To amend the Consumer Financial Protection Act of 2010 to make the Bureau of Consumer Financial Protection an independent Financial Product Safety Commission, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES
MARCH 4, 2015

Mr. Neugebauer (for himself, Mr. Guinta, Mr. Huizenga of Michigan, Mr. Garrett, Mr. Schweikert, Mr. Rothfus, Mr. Luetkemeyer, Mr. Pearce, Mr. Tipton, Mr. Williams, Mr. Ross, Mrs. Wagner, Mr. Poliquin, Mr. Westmoreland, Mr. Barr, Mr. Hill, Mr. Fitzpatrick, Mr. Duffy, Mr. Pittenger, Mrs. Love, and Mr. McHenry) introduced the following bill; which was referred to the Committee on Financial Services

A BILL
To amend the Consumer Financial Protection Act of 2010 to make the Bureau of Consumer Financial Protection an independent Financial Product Safety Commission, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Financial Product Safety Commission Act of 2015”.

SEC. 2. MAKING THE BUREAU AN INDEPENDENT FINANCIAL PRODUCT SAFETY COMMISSION.

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

(1) in section 1011—

(A) in subsection (a)—

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

(ii) by striking “independent bureau” and inserting “independent commission”;

(iii) by striking “Bureau of Consumer Financial Protection” and inserting “Financial Product Safety Commission (hereinafter in this section referred to as the ‘Commission’)”; and

(iv) by striking “Bureau” each place such term appears and inserting “Commission”;

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

(C) by redesignating subsection (e) as subsection (j);

(D) in subsection (j), as so redesignated—

(i) by striking “, including in cities in which the Federal reserve banks, or branches of such banks, are located,”; and
(ii) by striking “Bureau” each place such term appears and inserting “Commission”; and
(E) by inserting after subsection (a) the following new subsections:

“(b) 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 Commission’s jurisdiction and shall exercise any authorities granted under this title and all other laws within the Commission’s jurisdiction.

“(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 experiences related to consumer financial products and services.

“(2) Staggering.—The members of the Commission 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.—The President may remove any member of the Commission for inefficiency, neglect of duty, or malfeasance in office.

“(C) VACANCIES.—Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term to which that member’s predecessor 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 that member’s term would otherwise expire.
“(E) OTHER EMPLOYMENT PROHIBITED.—

No member of the Commission shall engage in
any other business, vocation, or employment.

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

“(e) CHAIR OF THE COMMISSION.—

“(1) APPOINTMENT.—The Chair of the Com-
mission shall be appointed by the President.

“(2) AUTHORITY.—The Chair shall be the prin-
cipal executive officer of the Commission, and shall
exercise all of the executive and administrative func-
tions of the Commission, including with respect to—

“(A) the appointment and supervision of
personnel employed under the Commission
(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
Commission; and

“(C) the use and expenditure of funds.

“(3) LIMITATION.—In carrying out any of the
Chair’s functions under the provisions of this sub-
section the Chair shall be governed by general poli-
cies of the Commission and by such regulatory deci-
sions, findings, and determinations as the Commis-
sion may by law be authorized to make.

“(4) Requests or estimates related to appro-
priations.—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 Commis-

“(f) No impairment by reason of vacancies.—
No vacancy in the members of the Commission shall im-
pair the right of the remaining members of the Commis-
sion 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 Commission, 2 members of the Commission
shall constitute a quorum for the transaction of business.
If there are only 2 members serving on the Commission
because of vacancies in 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 Com-
mission members to decline to 2.
“(g) Seal.—The Commission shall have an official seal.

“(h) Compensation.—

“(1) Chair.—The Chair shall receive compensation 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 other members of the Commission 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 confirmation of at least two members of the Commission, one member of the Commission shall constitute a quorum for the transaction of business. Following the confirmation of at least 2 additional commissioners, the quorum requirements of subsection (f) shall apply.”;

(2) in section 1012(c), by striking paragraphs (2), (3), (4), and (5); and

(3) in section 1014(b), by striking “Not fewer than 6 members shall be appointed upon the recommendation of the regional Federal Reserve Bank Presidents, on a rotating basis.”.
SEC. 3. DEEMING OF NAME.

Any reference in a law, regulation, document, paper, or other record of the United States to the Bureau of Consumer Financial Protection shall be deemed a reference to the Financial Product Safety Commission.

SEC. 4. CONFORMING AMENDMENTS.

(a) CONSUMER FINANCIAL PROTECTION ACT OF 2010.—

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

(A) by striking “Director of the Bureau” 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 “Financial Product Safety Commission”;

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

(C) in section 1002, by striking paragraph (10).
(2) EXCEPTIONS.—The Consumer Financial Protection Act of 2010 (12 U.S.C. 5481 et seq.) is amended—

(A) in section 1013(c)(3)—

(i) by striking “Assistant Director of the Bureau for” and inserting “Head of the Office”; and

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

(B) in section 1013(g)(2)—

(i) by striking “ASSISTANT DIRECTOR” and inserting “HEAD OF THE OFFICE”; and

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

(C) in section 1016(a), by striking “Director of the Bureau” and inserting “Chair of the Financial Product Safety Commission”; and

(D) in section 1066(a), by striking “Director of the Bureau is” and inserting “first member of the Commission is”. 

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

(1) in section 111(b)(1)(D), by striking “Director” and inserting “Chair of the Financial Product Safety Commission”; and

(2) in section 1447, by striking “Director of the Bureau” each place such term appears and inserting “Financial Product Safety Commission”.


(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 Financial Protection Act of 2010, is amended by striking “Director of the Bureau” each place such term appears and inserting “Financial Product Safety Commission”.

(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 Financial Product Safety Commission”.

(f) Federal Financial Institutions Examination Council Act of 1978.—Section 1004(a)(4) of the

Federal Financial Institutions Examination Council Act of

1978 (12 U.S.C. 3303(a)(4)), as amended by section 1091

of the Consumer Financial Protection Act of 2010, is

amended by striking “Director of the Consumer Financial

Protection Bureau” and inserting “Chair of the Financial

Product Safety Commission”.

(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)(5) of the Consumer Financial

Protection Act of 2010, is amended by striking “Director”

each place such term appears and inserting “Chair of the

Financial Product Safety Commission”.

(h) Home Mortgage Disclosure Act of 1975.—

Section 307 of the Home Mortgage Disclosure Act of

1975, as amended by section 1094(6) of the Consumer

Financial Protection Act of 2010, is amended by striking

“Director of the Bureau of Consumer Financial Protec-

tion” each place such term appears and inserting “Finan-

cial Product Safety Commission”.

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(i) Interstate Land Sales Full Disclosure Act.—The Interstate Land Sales Full Disclosure Act, as amended by section 1098A of the Consumer Financial Protection Act of 2010, is amended—

(1) by amending section 1402(1) to read as follows:

“(1) ‘Chair’ means the Chair of the Financial Product Safety Commission;”; and

(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 Financial Product Safety Commission”; and

(2) by striking “Director” each place such term appears and inserting “Financial Product Safety Commission”.

5101 et seq.), as amended by section 1100 of the Consumer Financial Protection Act of 2010, is amended—

(1) by striking “Director” each place such term appears in headings and text, other than where such term is used in the context of the Director of the Office of Thrift Supervision, and inserting “Financial Product Safety Commission”; 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 “Financial Product Safety Commission”.

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