



TITLE X: CONSUMER FINANCIAL PROTECTION BUREAU

- Establishes a new, independent bureau (the Bureau), housed within the Federal Reserve, but not subject to its supervision, and authorized to examine and enforce regulations for banks and credit unions with assets that exceed US\$10 billion, as well as all mortgage-related businesses, along with payday lenders, student lenders and other large non-bank financial companies
- Consolidates consumer protection responsibilities that currently reside in a number of federal agencies
- Provides for the Bureau to be headed by an independent director, appointed by the President, confirmed by the Senate, and removable only for cause, with a dedicated budget
- Sets forth authority for the Bureau to write rules for consumer protection that will govern most financial institutions, with authority to initiate investigations and conduct litigation in its own name
- Provides that rules issued by the Bureau are reviewable by the Financial Stability Oversight Council but may be set aside only if such rule would “put the safety and soundness of the US banking system or the stability of the financial system of the US at risk”
- Creates limited preemption solely in cases where a state law enacted to support the objectives of the Bureau significantly interferes with the activities of a national bank; otherwise, creates a federal floor, and
- Establishes an Office of Fair Lending and Equal Opportunity, as well as a Victims Relief Fund funded by civil penalties normally deposited into the Treasury’s general fund

Rulemakings

Consumer Financial Protection Bureau	
July 21, 2011 (1 year after Transfer Date), or such later date (not later than January 21, 2012)⁸	Bill Section
In consultation with the FTC, Bureau to issue initial rule on definition of non-depository covered persons.	§1024(a)(2)
Bureau to propose rule on combined disclosures under Truth In Lending Act and Real Estate Settlement Procedures Act.	§1032(f)
No date given	
Bureau authorized to establish general policies with respect to all executive and administrative functions.	§1012(a)
Director may prescribe rules and issue orders and guidance as necessary or appropriate to enable the Bureau to administer and carry out the purposes and objectives of the federal consumer financial laws and to prevent evasions thereof.	§1022(b)
Bureau to prescribe rules regarding the confidential treatment of information.	§1022(c)(6)

⁸ Transfer Date refers to the transfer of functions to the Consumer Financial Protection Bureau under §1062.



Bureau to prescribe rules to facilitate supervision of non-depository covered persons.	§1024(b)(7)
Bureau authorized to prescribe rules related to pre-dispute arbitration clauses in consumer financial product agreements.	§1028(b)
Bureau authorized to prescribe rules defining prohibited unfair, deceptive or abusive acts and practices.	§1031(b)
Bureau authorized to prescribe rules governing disclosures for consumer financial products and services.	§1032(a)-(b)
Bureau to prescribe rules concerning a consumer’s right to obtain information from “covered persons”; Bureau to prescribe standards applicable to covered persons to promote the development and use of standardized formats for information.	§1033
Bureau to establish procedures, after consultation with other federal agencies, on responding to consumer complaints.	§1034
Bureau to prescribe regulations on consultations with state attorneys general on the bringing of civil actions to enforce the provisions of the statute.	§1042(c)
Bureau to prescribe rules on hearing procedures and adjudications.	§1053(d)
Bureau to prescribe rules on the collection of data on loan applications by minority and women-owned businesses.	§1071
Bureau authorized to promulgate regulations identifying unfair practices and providing for an integrated disclosure under the Truth In Lending Act and the Real Estate Settlement Procedures Act in the context of reverse mortgages.	§1076
Bureau authorized to promulgate regulations to establish minimum net worth or surety bond requirements for mortgage loan originators.	§1100

Financial Stability Oversight Council	
July 21, 2011 (1 year after enactment)	Bill Section
Council to prescribe procedural rules related to its review of Bureau rulemakings.	§1023

Federal Reserve Board (FRB)	
April 21, 2012 (9 months after enactment)	Bill Section
FRB to issue final rules establishing standards for electronic debit cards interchange fees which are “reasonable and proportional” to the cost incurred.	§1075
FRB to issue rules on disclosures related to remittance transfers.	§1073



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