

[Committee Print]

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H. R. 1121

To replace the Director of the Bureau of Consumer Financial Protection
with a five person Commission.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2011

Mr. BACHUS (for himself, Mrs. CAPITO, Mrs. BIGGERT, Mr. GARRETT, Mr. HENSARLING, Mr. GARY G. MILLER of California, Mr. NEUGEBAUER, Mr. GRIMM, Mrs. BACHMANN, Mr. ROYCE, Mr. DOLD, Mr. YODER, Mr. MANZULLO, Mr. SCHWEIKERT, Mr. LUETKEMEYER, Mr. PEARCE, Mr. STIVERS, Mr. MCHENRY, Mr. CANSECO, Mr. SESSIONS, Mr. POSEY, Mr. DUFFY, Mr. HUIZENGA of Michigan, Mr. LUCAS, Mr. CAMPBELL, Mr. KING of New York, and Mr. HULTGREN) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To replace the Director of the Bureau of Consumer Financial
Protection with a five person Commission.

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 “Responsible Consumer
5 Financial Protection Regulations Act of 2011”.

1 **SEC. 2. ESTABLISHMENT OF THE COMMISSION.**

2 Section 1011 of the Consumer Financial Protection
3 Act of 2010 is amended—

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

5 (2) by redesignating subsection (e) as sub-
6 section (j); and

7 (3) by inserting after subsection (a) the fol-
8 lowing new subsections:

9 “(b) ESTABLISHMENT OF THE COMMISSION.—

10 “(1) IN GENERAL.—There is hereby established
11 a commission (hereinafter referred to in this section
12 as the ‘Commission’) that shall serve as the head of
13 the Bureau.

14 “(2) AUTHORITY TO PRESCRIBE REGULA-
15 TIONS.—The Commission may prescribe such regu-
16 lations and issue such orders in accordance with this
17 title as the Commission may determine to be nec-
18 essary for carrying out this title and all other laws
19 within the Commission’s jurisdiction and shall exer-
20 cise any authorities granted under this title and all
21 other laws within the Commission’s jurisdiction.

22 “(c) COMPOSITION OF THE COMMISSION.—

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

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

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

4 “(2) STAGGERING.—The members of the Com-
5 mission shall serve staggered terms, which initially
6 shall be established by the President for terms of 1,
7 2, 4, and 5 years, respectively.

8 “(3) TERMS.—

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

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

16 “(C) VACANCIES.—Any member of the
17 Commission appointed to fill a vacancy occur-
18 ring before the expiration of the term to which
19 that member’s predecessor was appointed (in-
20 cluding the Chair) shall be appointed only for
21 the remainder of the term.

22 “(D) CONTINUATION OF SERVICE.—Each
23 member of the Commission may continue to
24 serve after the expiration of the term of office
25 to which that member was appointed until a

1 successor has been appointed by the President
2 and confirmed by the Senate, except that a
3 member may not continue to serve more than 1
4 year after the date on which that member's
5 term would otherwise expire.

6 “(E) OTHER EMPLOYMENT PROHIBITED.—

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

9 “(d) AFFILIATION.—With respect to members ap-
10 pointed pursuant to subsection (c), not more than 3 shall
11 be members of any one political party.

12 “(e) CHAIR OF THE COMMISSION.—

13 “(1) APPOINTMENT.—The Chair of the Com-
14 mission shall be appointed by the President from
15 among the members of the Commission.

16 “(2) AUTHORITY.—The Chair shall be the prin-
17 cipal executive officer of the Bureau, and shall exer-
18 cise all of the executive and administrative functions
19 of the Bureau, including with respect to—

20 “(A) the appointment and supervision of
21 personnel employed under the Bureau (other
22 than personnel employed regularly and full time
23 in the immediate offices of members of the
24 Commission other than the Chair);

1 “(B) the distribution of business among
2 personnel appointed and supervised by the
3 Chair and among administrative units of the
4 Bureau; and

5 “(C) the use and expenditure of funds.

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

12 “(4) REQUESTS OR ESTIMATES RELATED TO
13 APPROPRIATIONS.—Requests or estimates for reg-
14 ular, supplemental, or deficiency appropriations on
15 behalf of the Commission may not be submitted by
16 the Chair without the prior approval of the Commis-
17 sion.

18 “(f) NO IMPAIRMENT BY REASON OF VACANCIES.—
19 No vacancy in the members of the Commission shall im-
20 pair the right of the remaining members of the Commis-
21 sion to exercise all the powers of the Commission. Three
22 members of the Commission shall constitute a quorum for
23 the transaction of business, except that if there are only
24 3 members serving on the Commission because of vacan-
25 cies in the Commission, 2 members of the Commission

1 shall constitute a quorum for the transaction of business.
2 If there are only 2 members serving on the Commission
3 because of vacancies in the Commission, 2 members shall
4 constitute a quorum for the 6-month period beginning on
5 the date of the vacancy which caused the number of Com-
6 mission members to decline to 2.

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

9 “(h) COMPENSATION.—

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

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

19 “(i) INITIAL QUORUM ESTABLISHED.—During any
20 time period prior to the confirmation of at least two mem-
21 bers of the Commission, one member of the Commission
22 shall constitute a quorum for the transaction of business.
23 Following the confirmation of at least 2 additional com-
24 missioners, the quorum requirements of subsection (f)
25 shall apply.”.

1 **SEC. 3. CONFORMING AMENDMENTS.**

2 (a) CONSUMER FINANCIAL PROTECTION ACT OF
3 2010.—

4 (1) IN GENERAL.—Except as provided under
5 paragraph (1), the Consumer Financial Protection
6 Act of 2010 is amended—

7 (A) by striking “Director of the” each
8 place such term appears, other than where such
9 term is used to refer to a Director other than
10 the Director of the Bureau of Consumer Finan-
11 cial Protection;

12 (B) by striking “Director” each place such
13 term appears and inserting “Bureau”, other
14 than where such term is used to refer to a Di-
15 rector other than the Director of the Bureau of
16 Consumer Financial Protection; and

17 (C) in section 1002, by striking paragraph
18 (10).

19 (2) EXCEPTIONS.—The Consumer Financial
20 Protection Act of 2010 is amended—

21 (A) in section 1012(c)(4), by striking “Di-
22 rector” each place such term appears and in-
23 serting “Commission of the Bureau”;

24 (B) in section 1013(c)(3)—

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

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

7 (C) in section 1013(g)(2)—

8 (i) by striking “ASSISTANT DIREC-
9 TOR” and inserting “HEAD OF THE OF-
10 FICE”; and

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

14 (D) in section 1016(a), by striking “Direc-
15 tor of the Bureau” and inserting “Chair of the
16 Commission”; and

17 (E) in section 1066(a), by striking “Direc-
18 tor of the Bureau is” and inserting “first mem-
19 ber of the Commission is”.

20 (b) DODD-FRANK WALL STREET REFORM AND CON-
21 SUMER PROTECTION ACT.—The Dodd-Frank Wall Street
22 Reform and Consumer Protection Act is amended—

23 (1) in section 111(b)(1)(D), by striking “Direc-
24 tor” and inserting “Chair of the Commission”; and

1 (2) in section 1447, by striking “Director of the
2 Bureau” each place such term appears and inserting
3 “Bureau”.

4 (c) ELECTRONIC FUND TRANSFER ACT.—Section
5 920(a)(4)(C) of the Electronic Fund Transfer Act, as
6 added by section 1075(a)(2) of the Consumer Financial
7 Protection Act of 2010, is amended by striking “Director
8 of the Bureau of Consumer Financial Protection” and in-
9 serting “Bureau of Consumer Financial Protection”.

10 (d) EXPEDITED FUNDS AVAILABILITY ACT.—The
11 Expedited Funds Availability Act, as amended by section
12 1086 of the Consumer Financial Protection Act of 2010,
13 is amended by striking “Director of the Bureau” each
14 place such term appears and inserting “Bureau”.

15 (e) FEDERAL DEPOSIT INSURANCE ACT.—Section 2
16 of the Federal Deposit Insurance Act, as amended by sec-
17 tion 336(a) of the Dodd-Frank Wall Street Reform and
18 Consumer Protection Act, is amended by striking “Direc-
19 tor of the Consumer Financial Protection Bureau” each
20 place such term appears and inserting “Chair of the Com-
21 mission of the Bureau of Consumer Financial Protection”.

22 (f) FEDERAL FINANCIAL INSTITUTIONS EXAMINA-
23 TION COUNCIL ACT OF 1978.—Section 1004(a)(4) of the
24 Federal Financial Institutions Examination Council Act of
25 1978 (12 U.S.C. 3303(a)(4)), as amended by section 1091

1 of the Consumer Financial Protection Act of 2010, is
2 amended by striking “Director of the Consumer Financial
3 Protection Bureau” and inserting “Chair of the Commis-
4 sion of the Bureau of Consumer Financial Protection”.

5 (g) FINANCIAL LITERACY AND EDUCATION IM-
6 PROVEMENT ACT.—Section 513 of the Financial Literacy
7 and Education Improvement Act, as amended by section
8 1013(d)(5) of the Consumer Financial Protection Act of
9 2010, is amended by striking “Director” each place such
10 term appears and inserting “Chair of the Commission”.

11 (h) HOME MORTGAGE DISCLOSURE ACT OF 1975.—
12 Section 307 of the Home Mortgage Disclosure Act of
13 1975, as amended by section 1094(6) of the Consumer
14 Financial Protection Act of 2010, is amended by striking
15 “Director of the Bureau of Consumer Financial Protec-
16 tion” each place such term appears and inserting “Bureau
17 of Consumer Financial Protection”.

18 (i) INTERSTATE LAND SALES FULL DISCLOSURE
19 ACT.—The Interstate Land Sales Full Disclosure Act, as
20 amended by section 1098A of the Consumer Financial
21 Protection Act of 2010, is amended—

22 (1) by amending section 1402(1) to read as fol-
23 lows:

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

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

4 (j) REAL ESTATE SETTLEMENT PROCEDURES ACT
5 OF 1974.—Section 5 of the Real Estate Settlement Proce-
6 dures Act of 1974, as amended by section 1450 of the
7 Dodd-Frank Wall Street Reform and Consumer Protec-
8 tion Act, is amended—

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

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

16 (k) S.A.F.E. MORTGAGE LICENSING ACT OF 2008.—
17 The S.A.F.E. Mortgage Licensing Act of 2008, as amend-
18 ed by section 1100 of the Consumer Financial Protection
19 Act of 2010, is amended—

20 (1) by striking “Director” each place such term
21 appears in headings and text, other than where such
22 term is used in the context of the Director of the Of-
23 fice of Thrift Supervision, and inserting “Bureau”;
24 and

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

1 (l) TITLE 44, UNITED STATES CODE.—Section
2 3513(c) of title 44, United States Code, as amended by
3 section 1100D(b) of the Consumer Financial Protection
4 Act of 2010, is amended by striking “Director of the Bu-
5 reau” and inserting “Bureau”.