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(Original Signature of Member)

113TH CONGRESS
2D SESSION

H. R.

To require the Bureau of Consumer Financial Protection to issue regulations defining the term “abusive”, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. BARR introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Bureau of Consumer Financial Protection to issue regulations defining the term “abusive”, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Preventing Regulatory
5 Abuse Act of 2014”.

1 **SEC. 2. RULEMAKING REQUIRED.**

2 (a) IN GENERAL.—Section 1031 of the Consumer Fi-
3 nancial Protection Act of 2010 (12 U.S.C. 5531) is
4 amended by adding at the end the following:

5 “(g) ABUSIVE DEFINITION AND AUTHORITY.—

6 “(1) DEFINITION REQUIREMENT.—

7 “(A) IN GENERAL.—The Bureau shall—

8 “(i) issue a proposed rule to define
9 the term ‘abusive’ before the end of the
10 15-day period beginning on the date of en-
11 actment of the Preventing Regulatory
12 Abuse Act of 2014;

13 “(ii) provide a public comment period
14 of at least 90 days following the date such
15 proposed rule is issued; and

16 “(iii) issue a final rule to define the
17 term ‘abusive’ before the end of the 12-
18 month period beginning after the end of
19 the public comment period described under
20 clause (ii).

21 “(B) EXTENSION FOR NEW PROPOSED
22 RULE.—Notwithstanding subparagraph (A), if
23 the Bureau determines, after the end of the
24 public comment period described under sub-
25 paragraph (A)(ii), that the Bureau should issue

1 a new proposed rule instead of continuing with
2 the original rulemaking process, the Bureau—

3 “(i) may issue such new proposed
4 rule;

5 “(ii) shall provide a public comment
6 period of at least 90 days following the
7 date such new proposed rule is issued; and

8 “(iii) shall issue a final rule to define
9 the term ‘abusive’ before the end of the
10 12-month period beginning after the end of
11 the public comment period described under
12 clause (ii).

13 “(2) EFFECT OF FAILURE TO ISSUE RULE.—
14 Notwithstanding any other provision of law, if the
15 Bureau fails to issue the final rule required under
16 subparagraph (A) of paragraph (1) before the end of
17 the 12-month period specified under such subpara-
18 graph (A) or, in the case of a new proposed rule de-
19 scribed under subparagraph (B) of paragraph (1),
20 before the end of the 12-month period specified
21 under such subparagraph (B), the Bureau shall have
22 no authority to declare an act or practice abusive in
23 connection with the provision of a consumer finan-
24 cial product or service.”.

1 (b) MORATORIUM PENDING DEFINITION.—The Bu-
2 reau of Consumer Financial Protection may not declare
3 an act or practice abusive in connection with the provision
4 of a consumer financial product or service until such time
5 as the Bureau issues a final rule defining the term “abu-
6 sive”, as required under section 1031(g) of the Consumer
7 Financial Protection Act of 2010.