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(Original Signature of Member)

115TH CONGRESS  
2D SESSION

# H. R.

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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.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. Ross introduced the following bill; which was referred to the Committee  
on \_\_\_\_\_

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# 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.

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 “Financial Product  
5 Safety Commission Act of 2018”.

1 **SEC. 2. MAKING THE BUREAU AN INDEPENDENT FINAN-**  
2 **CIAL PRODUCT SAFETY COMMISSION.**

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

5 (1) in section 1011—

6 (A) in the heading of such section, by  
7 striking “**BUREAU OF CONSUMER FINAN-**  
8 **CIAL PROTECTION**” and inserting “**FINAN-**  
9 **CIAL PRODUCT SAFETY COMMISSION**”;

10 (B) in subsection (a)—

11 (i) in the heading of such subsection,  
12 by striking “BUREAU” and inserting  
13 “COMMISSION”;

14 (ii) by striking “in the Federal Re-  
15 serve System,”;

16 (iii) by striking “independent bureau”  
17 and inserting “independent commission”;

18 (iv) by striking “Bureau of Consumer  
19 Financial Protection” and inserting “Fi-  
20 nancial Product Safety Commission (here-  
21 inafter in this section referred to as the  
22 ‘Commission’)”; and

23 (v) by striking “Bureau” each place  
24 such term appears and inserting “Commis-  
25 sion”;

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

3 (D) by redesignating subsection (e) as sub-  
4 section (j);

5 (E) in subsection (j), as so redesignated—

6 (i) by striking “, including in cities in  
7 which the Federal reserve banks, or  
8 branches of such banks, are located,”; and

9 (ii) by striking “Bureau” each place  
10 such term appears and inserting “Commis-  
11 sion”; and

12 (F) by inserting after subsection (a) the  
13 following new subsections:

14 “(b) AUTHORITY TO PRESCRIBE REGULATIONS.—

15 The Commission may prescribe such regulations and issue  
16 such orders in accordance with this title as the Commis-  
17 sion may determine to be necessary for carrying out this  
18 title and all other laws within the Commission’s jurisdic-  
19 tion and shall exercise any authorities granted under this  
20 title and all other laws within the Commission’s jurisdic-  
21 tion.

22 “(c) COMPOSITION OF THE COMMISSION.—

23 “(1) IN GENERAL.—The Commission shall be  
24 composed of 5 members who shall be appointed by

1 the President, by and with the advice and consent  
2 of the Senate, from among individuals who—

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

4 “(B) have strong competencies and experi-  
5 ences related to consumer financial products  
6 and services.

7 “(2) STAGGERING.—The members of the Com-  
8 mission shall serve staggered terms, which initially  
9 shall be established by the President for terms of 1,  
10 2, 3, 4, and 5 years, respectively.

11 “(3) TERMS.—

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

15 “(B) REMOVAL.—The President may re-  
16 move any member of the Commission for ineffi-  
17 ciency, neglect of duty, or malfeasance in office.

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

24 “(D) CONTINUATION OF SERVICE.—Each  
25 member of the Commission may continue to

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

8           “(E) OTHER EMPLOYMENT PROHIBITED.—  
9           No member of the Commission shall engage in  
10          any other business, vocation, or employment.

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

14          “(e) CHAIR OF THE COMMISSION.—

15                 “(1) INITIAL CHAIR.—The first member and  
16                 Chair of the Commission shall be the individual serv-  
17                 ing as Director of the Bureau of Consumer Finan-  
18                 cial Protection on the day before the date of the en-  
19                 actment of this subsection. Such individual shall  
20                 serve until the President has appointed all 5 mem-  
21                 bers of the Commission in accordance with sub-  
22                 section (c).

23                 “(2) SUBSEQUENT CHAIR.—Of the 5 members  
24                 appointed in accordance with subsection (c), the

1 President shall appoint 1 member to serve as the  
2 subsequent Chair of the Commission.

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

7 “(A) the appointment and supervision of  
8 personnel employed under the Commission  
9 (other than personnel employed regularly and  
10 full time in the immediate offices of members of  
11 the Commission other than the Chair);

12 “(B) the distribution of business among  
13 personnel appointed and supervised by the  
14 Chair and among administrative units of the  
15 Commission; and

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

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

23 “(5) REQUESTS OR ESTIMATES RELATED TO  
24 APPROPRIATIONS.—Requests or estimates for reg-  
25 ular, supplemental, or deficiency appropriations on

1       behalf of the Commission may not be submitted by  
2       the Chair without the prior approval of the Commis-  
3       sion.

4       “(f) INITIAL QUORUM ESTABLISHED.—The first  
5       member and Chair of the Commission described under  
6       subsection (e)(1) shall constitute a quorum for the trans-  
7       action of business until the President has appointed all  
8       5 members of the Commission in accordance with sub-  
9       section (c). Following such appointment of 5 members, the  
10      quorum requirements of subsection (g) shall apply.

11      “(g) NO IMPAIRMENT BY REASON OF VACANCIES.—  
12      No vacancy in the members of the Commission after the  
13      establishment of an initial quorum under subsection (f)  
14      shall impair the right of the remaining members of the  
15      Commission to exercise all the powers of the Commission.  
16      Three members of the Commission shall constitute a  
17      quorum for the transaction of business, except that if  
18      there are only 3 members serving on the Commission be-  
19      cause of vacancies in the Commission, 2 members of the  
20      Commission shall constitute a quorum for the transaction  
21      of business. If there are only 2 members serving on the  
22      Commission because of vacancies in the Commission, 2  
23      members shall constitute a quorum for the 6-month period  
24      beginning on the date of the vacancy which caused the  
25      number of Commission members to decline to 2.

1       “(h) SEAL.—The Commission shall have an official  
2 seal.

3       “(i) COMPENSATION.—

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

8           “(2) OTHER MEMBERS OF THE COMMISSION.—

9       The 4 other members of the Commission shall each  
10 receive compensation at the rate prescribed for level  
11 II of the Executive Schedule under section 5314 of  
12 title 5, United States Code.”;

13           (2) in section 1012(c), by striking paragraphs  
14 (2), (3), (4), and (5); and

15           (3) in section 1014(b), by striking “Not fewer  
16 than 6 members shall be appointed upon the rec-  
17 ommendation of the regional Federal Reserve Bank  
18 Presidents, on a rotating basis.”.

19 **SEC. 3. DEEMING OF NAME.**

20       Any reference in a law, regulation, document, paper,  
21 or other record of the United States to the Bureau of Con-  
22 sumer Financial Protection, except in subsection (e)(1) of  
23 section 1011 of the Consumer Financial Protection Act  
24 of 2010 (12 U.S.C. 5491), as added by this Act, shall be



1 deemed a reference to the Financial Product Safety Com-  
2 mission.

3 **SEC. 4. CONFORMING AMENDMENTS.**

4 (a) CONSUMER FINANCIAL PROTECTION ACT OF  
5 2010.—

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

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

15 (B) by striking “Director” each place such  
16 term appears and inserting “Financial Product  
17 Safety Commission”, other than where such  
18 term is used to refer to a Director other than  
19 the Director of the Bureau of Consumer Finan-  
20 cial Protection; and

21 (C) in section 1002, by striking paragraph  
22 (10).

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

1 (A) in section 1013(c)(3)—

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

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

8 (B) in section 1013(g)(2)—

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

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

15 (C) in section 1016(a), by striking “Direc-  
16 tor of the Bureau” and inserting “Chair of the  
17 Financial Product Safety Commission”; and

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

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

1 (1) in section 111(b)(1)(D), by striking “Direc-  
2 tor” and inserting “Chair of the Financial Product  
3 Safety Commission”; and

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

7 (c) ELECTRONIC FUND TRANSFER ACT.—Section  
8 920(a)(4)(C) of the Electronic Fund Transfer Act (15  
9 U.S.C. 1693o-2(a)(4)(C)), as added by section 1075(a)(2)  
10 of the Consumer Financial Protection Act of 2010, is  
11 amended by striking “Director of the Bureau of Consumer  
12 Financial Protection” and inserting “Financial Product  
13 Safety Commission”.

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

20 (e) FEDERAL DEPOSIT INSURANCE ACT.—Section 2  
21 of the Federal Deposit Insurance Act (12 U.S.C. 1812),  
22 as amended by section 336(a) of the Dodd-Frank Wall  
23 Street Reform and Consumer Protection Act, is amended  
24 by striking “Director of the Consumer Financial Protec-

1 tion Bureau” each place such term appears and inserting  
2 “Chair of the Financial Product Safety Commission”.

3 (f) FEDERAL FINANCIAL INSTITUTIONS EXAMINA-  
4 TION COUNCIL ACT OF 1978.—Section 1004(a)(4) of the  
5 Federal Financial Institutions Examination Council Act of  
6 1978 (12 U.S.C. 3303(a)(4)), as amended by section 1091  
7 of the Consumer Financial Protection Act of 2010, is  
8 amended by striking “Director of the Consumer Financial  
9 Protection Bureau” and inserting “Chair of the Financial  
10 Product Safety Commission”.

11 (g) FINANCIAL LITERACY AND EDUCATION IM-  
12 PROVEDMENT ACT.—Section 513 of the Financial Literacy  
13 and Education Improvement Act (20 U.S.C. 9702), as  
14 amended by section 1013(d)(5) of the Consumer Financial  
15 Protection Act of 2010, is amended by striking “Director”  
16 each place such term appears and inserting “Chair of the  
17 Financial Product Safety Commission”.

18 (h) HOME MORTGAGE DISCLOSURE ACT OF 1975.—  
19 Section 307 of the Home Mortgage Disclosure Act of  
20 1975, as amended by section 1094(6) of the Consumer  
21 Financial Protection Act of 2010, is amended by striking  
22 “Director of the Bureau of Consumer Financial Protec-  
23 tion” each place such term appears and inserting “Finan-  
24 cial Product Safety Commission”.

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

5 (1) by amending section 1402(1) to read as fol-  
6 lows:

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

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

12 (j) REAL ESTATE SETTLEMENT PROCEDURES ACT  
13 OF 1974.—Section 5 of the Real Estate Settlement Proce-  
14 dures Act of 1974 (12 U.S.C. 2604), as amended by sec-  
15 tion 1450 of the Dodd-Frank Wall Street Reform and  
16 Consumer Protection Act, is amended—

17 (1) by striking “The Director of the Bureau of  
18 Consumer Financial Protection (hereafter in this  
19 section referred to as the ‘Director’)” and inserting  
20 “The Financial Product Safety Commission”; and

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

24 (k) S.A.F.E. MORTGAGE LICENSING ACT OF 2008.—  
25 The S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C.

1 5101 et seq.), as amended by section 1100 of the Con-  
2 sumer Financial Protection Act of 2010, is amended—

3 (1) by striking “Director” each place such term  
4 appears in headings and text, other than where such  
5 term is used in the context of the Director of the Of-  
6 fice of Thrift Supervision, and inserting “Financial  
7 Product Safety Commission”; and

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

9 (l) TITLE 44, UNITED STATES CODE.—Section  
10 3513(c) of title 44, United States Code, as amended by  
11 section 1100D(b) of the Consumer Financial Protection  
12 Act of 2010, is amended by striking “Director of the Bu-  
13 reau” and inserting “Financial Product Safety Commis-  
14 sion”.