To replace the Director of the Bureau of Consumer Financial Protection with a 5-person Commission, to bring the Bureau into the regular appropriations process, to provide for a safety and soundness check, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 31, 2013

Mr. MORAN introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To replace the Director of the Bureau of Consumer Financial Protection with a 5-person Commission, to bring the Bureau into the regular appropriations process, to provide for a safety and soundness check, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Responsible Consumer
Financial Protection Regulations Act of 2013”.
SEC. 2. ESTABLISHMENT OF THE COMMISSION.

Section 1011 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5491) is amended—

(1) by striking subsections (b), (c), and (d);

(2) by redesignating subsection (e) as subsection (j); and

(3) by inserting after subsection (a) the following new subsections:

“(b) ESTABLISHMENT OF THE COMMISSION.—

“(1) IN GENERAL.—There is hereby established a commission (hereafter in this title referred to as the ‘Commission’) that shall serve as the head of the Bureau.

“(2) AUTHORITY TO PRESCRIBE REGULATIONS.—The Commission may prescribe such regulations and issue such orders in accordance with this title as the Commission may determine to be necessary for carrying out this title and all other laws within the jurisdiction of the Commission, and shall exercise any authorities granted under this title and all other laws within the jurisdiction of the Commission.

“(c) COMPOSITION OF THE COMMISSION.—

“(1) IN GENERAL.—The Commission shall be composed of 5 members, who shall be appointed by
the President, by and with the advice and consent
of the Senate, from among individuals who—

“(A) are citizens of the United States; and

“(B) have strong competencies and experi-
ences related to consumer financial protection.

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

“(3) TERMS.—

“(A) IN GENERAL.—Each member of the
Commission, including the Chair, shall serve for
a term of 5 years.

“(B) REMOVAL FOR CAUSE.—The Presi-
dent may remove any member of the Commis-
sion only for inefficiency, neglect of duty, or
malfeasance in office.

“(C) VACANCIES.—Any member of the
Commission appointed to fill a vacancy occur-
rning before the expiration of the term to which
the predecessor of that member was appointed
(including the Chair) shall be appointed only
for the remainder of the term.

“(D) CONTINUATION OF SERVICE.—Each
member of the Commission may continue to
serve after the expiration of the term of office to which that member was appointed until a successor has been appointed by the President and confirmed by the Senate, except that a member may not continue to serve more than 1 year after the date on which the term of that member would otherwise expire.

"(E) OTHER EMPLOYMENT PROHIBITED.—No member of the Commission shall engage in any other business, vocation, or employment during the term of service of that member on the Commission.

"(d) AFFILIATION.—With respect to members appointed pursuant to subsection (e), not more than 3 shall be members of any one political party.

"(e) CHAIR OF THE COMMISSION.—

"(1) APPOINTMENT.—The Chair of the Commission shall be appointed by the President from among the members of the Commission.

"(2) AUTHORITY.—The Chair shall be the principal executive officer of the Bureau, and shall exercise all of the executive and administrative functions of the Bureau, including with respect to—

"(A) the appointment and supervision of personnel employed under the Bureau (other
than personnel employed regularly and full time
in the immediate offices of members of the
Commission other than the Chair);  
“(B) the distribution of business among
personnel appointed and supervised by the
Chair and among administrative units of the
Bureau; and
“(C) the use and expenditure of funds.
“(3) LIMITATION.—In carrying out any of the
functions of the Chair under this subsection, the
Chair shall be governed by general policies of the
Commission and by such regulatory decisions, find-
ings, and determinations as the Commission may by
law be authorized to make.
“(4) REQUESTS OR ESTIMATES RELATED TO
APPROPRIATIONS.—Requests or estimates for reg-
ular, supplemental, or deficiency appropriations on
behalf of the Commission may not be submitted by
the Chair without the prior approval of the Commiss-
ion.
“(f) NO IMPAIRMENT BY REASON OF VACANCIES.—
No vacancy in the membership of the Commission shall
impair the right of the remaining members of the Commiss-
ion to exercise all the powers of the Commission. Three
members of the Commission shall constitute a quorum for
the transaction of business, except that if there are only
3 members serving on the Commission because of vacan-
cies in the membership of the Commission, 2 members of
the Commission shall constitute a quorum for the trans-
action of business. If there are only 2 members serving
on the Commission because of vacancies in the member-
ship of the Commission, 2 members shall constitute a
quorum for the 6-month period beginning on the date of
the vacancy which caused the number of Commission
members to decline to 2.

“(g) SEAL.—The Commission shall have an official
seal.

“(h) COMPENSATION.—

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

“(2) OTHER MEMBERS OF THE COMMISSION.—
The 4 members of the Commission other than the
Chair shall each receive compensation at the rate
prescribed for level II of the Executive Schedule
under section 5314 of title 5, United States Code.

“(i) INITIAL QUORUM ESTABLISHED.—During any
time period prior to the date of confirmation of at least
2 members of the Commission, one member of the Com-
mission shall constitute a quorum for the transaction of
business. Following the confirmation of at least 2 addi-
tional commissioners, the quorum requirements of sub-
section (f) shall apply.”

SEC. 3. BRINGING THE BUREAU INTO THE REGULAR AP-
PROPRIATIONS PROCESS.

Section 1017 of the Consumer Financial Protection
Act of 2010 (12 U.S.C. 5497) is amended—

(1) in subsection (a)—

(A) by amending the heading of such sub-
section to read as follows: “BUDGET, FINAN-
CIAL MANAGEMENT, AND AUDIT.—”;

(B) by striking paragraphs (1), (2), and
(3);

(C) by redesignating paragraphs (4) and
(5) as paragraphs (1) and (2), respectively; and

(D) by striking subparagraphs (E) and (F)
of paragraph (1), as so redesignated;

(2) by striking subsections (b), (c), and (d);

(3) by redesignating subsection (e) as sub-
section (b); and

(4) in subsection (b), as so redesignated—

(A) by striking paragraphs (1), (2), and
(3) and inserting the following:
“(1) Authorization of Appropriations.—

There is authorized to be appropriated to the Bureau, to carry out this title—

“(A) not more than $143,000,000 for fiscal year 2013; and

“(B) not more than $329,000,000 for fiscal year 2014.”; and

(B) by redesignating paragraph (4) as paragraph (2).

SEC. 4. SAFETY AND SOUNDNESS CHECK.


(1) in clause (i), by striking “and” at the end;

(2) in clause (ii), by inserting “and” at the end;

and

(3) by adding at the end the following:

“(iii) the impact of such rule on the financial safety or soundness of an insured depository institution;”.

SEC. 5. CONFORMING AMENDMENTS.

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

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

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

(C) in section 1002, by striking paragraph (10) and inserting the following:

“(10) [Reserved].”.

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

(A) in section 1012(c)(4) (12 U.S.C. 5492(c)(4)), by striking “Director” each place such term appears and inserting “Commission of the Bureau”; and

(B) in section 1013(c)(3) (12 U.S.C. 5493(c)(3))—
(i) by striking “Assistant Director of
the Bureau for” and inserting “Head of
the Office of”; and

(ii) in subparagraph (B), by striking
“Assistant Director” and inserting “Head
of the Office”;

(C) in section 1013(g)(2) (12 U.S.C.
5493(g)(2))—

(i) in the paragraph heading, by strik-
ing “ASSISTANT DIRECTOR” and inserting
“HEAD OF THE OFFICE”; and

(ii) by striking “an assistant director”
and inserting “a Head of the Office of Fi-
nancial Protection for Older Americans”;

(D) in section 1016(a) (12 U.S.C.
5496(a)), by striking “Director of the Bureau”
and inserting “Chair of the Commission”; and

(E) in section 1066(a) (12 U.S.C.
5586(a)), by striking “Director of the Bureau
is” and inserting “first member of the Commis-
sion is”.

(b) DODD-FRANK WALL STREET REFORM AND CON-
SUMER PROTECTION ACT.—The Dodd-Frank Wall Street
Reform and Consumer Protection Act (Public Law 111–
203) is amended—
(1) in section 111(b)(1)(D) (12 U.S.C. 5321),
by striking “Director” and inserting “Chair of the
Commission”; and

(2) in section 1447 (12 U.S.C. 1701p–2), by
striking “Director of the Bureau” each place such
term appears and inserting “Bureau”.

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

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

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


(g) Financial Literacy and Education Improvement Act.—Section 513 of the Financial Literacy and Education Improvement Act (20 U.S.C. 9702), as amended by section 1013(d) of the Consumer Financial Protection Act of 2010, is amended by striking “Director” each place such term appears and inserting “Chair of the Commission”.


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(1) in section 1402, by striking paragraph (1) and inserting the following:

“(1) ‘Chair’ means the Chair of the Commission of the Bureau of Consumer Financial Protection;”;

(2) in section 1416(a), by striking “Director of the Bureau of Consumer Financial Protection” and inserting “Chair”.


(1) by striking “The Director of the Bureau of Consumer Financial Protection (hereafter in this section referred to as the ‘Director’)” and inserting “The Bureau of Consumer Financial Protection”; and

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

(1) by striking “Director” each place such term appears, other than where such term is used in the context of the Director of the Office of Thrift Supervision, and inserting “Bureau”; and

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

(l) TITLE 44, UNITED STATES CODE.—Section 3513(c) of title 44, United States Code, as amended by section 1100D(b) of the Consumer Financial Protection Act of 2010, is amended by striking “Director of the Bureau” and inserting “Bureau”.

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