer-
16 cise its authority under section 13(c)(4)(G)(i) of the
17 Federal Deposit Insurance Act (12 U.S.C.
18 1823(c)(4)(G)(i)) to establish any widely-available
19 debt guarantee program for which section 1109
20 would provide authority.

21 (2) FEDERAL DEPOSIT INSURANCE ACT AU-
22 THORITY PRESERVED.—Effective December 31,

1 2013, the Corporation shall have the same authority
2 pursuant to section 13(c)(4)(G)(i) of the Federal
3 Deposit Insurance Act as the Corporation had prior
4 to the date of enactment of this Act.

5 (b) EFFECT OF DEFAULT ON AN FDIC GUAR-
6 ANTEE.—If an insured depository institution or depository
7 institution holding company participating in a program
8 under section 1109 or any participant in a debt guarantee
9 program established pursuant to section 13(c)(4)(G)(i) of
10 the Federal Deposit Insurance Act defaults on any obliga-
11 tion guaranteed by the Corporation after the date of en-
12 actment of this Act, the Corporation may—

13 (1) appoint itself as receiver for the insured de-
14 pository institution that defaults;

15 (2) with respect to any other participating com-
16 pany that is not an insured depository institution
17 that defaults—

18 (A) require consideration of whether a de-
19 termination shall be made as provided in sec-
20 tion 1603 to resolve the company under subtitle
21 G; and

22 (B) if the Corporation is not appointed re-
23 ceiver pursuant to subtitle G within 30 days of
24 the date of default, require the company to file
25 a petition for bankruptcy under section 301 of

1 title 11, United States Code, or file a petition
2 for bankruptcy against the company under sec-
3 tion 303 of title 11, United States Code.

4 (c) AUTHORITY TO FILE INVOLUNTARY PETITION
5 FOR BANKRUPTCY.—Section 303 of title 11, United
6 States Code, is amended by adding at the end the fol-
7 lowing:

8 “(m) Notwithstanding subsections (a) and (b), an in-
9 voluntary case may be commenced by the Federal Deposit
10 Insurance Corporation against a depository institution
11 holding company as defined in section 3 of the Federal
12 Deposit Insurance Act (12 U.S.C. 1813) or other company
13 participating in a guarantee program established by the
14 Corporation on the ground that the company has defaulted
15 on a debt or obligation guaranteed by the Corporation.”.

16 (d) BANKRUPTCY PRIORITY FOR DEFAULTS ON
17 DEBT GUARANTEED PURSUANT TO SECTION 1109.—Sec-
18 tion 507(a)(9) of title 11, United States Code, is amended
19 by inserting before the period at the end the following:
20 “and allowed unsecured claims based upon any debt to
21 the Federal Deposit Insurance Corporation that arose
22 prior to the commencement of the case under this title,
23 as a result of the debtor’s default on a guarantee provided
24 by the Corporation pursuant to section 1109 of the Finan-
25 cial Stability Improvement Act of 2009 or the Federal De-

1 posit Insurance Act, under a program established by the
2 Corporation after the date of enactment of the Financial
3 Stability Improvement Act of 2009”.

Page 110, line 8, strike “**MUST**” and insert “**MAY**”.

Page 110, strike line 10 and all that follows through
line 18 and insert the following:

4 (a) IN GENERAL.—In connection with any payment,
5 credit extension, or guarantee or any commitment under
6 section 1109 or 1604, the Corporation may obtain from
7 the insured depository institution, depository institution
8 holding company (including any affiliates thereof), or cov-
9 ered financial company, as the case may be—

Page 110, line 19, strike “financial company” and
insert “insured depository institution, depository institu-
tion holding company (including any affiliates thereof), or
covered financial company”.

Page 111, line 3, strike “financial company” and in-
sert “insured depository institution, depository institution
holding company (including any affiliates thereof), or cov-
ered financial company”.

Strike section 1614 and insert the following new sec-
tion:

1 **SEC. 1614. APPLICATION OF EXECUTIVE COMPENSATION**
2 **LIMITATIONS.**

3 At any time that the Corporation has borrowed from
4 the Treasury pursuant to section 1609(o) to resolve a cov-
5 ered financial company, the Corporation shall apply the
6 executive compensation limits under section 111 of the
7 Emergency Economic Stabilization Act of 2008 to such
8 company for so long as such company is in receivership.

Page 436, after line 11, insert the following new sec-
tion:

9 **SEC. 1615. PRIORITY OF CLAIMS IN FEDERAL DEPOSIT IN-**
10 **SURANCE ACT.**

11 Section 11(d)(11)(A) of the Federal Deposit Insur-
12 ance Act (12 U.S.C. 1821(d)(11)(A)) is amended—

13 (1) by redesignating clauses (iii) through (v) as
14 clauses (iv) through (vi), respectively; and

15 (2) by inserting after clause (ii) the following
16 new clause (iii):

17 “(iii) Any obligation of the institution
18 owed to the Corporation as a result of the
19 institution’s default on a Corporation-guar-
20 anteed debt.”.

Page 825, after line 12, insert the following new sec-
tion:

1 **SEC. 4313. REGULATION OF PERSON-TO-PERSON LENDING.**

2 (a) SCOPE OF EXEMPTION FROM FEDERAL SECURI-
3 TIES REGULATION.—Section 3(a) of the Securities Act of
4 1933 (15 U.S.C. 77c(a)) is amended by adding at the end
5 the following new paragraph:

6 “(15) PERSON-TO-PERSON LENDING.—

7 “(A) IN GENERAL.—Any consumer loan,
8 and any note representing a whole or fractional
9 interest in any such loan, funded or sold
10 through a person-to-person lending platform.

11 “(B) DEFINITIONS.— For purposes of this
12 paragraph:

13 “(i) CONSUMER LOAN.—The term
14 ‘consumer loan’ means a loan made to a
15 natural person, the proceeds of which are
16 intended primarily for personal, family,
17 educational, household, or business use.

18 “(ii) PERSON-TO-PERSON LENDING
19 PLATFORM.—

20 “(I) IN GENERAL.—The term
21 ‘person-to-person lending platform’
22 means an Internet website, the pri-
23 mary purpose of which is to provide a
24 transaction platform for the funding
25 or sale of individual consumer loans,
26 or the sale of notes representing whole

1 or fractional interests in individual
2 consumer loans, by matching natural
3 persons who wish to obtain such loans
4 with persons who wish to fund them,
5 or by matching persons who wish to
6 sell such loans or notes with persons
7 who wish to purchase them.

8 “(II) PROHIBITION ON MULTIPLE
9 LOANS IN A SINGLE TRANSACTION.—
10 The term ‘person-to-person lending
11 platform’ does not include any plat-
12 form on which multiple loans may be
13 funded or sold in a single transaction,
14 or on which a note representing an in-
15 terest in multiple loans or other debt
16 obligations may be sold.”.

17 (b) REGULATION BY THE AGENCY.—

18 (1) IN GENERAL.—Primary jurisdiction for the
19 regulation of the lending activities of person-to-per-
20 son lending and person-to-person lending platforms
21 is hereby vested in the Agency.

22 (2) INTERIM REQUIREMENTS.—Until the Direc-
23 tor issues and adopts disclosure requirements with
24 respect to the sale of consumer loans, or notes rep-
25 resenting whole or fractional interests therein, on

1 person-to-person lending platforms, a person-to-per-
2 son lending platform that registers the offer and sale
3 of any such notes under the Securities Act of 1933
4 shall, with respect to such registered offer and sale,
5 provide the disclosure required under the Securities
6 Act of 1933 to be contained in the registration
7 statement and prospectus and provide such disclo-
8 sure required in any periodic reports required to be
9 filed by such person-to-person lender pursuant to
10 section 13 or section 15(d) of the Securities Ex-
11 change Act of 1934.

12 (3) DEFINITIONS.—For purposes of this sub-
13 section, the terms “consumer loan”, “person-to-per-
14 son lending platform”, “prospectus”, and “registra-
15 tion statement” shall have the meaning given such
16 term under the Securities Act of 1933.

17 (c) RULEMAKING.—The Director may prescribe such
18 regulations and issue such orders as the Director con-
19 siders necessary or appropriate to implement the provi-
20 sions of this section and to provide borrower protection,
21 lender protection, consumer choice, and expanded con-
22 sumer access to fair and reasonable credit choices.

23 (d) EFFECTIVE DATE.—Notwithstanding section
24 4310, this section shall take effect on the date of the en-
25 actment of this title.

Page 699, line 13, strike “and”.

Page 699, line 17, insert “and” after “services;”.

Page 699, after line 17, insert the following:

1 (vi) the nature, range, and size of
2 variations between the credit scores sold to
3 creditors and those sold to consumers by
4 consumer reporting agencies that compile
5 and maintain files on consumers on a na-
6 tionwide basis (as defined in section
7 603(p) of the Fair Credit Reporting Act;
8 15 U.S.C. 1681a(p)), and whether such
9 variations disadvantage consumers;

Page 788, after line 10, insert the following:

10 (3) CONSIDER AS UNFAIR CERTAIN PRACTICES
11 WITH REGARD TO THE PROVISION OF CREDIT
12 SCORES.—Subject to regulations prescribed by the
13 Director, it shall be considered unfair for any con-
14 sumer reporting agency that compiles and maintains
15 files on consumers on a nationwide basis (as defined
16 in section 603(p) of the Fair Credit Reporting Act;
17 15 U.S.C. 1681a(p)) to make available for purchase
18 by creditors any credit score for a consumer that is
19 not also available for purchase by that consumer at

1 the same price as other credit scores sold to con-
2 sumers by such agency.

Page 699, line 17, insert “, and the impact of Federal policies, including resource limits in means-tested Federal benefit programs (as defined in section 318 of the Higher Education Act of 1965; 20 U.S.C. 1059e), on such consumers in influencing banking behavior” after “financial products or services”.

In section 4109(f) (as modified pursuant to the rule providing for the consideration of the bill and contained in the amendment designated MWB__05), strike paragraph (3) and insert the following:

3 (3) EXCEPTION.—Notwithstanding paragraph
4 (1), an attorney’s activities related to assisting an-
5 other person in preventing a foreclosure shall be
6 subject to this title except to the extent such activi-
7 ties constitute, or are incidental to, the provision of
8 legal services to a client of the attorney.

Page 776, after line 19, insert the following new subsection:

9 (1) EXCLUSION FOR ACTIVITIES RELATING TO CHAR-
10 ITABLE CONTRIBUTIONS.—

11 (1) The Director and the Agency may not exer-
12 cise any rulemaking, supervisory, enforcement, or

1 other authority, including authority to order assess-
2 ments or penalties, over any activities related to the
3 solicitation or making of voluntary contributions to
4 or through a tax-exempt organization as recognized
5 by the Internal Revenue Service, by any agent, vol-
6 unteer or representative of such organizations to the
7 extent the organization, agent, volunteer or rep-
8 resentative thereof is soliciting or providing advice,
9 information, education or instruction to donor(s) or
10 potential donor(s) relating to a contribution to or
11 through the organization.

12 (2) This exclusion shall not apply to other ac-
13 tivities not described in the paragraph above and are
14 financial activities as described in any subparagraph
15 of section 4002(19), or otherwise subject to any of
16 the enumerated consumer laws, or the authorities
17 transferred under subtitle F or H.



AMENDMENT TO H.R. 4173

OFFERED BY _____

In the last section title I of the bill (as added pursuant to the rule providing for the consideration of the bill and contained in the amendment designated "TARP__001"), strike "\$22,059,000,000," and insert "23,625,000,000".

