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To: NAAA
From: Sante Esposito
Subject: September Monthly Report

NOTE: The House has recessed until Nov. 14; the Senate until Nov. 15.

Senate Action: Reforming CFPB Indirect Auto Financing Guidance Act

Note: NAAA is involved in this issue in support of its dealer customers as the focus is on dealer auto financing flexibility.

Advocacy efforts continue in support of Senate passage of S.2663 that rescinds the auto financing guidance action taken by the CFPB in March 2013 and provides for a more transparent and accountable process for addressing the issue. On September 13, NIADA met with the offices of Senators Tester and Menendez in support of the legislation. In addition, during the week of September 19, NADA held a series of supportive meetings on the Hill with their membership. Following that, on September 28, NIADA also held a series of meetings with Members and staff of the House and Senate. Coupled with those meetings was a key fundraising event co-hosted by NAAA and NIADA as well as various interaction events with key Members of Congress. The strategy is to keep the pressure on the Senate to pass the bill this year. Absent that, to keep pushing on the request made by both NAAA and NIADA for the Senate to convene a series of meetings with the CFPB and stakeholders to explore the possibility of an administrative solution to the issue.

CFPB/FY17 Appropriations Process

Prior to recessing, the Congress passed a “clean” Continuing Resolution funding the government until Dec. 9 at FY16 levels. By “clean,” there were no new major policy issues included (except for Zika and natural disaster funding). Thus, the following provisions intended to curb the CFPB’s authority are on hold in the House-passed FY17 Financial Services and General Government Appropriations bill pending final resolution of the appropriations process in December:

A provision under which, effective October 1, 2017, the CFPB would be funded pursuant to the

annual congressional appropriations process rather than through transfers from the Federal Reserve as currently provided by Dodd-Frank. During FY 2017 (October 1, 2016 through September 30, 2017), when the CFPB requests transfers from the Fed, it must notify various House committees and include in the notice the amount of the funds requested, an explanation of how the funds will be obligated, and a statement regarding why the funds are necessary to protect consumers. In addition, no later than two weeks after the end of each quarter of every fiscal year, the CFPB must provide the same House committees with a report that includes certain information such as the obligations made during the previous quarter and the actions taken to achieve the goals, objectives, and performance measures of each office.

A provision under which the CFPB's leadership structure would be changed from a single Director to a five-member Board of Directors appointed by the President.

The bill also includes a provision that states none of the CFPB's funding "may be used to regulate pre-dispute arbitration agreements... and any regulation finalized by the Bureau to regulate pre-dispute arbitration agreements shall have no legal force or effect until the requirements regarding pre-dispute arbitration specified in the report accompanying the bill under the heading "Bureau of Consumer Financial Protection" are fulfilled." The Committee's press release about the bill states that it "requires the CFPB to study the use of pre-dispute arbitration prior to issuing regulations." Since the CFPB has already issued its "final" arbitration study, the bill would require the CFPB to conduct a further study before a final rule could become effective. On May 5, 2016, the CFPB issued a proposed rule that would prohibit covered providers of certain consumer financial products and services from using an agreement with a consumer that provides for arbitration of any future dispute between the parties to bar the consumer from filing or participating in a class action with respect to the covered consumer financial product or service. The proposed rule would also require a covered provider that is involved in an individual arbitration pursuant to a pre-dispute arbitration agreement to submit specified arbitral records to the CFPB. In the July 11 meetings, this was NIADA's primary focus issue, for which it sought support for the House bill.

The Committee also adopted a bipartisan amendment to the bill that would block the CFPB from finalizing or enforcing a rule regulating payday lending until the CFPB submits a detailed report on the consumer impact to Congress and identifies existing credit products available to replace the current sources of short-term, small dollar credit. The amendment, which was sponsored by Republican Congressman Steven Palazzo and Democratic Congressman Henry Cuellar, was adopted by the Committee in a 30-18 vote. On June 2, 2016, the CFPB's proposed rule covered payday and auto title loans, deposit advance products, and certain high-rate installment and open-end loans.

None of the above provisions are included in the Senate's version of the FY17 Financial Services Appropriations Bill.

Recent CFPB Bills

On September 9, Republican Congressman Jeb Hensarling, who chairs the House Financial Services Committee Chairman, introduced H.R.5983, "The Financial CHOICE Act," with

“CHOICE” standing for “Creating Hope and Opportunity for Investors, Consumers and Entrepreneurs.” The bill has five cosponsors and was referred to multiple committees – Agriculture, Ways and means, Judiciary, Oversight, Transportation, Rules, Budget and Education. On September 19, by a vote of 30-26, the Financial Services Committee reported the bill to the full House. The bill includes the following series of CFPB reforms:

- A change in the CFPB’s name to the “Consumer Financial Opportunity Commission,” with the CFOC assigned the dual mission of consumer protection and competitive markets and with CFOC rules to be subject to a cost-benefit analysis performed by an Office of Economic Analysis
- Replacement of the current single director with a bipartisan, five-member commission that is subject to the appropriations process
- Establishment of an independent, Senate-confirmed Inspector General (currently the CFPB shares an Inspector General with the Federal Reserve)
- Requirement for the CFOC to obtain permission before collecting personally identifiable consumer information
- Repeal of the CFPB’s authority to prohibit consumer financial services or products it deems “abusive” and its authority to prohibit the use of arbitration agreements
- Repeal of the CFPB’s indirect auto lending guidance

Also, Republican Congressman Matt Salmon has introduced a bill, the “CFPB Data Accountability Act” (H.R. 5413), with one cosponsor, that would impose requirements on how the CFPB handles consumer complaints.

The requirements include the following: (1) consumer complaint information could only be presented on the CFPB’s website in an aggregated format, (2) complaint information included in such aggregated information would have to be verified if the complaint alleges a violation of a law, regulation, or contractual agreement, and (3) complaint information about a particular consumer financial product or service could only be made publicly available on the CFPB’s website if the information is accompanied by “statistics on how many consumer complaints the Bureau receives with respect to the particular consumer financial product or service compared to the total number of consumers making use of such consumer financial product or service.”

“Competition” Vehicles

Note: included for informational purposes.

NIADA, in conjunction with NADA, the Specialty Equipment Market Association (SEMA), Harley Davidson, and others, is working in support of enactment of H.R. 4715, “Recognizing the Protection of Motorsports Act of 2106,” introduced on March 7 by Congressman Patrick Henry (R-NC-10) with 57 (now 117) bipartisan cosponsors as of this writing, and its Senate companion bill, S.2659, introduced on March 9 by Senator Richard Burr (R-NC) with 9 (now 27) bipartisan cosponsors as of this writing. The two bills are a result of a July 2015 rule issued by the U.S. Environmental Protection Agency that pursuant to the Clean Air Act banned the conversion of street cars into race cars solely for competition if the vehicle no longer remains in its certified configuration for emissions purposes. No one knew about this provision because it was buried in

a rule that had no rational relation to that subject matter. The Association et al, including several state AG's, opposed the rule for multiple reasons, including a flawed process. As a result, EPA pulled that part of the rule. However, EPA continues to assert authority under the Clean Air Act to regulate modification of vehicles for use in competition. This means that those converting and racing competition vehicles, and the parts and services industries that support them, do so under new EPA policy that considers the activity illegal. HR 4715 and S 2659 would clarify that such activity is legal and beyond EPA's reach.

Status Update: eight House cosponsors and five Senate cosponsors added since the last report.

Military Pay Allotment

Note: included for informational purposes only.

To review, on April 15, Dave Giachetti, Professional Staff Member, House Armed Services Committee, informed NIADA that they have met with the DOD regarding the military pay allotment issues and at this time "do not anticipate a change." However, he urged NIADA to monitor the situation and keep a record of any issue/problems to report back to the Committee for future consideration.

Marketplace and Internet Tax Fairness Act

Note: included for informational purposes only

No change as the Judiciary Committee has received comments back from a wide range of stakeholders and is still deciding its legislative strategy going forward. To review, Congressman Bob Goodlatte (R-VA-6), Chairman of the House Judiciary Committee, and Congresswoman Anna Eshoo (D-CA-18) have developed a discussion draft bill on the remote sales tax issue. Per efforts of the Association, the bill specifies that states may not impose use tax on a purchaser who paid sales tax at the origin rate at the time of purchase. It specifically exempts aircraft, vehicles, vessels and business purchases. These are all cases in which states currently collect a use tax either when the vehicle is registered or because businesses pay their use tax. As a general rule, where states are successfully collecting a use tax today, the bill preserves the status. A summary of the text refers to the exemption as preventing "double taxation." Of interest is H.R.2775, Remote Transactions Parity Act of 2015, was introduced by Congressman Jason Chaffetz (R-UT-3) and has 65 cosponsors. This bill authorizes both member states under the Streamlined Sales and Use Tax Agreement and states that have not adopted the Agreement (the multistate agreement for the administration and collection of sales and use taxes adopted on November 12, 2002) to require remote sellers (i.e., sellers who make remote sales in a state without a physical presence) to collect and remit sales and use taxes with respect to remote sales sourced to such states. States that have not adopted the Agreement must show that they have adopted and implemented minimum simplification requirements for the administration of sales and use taxes in order to collect such taxes. Such requirements include: (1) the designation of a single state entity responsible for all state and local sales and tax administration, return processing, and audits of remote sales; (2) a single audit of a remote seller for all taxing jurisdictions in the state; (3) direct contact with a certified software provider utilized by the

remote seller in conducting an audit; (4) a single sales and use tax return for use by remote sellers that is filed with a single entity responsible for tax administration; (5) a uniform sales and use tax base; and (6) sourcing of all remote sales in compliance with criteria established by this Act. This bill expressly prohibits a state from requiring a remote seller to file sales and use tax returns any more frequently than is required for non-remote sellers. Additionally, remote sellers whose gross annual receipts are less than \$5 million are exempt from audits unless there is a reasonable suspicion of intentional misrepresentation or fraud. For the first three years after the effective date of this Act, the requirement for remote sellers to collect and remit sales and use taxes is limited to remote sellers whose gross annual receipts exceed a certain level (i.e., \$10 million in the first year, \$5 million in the second year, and \$1 million in the third year) and who utilize an electronic marketplace for making sales to the public. After the third year after the effective date of this Act, there is no exemption for remote sellers to collect and remit such taxes. The bill specifies limitations on the applicability of this Act, including by providing that nothing in this Act shall be construed as: (1) subjecting a remote seller to any type of tax other than sales and use taxes, or (2) enlarging or reducing the authority of a state to impose such taxes. The bill suspends the authority of a state to collect sales and use taxes in the first year after the effective date of this Act and between October 1 and December 31 of such first year. The bill also prohibits a state from exercising any authority under this Act unless it: (1) provides certification procedures for persons to be approved as certified software providers, (2) refrains from denying or revoking certification to a software provider without a reasonable basis, (3) has certified multiple national certified software providers and such certifications are in effect, and (4) provides compensation for certified software providers. S.698, the Marketplace Fairness Act of 2015, introduced by Senator Mike Enzi (R-WY), is the companion bill. It was introduced on March 10 by and has 22 cosponsors. The bill was referred to the Finance Committee. It authorizes each member state under the Streamlined Sales and Use Tax Agreement (the multistate agreement for the administration and collection of sales and use taxes adopted on November 12, 2002) to require all sellers not qualifying for a small-seller exception (applicable to sellers with annual gross receipts in total U.S. remote sales not exceeding \$1 million) to collect and remit sales and use taxes with respect to remote sales under provisions of the Agreement, but only if such Agreement includes minimum simplification requirements relating to the administration of the tax, audits, and streamlined filing. Defines "remote sale" as a sale of goods or services into a state in which the seller would not legally be required to pay, collect, or remit state or local sales and use taxes unless provided by this Act. Prohibits states from beginning the exercise of the authority granted by this Act for a specified period after enactment.

Status Update: no change since the last report.

Bill Tracking

Note: some of the following bills lack a subject summary. That is because the internal Hill bill information system has still not "caught up" with the number of bills introduced. It will. Also, some of the following bills may drop off the tracking list depending upon what is learned about their subject matter.

Bills Passed by One House -

H.R.1265, Bureau Advisory Commission Transparency Act

Introduced on March 4 by Congressman Sean Duffy (R-WI-7) with 2 (now 7) cosponsors. The bill was referred to the Committees on Financial Services and Oversight and Government Reform. Amends the Consumer Financial Protection Act of 2010 to apply the Federal Advisory Committee Act applicable to each advisory committee and subcommittee of the Consumer Financial Protection Bureau. On April 13 the bill passed the House.

Status Update: no change since the last report

H.R.1195, Bureau of Consumer Financial Protection Advisory Boards Act

Introduced on March 2 by Congressman Robert Pittenger (R-NC-9) with one (now 19) cosponsor. The bill was referred to the House Committee on Financial Services. Note: on March 25 the bill was reported from Committee. Amends the Consumer Financial Protection Act of 2010 to direct the Director of the Consumer Financial Protection Bureau (CFPB) to establish a Small Business Advisory Board to: (1) advise and consult with the CFPB in the exercise of its functions under the federal consumer financial laws regarding eligible financial products or services, and (2) provide information on evolving small business practices. Requires such Board members to be representatives of small business concerns that: provide financial products or services for use by consumers primarily for personal, family, or household purposes, are service providers to covered persons; and use consumer financial products or services in financing the business activities of such small businesses. Encourages the Director, in making such Board appointments, to ensure the participation of minority- and women-owned small business concerns and their interests, without regard to party affiliation. Instructs the Director to establish a Credit Union Advisory Council and a Community Bank Advisory Council to advise and consult with the CFPB on consumer financial products or services that impact credit unions and community banks, respectively. Encourages the Director, in making appointments to such Councils, to ensure the participation of credit unions and community banks predominantly serving traditionally underserved communities and populations and their interests, without regard to party affiliation. On April 22 the bill passed the House. **S.1963**, introduced by Senator Mike Rounds (R-SD) with one cosponsor is the companion bill. It is pending before the Banking Committee.

Status Update: no change since the last report.

Bills Reported -

H.R.957, Bureau of Consumer Financial Protection-Inspector General Reform Act of 2015 or the CFPB-IG Act of 2015

Introduced on February 12 by Congressman Steve Stivers (R-OH-15) with 3 (now 10) cosponsors. On September 30 the Committee on Financial Services reported the bill. Amends the Inspector General Act of 1978 to repeal the authority of the Chairman of the Board of Governors of the Federal Reserve System to appoint the Inspector General of the Consumer Financial Protection Bureau (CFPB). Amends the Dodd-Frank Wall Street Reform and Consumer

Protection Act to create an Inspector General for the CFPB. Requires the President, within 60 days after enactment of this Act, to appoint a CFPB Inspector General. Reported by Committee on Sept. 30, 2015.

Status Update: no change since the last report.

H.R.1266, Financial Product Safety Commission Act of 2015

Introduced on March 4 by Congressman Randy Neugebauer (R-TX-19) with 20 (now 52) cosponsors. On September 30 the House Committee on Financial Services reported the bill. Amends the Consumer Financial Protection Act of 2010 to replace the Consumer Financial Protection Bureau as an independent bureau within the Federal Reserve System, with an independent Financial Product Safety Commission that is to regulate the offering and provision of consumer financial products or services. States that the Commission (like the current Bureau) shall be composed of five members with strong competencies and experiences regarding consumer financial products and services, each to serve for a term of five years, and appointed by the President by and with the advice and consent of the Senate. Prohibits the Chair of the Commission from submitting requests for estimates related to appropriations without prior Commission approval. Reported by Committee on Sept. 30, 2015.

Status Update: no change since the last report.

H.R. 3738, Office of Financial Research Accountability Act of 2015

Introduced by Congressman Edward Royce (R-CA-39) with one (now 2) cosponsors. The bill amends the Dodd-Frank Wall Street Reform and Consumer Protection Act to require the Office of Financial Research within the Department of the Treasury to publish annually a detailed work plan of the Office priorities for the upcoming fiscal year, including a detailed description of the progress made by primary financial regulatory agencies in adopting a unique alphanumeric system ("Legal Entity Identifier") to identify legally distinct entities that engage in financial transactions, as well as a list of regulations requiring the use of such a system and actions taken to ensure its adoption by those agencies. The bill requires the Office to develop and implement a cybersecurity plan using adequate safeguards to protect the integrity and confidentiality of the data in Office possession. On November 4 the Committee on Financial Services reported the bill.

Status Update: no change since the last report.

H.R.1486, TABS Act of 2016

Introduced on March 19 by Congressman Andy Barr (R-KY-6) with 5 (now 50) cosponsors. The bill was referred to the House Committee on Financial Services. This bill amends the Consumer Financial Protection Act of 2010 to eliminate provisions that fund the Consumer Financial Protection Bureau (CFPB) using transfers from the earnings of the Federal Reserve System. The transfers under current law permit the CFPB to be funded outside of the annual appropriations process, and this bill brings the CFPB into the regular process. On April 13, the Committee reported the bill

Status Update: no change since the last report.

H.R.4894, To repeal title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act

Introduced on April 22 by Rep. Lynn Westmoreland (R-GA-3) with no (now 1) cosponsors. The bill was reported on April 13 by the Financial Services Committee. It is still pending in the Agriculture, Judiciary, and Ways and Means Committees.

Status Update: no change since the last report.

Other Bills of Interest

S.617, Repairing Every Car to Avoid Lost Lives Act (RECALL ACT), was introduced on March 2 by Senator Edward Markey (D-MA) with one cosponsor. The bill was referred to the Committee on Commerce, Science, and Transportation. This bill declares that a state is in compliance with safety recall requirements if the state agency responsible for motor vehicle registration ensures, by a motor vehicle identification number search of the National Highway Traffic Safety Administration's recall database, that each registered owner of a motor vehicle registered in the state is notified of all recalls issued by the vehicle's manufacturer by certain deadlines, depending on when the vehicle is registered. A state must also require that owners complete all recall remedies as a prerequisite for motor vehicle registration renewal, with the following exceptions: the owner had not been notified of the recall before being notified of the need to renew; the manufacturer, through a local dealership, has not given the owner reasonable opportunity to complete a recall remedy because of a shortage of parts or qualified labor; or the owner demonstrates to the state that he or she has not had reasonable opportunity to complete the recall remedies, in which case the state may grant a temporary registration for 60 days during which time the owner must complete the recall remedies. The Secretary of Transportation shall withhold 5% of federal highway funds from a state that is not in compliance with these requirements.

Status Update: no change since the last report.

H.R.1181, Vehicle Safety Improvement Act of 2015, was introduced on February 27 by Congresswoman Janice Schakowsky (D-IL-9) with 9 (now 11) cosponsors. The bill was referred to the House Committee on Energy and Commerce. Revises and expands requirements relating to public disclosure by the National Highway Traffic Safety Administration (NHTSA) of: (1) defects in motor vehicles or equipment, whether or not such defects are safety-related; and (2) noncompliance with vehicle safety standards. Requires public disclosure of: (1) early warning information submitted by vehicle manufactures unless exempt from disclosure by the Freedom of Information Act, and (2) summaries of NHTSA inquiries to manufacturers seeking additional information about fatal incidents. Directs NHTSA to increase public accessibility to and timeliness of information on its vehicle safety databases. Requires the Used Car Buyers Guide window form to include statements of the vehicle's brand history, total loss history, salvage history, and recall repair history. Increases civil penalties for violations of federal motor vehicle

safety requirements. Eliminates model year limitations on mandatory manufacturer reports of possible vehicle defects. Specifies additional requirements for reports on incidents involving fatalities. Requires a comprehensive review of the practices of manufacturers of individual light vehicles for reporting incidents involving death or injury. Directs NHTSA to: (1) order notification and remediation of a defect or noncompliance, in motor vehicles or equipment, that presents an imminent hazard, and (2) issue a final rule to establish standards for reducing pedestrian injuries and fatalities. Authorizes NHTSA to enter into cooperative agreements and collaborative motor safety research and development agreements with foreign governments. Changes from discretionary to mandatory NHTSA authority to promulgate rules requiring a senior official responsible for safety in any company to make certain certifications about information submitted regarding a safety defect or compliance investigation. Subjects any NHTSA rejection of a defect petition to judicial review. Prescribes requirements for prompt evaluation of whistleblower complaints. Prohibits any vehicle safety official, during the two-year period after termination of service or employment, from knowingly communicating to or appearing before any NHTSA officer or employee, with the intent to influence NHTSA action, on behalf of any manufacturer subject to NHTSA regulation about a matter involving motor vehicle safety on which the former official seeks official action by a NHTSA officer or employee. Requires a report to Congress on the operations of the Council for Vehicle Electronics, Vehicle Software, and Emerging Technologies. Prohibits a car dealer from selling or leasing a used motor vehicle until any defect or noncompliance has been remedied. Requires manufacturer notifications for any safety problems caused by long-term exposure to environmental conditions. Eliminates regional recalls in favor of national recalls. Requires manufacturers who file for Chapter 7 bankruptcy protection (liquidation) to comply with their recall obligations (currently, this requirement applies only to manufacturers in Chapter 11 reorganization proceedings). Directs NHTSA to: (1) research development of safety standards or performance requirements for the crashworthiness and survivability for passengers in the rear seats of motor vehicles, and (2) initiate related rulemaking. Establishes a Vehicle Safety Fund in the Treasury to fund NHTSA vehicle safety programs from the collection of fees from manufacturers for each motor vehicle certified compliant with motor vehicle safety standards. Reauthorizes the NHTSA motor vehicle safety program through FY2018.

Status Update: no change since the last report.

S.900, Used Car Safety Recall Repair Act, was introduced on April 13 by Senator Richard Blumenthal (D-CT) with one cosponsor. The bill was referred to the Committee on Commerce, Science, and Transportation. The bill prohibits a dealer from selling or leasing a used passenger motor vehicle until a defect of the motor vehicle or motor vehicle equipment or noncompliance with a federal motor vehicle safety standard has been remedied.

Status Update: no change since the last report.

H.R.171, To repeal the Dodd-Frank Wall Street Reform and Consumer Protection Act

Introduced on January 26 by Congressman Adam Smith (R-NE-3) with no cosponsors. The bill was referred to the Subcommittee on Commodity Exchanges, Energy, and Credit of the Financial Services Committee et al. H.R.171 repeals the Dodd-Frank Wall Street Reform and Consumer

Protection Act. It revives or restores the provisions of law amended by such Act as if it had not been enacted.

Status Update: no change since the last report.

S.89, Financial Takeover Repeal Act of 2015

Introduced on January 7 by Senator David Vitter (R-LA) with no cosponsors (now 1). The bill was referred to the Committee on Finance. S.89 repeals the Dodd-Frank Wall Street Reform and Consumer Protection Act. It revives or restores the provisions of law amended by such Act as if it had not been enacted.

Status Update: no change since the last report.

S.107, Terminating the Expansion of Too-Big-To-Fail Act of 2015

Introduced on January 7 by Senator David Vitter (R-LA) with no cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. S.107 amends the Financial Stability Act of 2010, title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), the Federal Deposit Insurance Act, and the Federal Reserve Act to eliminate all supervision by the Board of Governors of the Federal Reserve System (Board) of domestic and foreign nonbank financial companies, including new or heightened standards and safeguards and minimum leverage capital requirements. Eliminates the duty of the Financial Stability Oversight Council to identify systemically important financial market utilities and payment, clearing, and settlement activities. Repeals the authority of the Council, acting through the Office of Financial Research, to: (1) require the submission of periodic and other reports from any domestic or foreign nonbank financial company, or (2) request the Board to examine a U.S. nonbank financial company for the sole purpose of determining whether it should be Board-supervised. Repeals specified additional Board authority to supervise certain nonbank financial companies, including the prohibition against management interlocks between such companies and certain other financial companies. Repeals the requirement that the Board study and report to Congress on: (1) specified issues with respect to the resolution of financial companies under chapter 7 (Liquidation) or 11 (Reorganization) of the Bankruptcy Code, and (2) international coordination relating to the resolution of systemic financial companies under the U.S. Bankruptcy Code and applicable foreign law. Repeals the authority of the Council to recommend to the Board: (1) prudential standards and reporting and disclosure requirements for Board-supervised nonbank financial companies, and (2) any requirement that each nonbank financial company report periodically the company's credit exposure as well as its plan for rapid and orderly resolution in the event of material financial distress or failure. Repeals the requirement that the Council study the feasibility, benefits, costs, and structure of a contingent capital requirement for Board-supervised nonbank financial companies. Eliminates reporting requirements for such companies. Repeals the Payment, Clearing, and Settlement Supervision Act of 2010 (title VIII of Dodd-Frank).

Status Update: no change since the last report.

S.510, Bureau of Consumer Financial Protection-Inspector General Reform Act of 2015 or CFPB-IG Act of 2015

Introduced on February 12 by Senator Rob Portman (R-OH) with 12 (now 15) cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. Amends the Inspector General Act of 1978 to repeal the authority of the Chairman of the Board of Governors of the Federal Reserve System to appoint the Inspector General of the Consumer Financial Protection Bureau (CFPB). Requires the CFPB Inspector General to be appointed by the President, by and with the advice and consent of the Senate.

Status Update: no change since the last report.

H.R.1261, Bureau of Consumer Financial Protection Accountability Act of 2015

Introduced on March 4 by Congressman Sean Duffy (R-WI-7) with no (now 1) cosponsors. The bill was referred to the House Committee on Financial Services. This bill amends the Consumer Financial Protection Act of 2010 to eliminate provisions that fund the Consumer Financial Protection Bureau (CFPB) using transfers from the earnings of the Federal Reserve System. The transfers under current law permit the CFPB to be funded outside of the annual appropriations process, and this bill brings the CFPB into the regular process.

Status Update: no change since the last report.

S.560, Promoting Automotive Repair, Trade, and Sales Act of 2015 or the PARTS Act

Introduced on February 25 by Senator Orin Hatch (R-UT) with one cosponsor. The bill was referred to the Committee on the Judiciary. The bill declares that it is not an act of infringement, with respect to a design patent that claims a component part of a motor vehicle as originally manufactured, to: (1) make, test, or offer to sell within, or import into, the United States any article of manufacture that is similar or the same in appearance to the component part claimed in such design patent if the purpose of such article is for the repair of a motor vehicle to restore its appearance as originally manufactured; or (2) use or sell within the United States any such same or similar articles for such restorations more than 30 months after the claimed component part is first offered for public sale as part of a motor vehicle in any country. Defines: (1) "component part" as a component part of the exterior of a motor vehicle only (such as a hood, fender, tail light, side mirror, or quarter panel), excluding an inflatable restraint system or other component part located in the interior of a motor vehicle; and (2) "offer to sell" to include marketing or pre-sale distribution. Applies this Act to any patent issued, or application filed, before, on, or after the effective date of this Act.

Status Update: no change since the last report.

H.R.1057, Promoting Automotive Repair, Trade, and Sales Act of 2015 or the PARTS Act

Introduced on February 25 by Congressman Darrell Issa (R-CA-49) with 3 (now 22) cosponsors. The bill was referred to the House Committee on the Judiciary. The bill declares that it is not an

act of infringement, with respect to a design patent that claims a component part of a motor vehicle as originally manufactured, to: (1) make, test, or offer to sell within, or import into, the United States any article of manufacture that is similar or the same in appearance to the component part claimed in such design patent if the purpose of such article is for the repair of a motor vehicle to restore its appearance as originally manufactured; or (2) use or sell within the United States any such same or similar articles for such restorations more than 30 months after the claimed component part is first offered for public sale as part of a motor vehicle in any country. Defines: (1) "component part" as a component part of the exterior of a motor vehicle only (such as a hood, fender, tail light, side mirror, or quarter panel), excluding an inflatable restraint system or other component part located in the interior of a motor vehicle; and (2) "offer to sell" to include marketing or pre-sale distribution. Applies this Act to any patent issued, or application filed, before, on, or after the effective date of this Act.

Status Update: no change since the last report.

H.R.1766, Right to Lend Act of 2015

Introduced on April 14 by Congressman Robert Pittenger (R-NC-9) with no (now 1) cosponsors. The bill was referred to the House Committee on Financial Services. The bill repeal provisions of the Equal Credit Opportunity Act, as amended by Dodd-Frank Wall Street Reform and Consumer Protection Act, that require financial institutions to: (1) inquire whether businesses applying for credit for a women-owned, minority-owned, or small business are such a business; and (2) submit annually to the Consumer Financial Protection Bureau, in a manner to be made available to the public, a record of the responses to such inquiry, including census tract information and disclosures as to the race, sex, and ethnicity of the principal owners of such businesses.

Status Update: no change since the last report.

S.881, Comprehensive Regulatory Review Act of 2015

Introduced on March 26 by Senator Mike Crapo (R-ID) with no cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. This bill amends the Economic Growth and Regulatory Paperwork Reduction Act of 1996 to specify the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, the Consumer Financial Protection Bureau, and the National Credit Union Administration Board as the federal agency representatives on the Federal Financial Institutions Examination Council which are required, along with the Council, to review all Council-prescribed regulations at least once every 10 years in order to identify outdated or unnecessary regulatory requirements imposed upon financial institutions (currently, only insured depository institutions). This decennial review shall include all regulations issued pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Status Update: no change since the last report.

H.R.2198, Raechel and Jacqueline Houck Safe Rental Car Act of 2015

Introduced on May 1 by Congresswoman Lois Capps (D-CA-24) with 3 cosponsors. The bill was referred to the Committees on Transportation and Infrastructure and Energy and Commerce. Authorizes a rental company that receives a notification (approved by the National Highway Traffic Safety Administration) from the manufacturer of a covered rental vehicle about any equipment defect, or noncompliance with federal motor vehicle safety standards, to rent or sell the vehicle or equipment only if the defect or noncompliance is remedied. Specifies any rental vehicle: (1) rated at 10,000 pounds gross vehicle weight or less, (2) rented without a driver for an initial term of under 4 months, and (3) that is part of a motor vehicle fleet of 5 or more motor vehicles used for rental purposes by a rental company. Prescribes a special rule to require rental companies to comply with specified limitations on sale, lease, or rental of a motor vehicle as soon as practicable, but within 24 hours after the earliest receipt of the manufacturer's notification of a defect or noncompliance with vehicle safety standards, whether by electronic means or first class mail. Extends the 24-hour deadline for complying with such limitations to 48 hours if the notification covers more than 5,000 motor vehicles in the rental company's fleet. Permits a rental company to rent (but not sell or lease) a motor vehicle subject to recall if the defect or noncompliance remedy is not immediately available and the company takes any actions specified in the notice to alter the vehicle temporarily to eliminate the safety risk posed. Makes these special rules for rental companies inapplicable to junk automobiles. Prohibits a rental company from knowingly making inoperable any safety devices or elements of design installed on or in a compliant motor vehicle or vehicle equipment unless the company reasonably believes the vehicle or equipment will not be used when the devices or elements are inoperable. Authorizes the Secretary, upon request, to inspect records of a rental company with respect to a safety investigation. Authorizes the Secretary to require a rental company to keep records or make reports for purposes of compliance with federal motor vehicle safety orders or regulations. Authorizes the Secretary to study the effectiveness of the amendments made by this Act and of other activities of rental companies. Amends the Moving Ahead for Progress in the 21st Century Act (MAP-21) to require the mandatory study of the safety of rental trucks during a specified seven-year period to evaluate the completion of safety recall remedies on rental trucks. Directs the Secretary to solicit comments regarding the implementation of this Act from members of the public, including rental companies, consumer organizations, automobile manufacturers, and automobile dealers. Declares that nothing in this Act shall: (1) be construed to create or increase any liability for a manufacturer who manufactures or imports a motor vehicle that is subject to defect or noncompliance recall requirements; or (2) supersede or otherwise affect the contractual obligations, if any, between such manufacturer and a rental company.

Status Update: no change since the last report.

S.1173, Raechel and Jacqueline Houck Safe Rental Car Act of 2015

Introduced on April 30 by Senator Charles Schumer (D-NY) with 7 cosponsors. The bill was referred to the Committee on Commerce, Science, and Transportation. Authorizes a rental company that receives a notification (approved by the National Highway Traffic Safety Administration) from the manufacturer of a covered rental vehicle about any equipment defect, or noncompliance with federal motor vehicle safety standards, to rent or sell the vehicle or equipment only if the defect or noncompliance is remedied. Specifies any rental vehicle: (1)

rated at 10,000 pounds gross vehicle weight or less, (2) rented without a driver for an initial term of under 4 months, and (3) that is part of a motor vehicle fleet of 5 or more motor vehicles used for rental purposes by a rental company. Prescribes a special rule to require rental companies to comply with specified limitations on sale, lease, or rental of a motor vehicle as soon as practicable, but within 24 hours after the earliest receipt of the manufacturer's notification of a defect or noncompliance with vehicle safety standards, whether by electronic means or first class mail. Extends the 24-hour deadline for complying with such limitations to 48 hours if the notification covers more than 5,000 motor vehicles in the rental company's fleet. Permits a rental company to rent (but not sell or lease) a motor vehicle subject to recall if the defect or noncompliance remedy is not immediately available and the company takes any actions specified in the notice to alter the vehicle temporarily to eliminate the safety risk posed. Makes these special rules for rental companies inapplicable to junk automobiles. Prohibits a rental company from knowingly making inoperable any safety devices or elements of design installed on or in a compliant motor vehicle or vehicle equipment unless the company reasonably believes the vehicle or equipment will not be used when the devices or elements are inoperable. Authorizes the Secretary, upon request, to inspect records of a rental company with respect to a safety investigation. Authorizes the Secretary to require a rental company to keep records or make reports for purposes of compliance with federal motor vehicle safety orders or regulations. Authorizes the Secretary to study the effectiveness of the amendments made by this Act and of other activities of rental companies. Amends the Moving Ahead for Progress in the 21st Century Act (MAP-21) to require the mandatory study of the safety of rental trucks during a specified seven-year period to evaluate the completion of safety recall remedies on rental trucks. Directs the Secretary to solicit comments regarding the implementation of this Act from members of the public, including rental companies, consumer organizations, automobile manufacturers, and automobile dealers. Declares that nothing in this Act shall: (1) be construed to create or increase any liability for a manufacturer who manufactures or imports a motor vehicle that is subject to defect or noncompliance recall requirements; or (2) supersede or otherwise affect the contractual obligations, if any, between such manufacturer and a rental company.

Status Update: no change since the last report.

H.R.2099, To amend the Consumer Financial Protection Act of 2010 to require the Bureau of Consumer Financial Protection to develop a model form for a disclosure notice that shall be used by depository institutions and credit unions, and for other purposes.

Introduced April 29 by Congressman John Carney (R-DE-At large) with no cosponsors. The bill was referred to the House Committee on Financial Services. Amends the Consumer Financial Protection Act of 2010 to require the Consumer Financial Protection Bureau to develop a model form for a disclosure notice to be used by depository institutions and credit unions to inform consumers before they open a checking account. Exempts from the requirement to use such a form any depository institutions or credit unions with total assets of less than \$2 billion.

Status Update: no change since the last report.

H. R. 2094, To repeal titles I and II of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Introduced on April 29 by Congresswoman Lynn Westmoreland (D-GA-3) with no cosponsors. The bill was referred to the Committees on Agriculture, the Judiciary, and Ways and Means. Titles I and II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5301 et seq.) are hereby repealed, and the provisions of law amended or repealed by such titles are restored or revived as if such titles had not been enacted.

Status Update: no change since the last report.

S.1383, Consumer Financial Protection Bureau Accountability Act of 2015

Introduced on May 19 by Senator David Perdue (R-GA) with no (now 17) cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. This bill amends the Consumer Financial Protection Act of 2010 to change the source of funding for the Consumer Financial Protection Bureau (CFPB) from Federal Reserve System transfers to annual appropriations. Under current law, the transfers from the Federal Reserve System permit the CFPB to be funded outside of the annual congressional appropriations process.

Status Update: no change since the last report.

S.1565, Military Consumer Protection Act

Introduced on June 11, by Senator Jack Reed (D-RI) with 11 (now 13) cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. This bill amends the Consumer Financial Protection Act to extend Consumer Financial Protection Bureau oversight and protection to provisions under the Service members Civil Relief Act concerning: future financial transactions, excluding insurance; default judgments, excluding child custody proceedings; interest rates on pre-service debts; evictions; purchase or lease installment contracts; mortgages and trusts; motor vehicle leases; telephone service contracts; and waiver of rights pursuant to a written agreement, excluding bailments.

Status Update: no change since the last report.

H.R.2979, Military Consumer Protection Act

Introduced on July 8 by Congresswoman Tammy Duckworth (D-IL-8) with twenty-two (now 24) cosponsors. The bill was referred to the House Committee on Financial Services. This bill amends the Consumer Financial Protection Act to extend Consumer Financial Protection Bureau oversight and protection to provisions under the Service members Civil Relief Act concerning: future financial transactions, excluding insurance; default judgments, excluding child custody proceedings; interest rates on pre-service debts; evictions; purchase or lease installment contracts; mortgages and trusts; motor vehicle leases; telephone service contracts; and waiver of rights pursuant to a written agreement, excluding bailments.

Status Update: no change since the last report.

S.1743, Motor Vehicle Safety Act of 2015

Introduced on July 9 by Senator Bill Nelson (D-FL) with two cosponsors. The bill was referred to the Committee on Commerce, Science, and Transportation. This bill directs the Department of Transportation (DOT) to: promulgate regulations establishing categories of early warning motor vehicle safety information, especially about fatal incidents, that must be made available to the public; and take specified steps to improve public accessibility to information on vehicle safety databases of the National Highway Traffic Safety Administration (NHTSA). The DOT Inspector General shall report biennially on the pre-investigation processes of the NHTSA Office of Defects Investigation to collect and analyze vehicle safety data and determine potential safety issues. DOT shall report on the operations of the Council for Vehicle Electronics, Vehicle Software, and Emerging Technologies. The bill increases civil money penalties for motor vehicle safety violations, and establishes both civil and criminal penalties for knowing failure of a business entity or responsible corporate officer to inform an appropriate federal agency of a serious danger associated with covered products, services, or business practices. In conducting motor vehicle safety research programs, DOT shall, in coordination with Department of State, enter into cooperative and collaborative research and development agreements with foreign governments. DOT must immediately notify and order motor vehicle or replacement equipment manufacturers of defects or noncompliance presenting an imminent hazard. No dealer may sell or lease a used passenger motor vehicle until any defect or noncompliance presenting an imminent hazard has been remedied. DOT shall complete research into development of an unattended children warning system; initiate a rulemaking to require crash avoidance and mitigation systems for certain motor vehicles, and issue a final rule establishing hood and bumper standards for certain other motor vehicles to reduce the pedestrian injuries and fatalities. The bill reauthorizes motor vehicle safety regulation through FY2021. A manufacturer's recall obligations shall be enforceable against the manufacturer or successors-in-interest whether accomplished by merger, acquisition of the manufacturer's stock, acquisition of its assets, or confirmation of a reorganization plan under federal bankruptcy law. Dealers must check for and remedy defective or noncomplying motor vehicles. DOT shall initiate a rulemaking, establish grants to states, and conduct a pilot program relating to safety recalls.

Status Update: no change since the last report.

H.R.3118, To eliminate the Bureau of Consumer Financial Protection by repealing title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act, commonly known as the Consumer Financial Protection Act of 2010

Introduced on July 20 by Congressman John Ratcliffe (R-TX-4) with 53 (now 65) cosponsors. The bill was referred to the Committee on Financial Services. Repeals the Consumer Financial Protection Act of 2010. Revives or restores the provisions of law amended by such Act as it had not been enacted.

Status Update: no change since the last report.

S.1804, Repeal CFPB Act

Introduced on July 21 by Senator Ted Cruz (R-TX) with no cosponsors. The bill was referred to

the Committee on Banking, Housing, and Urban Affairs Repeals the Consumer Financial Protection Act of 2010, which established the Bureau of Consumer Financial Protection. Revives or restores the provisions of law amended by such Act as if it had not been enacted.

Status Update: No change since the last report.

H.R.3131, Bureau Research Transparency Act

Introduced by Congressman Michael Fitzpatrick (R-PA-8) with no cosponsors. The bill was referred to the House Committee on Financial Services. Amends the Consumer Financial Protection Act of 2010 to require the Consumer Financial Protection Bureau, any time it issues a research paper available to the public, to accompany it with all studies, data, and other analyses on which it was based.

Status Update: no change since the last report.

H.R.3994, Security and Privacy in Your Car Study Act of 2015

Introduced on November 5 by Congressman Joe Wilson (R-SC-2) with one cosponsor. The bill was referred to the House Committee on Energy and Commerce. The bill requires the National Highway Traffic Safety Administration to conduct a study to determine and recommend standards for the regulation of the cybersecurity of motor vehicles manufactured or imported for sale in the United States. The study shall identify: isolation measures that are necessary to separate critical software systems that can affect the driver's control of the movement of the vehicle from other software systems; measures that are necessary to detect and prevent or minimize anomalous codes, in vehicle software systems, associated with malicious behavior; techniques that are necessary to detect and prevent, discourage, or mitigate intrusions into vehicle software systems and other cybersecurity risks in motor vehicles; and best practices to secure driving data about a vehicle's status or about the owner, lessee, driver, or passenger of a vehicle that is collected by the electronic systems of motor vehicles.

Status Update: no change since the last report.

H.R.5112, Unfair or Deceptive Acts or Practices Uniformity Act

Introduced on April 28 by Congressman Blaine Luetkemeyer (R-MO-3) with two cosponsors. The bill was referred to the Committee on Financial Services.

Status Update: no change since the last report.

H.R.5211, CFPB Dual Mandate and Economic Analysis Act

Introduced on May 12 by Congressman Tom Ellers (R-MN-6) with four (now 5) cosponsors. The bill was referred to the House Committee on Financial Services.

Status Update: one cosponsor added since the last report.

H.R.5413, CFPB Data Accountability Act

Introduced on June 8 by Congressman Matt Salmon (R-AZ-5) with no (now 1) cosponsors. The bill was referred to the House Committee on Financial Services.

Status Update: one cosponsor added since the last report

H.R.5453, Bureau Advisory Opinion Act of 2016

Introduced on June 10 by Congressman Bill Posey (R-FL-8) with one cosponsor. The bill was referred to the House Committee on Financial Services.

Status Update: no change since the last report.

H.R.5455, Protecting Consumer Financial Information Act

Introduced on June 10 by Congressman Lynn Westmoreland (R-GA-3) with no cosponsors. The bill was referred to the House Committee on Financial Services.

Status Update: no change since the last report.

H.R.5490, To amend the Consumer Financial Protection Act of 2010 to require that no deference be given to the interpretation of consumer financial law by the Bureau of Consumer Financial Protection, to define the scope of judicial review of Bureau actions, and for other purposes.

Introduced on June 15 by Congresswoman Mia Love (R-UT-4) with no cosponsors. The bill was referred to the Committees on Financial Services and the Judiciary.

Status Update: no change since the last report.

H.R.5491, To require the Director of the Bureau of Consumer Financial Protection to verify the accuracy of consumer complaint information before making such information available to the public.

Introduced on June 15 by Congressman Mick Mulvaney (R-SC-5) with no cosponsors. The bill was referred to the House Committee on Financial Services.

Status Update: no change since the last report.

H.R.5527, To amend the Consumer Financial Protection Act of 2010 to require congressional review of rulemaking of the Bureau of Consumer Financial Protection, and for other purposes.

Introduced on June 16 by Congressman Roger Williams (R-TX-25) with no (now 2) cosponsors. The bill was referred to the Committees on Financial Services, Rules, and Budget.

Status Update: two cosponsors added since the last report.

S.2760, SAFE Lending Act of 2016

Introduced on April 7 by Senator Jeff Merkley (D-OR) with thirteen cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. This bill amends the Electronic Fund Transfer Act (EFTA) to declare that a remotely created check may only be issued by a person specifically designated in writing by the consumer to the insured depository institution at which the consumer maintains the account from which the check is drawn. A remotely created check is a paper or electronic check that is not created by the financial institution that holds the customer account from which the check is to be paid; and does not bear a signature applied, or purported to be applied, by the account holder. A consumer may revoke authorization for remotely created checks at any time. The bill prohibits issuance of any payment order in response to a consumer's exercise of federal consumer financial rights. Any voluntary electronic fund transfer to repay a small dollar consumer credit transaction shall be treated as preauthorized under the Truth in Lending Act (TILA). The TILA is amended to require registration with the Consumer Financial Protection Bureau (CFPB) by any small-dollar lender that facilitates, brokers, arranges, or gathers applications for small-dollar consumer credit (of up to \$5,000, adjusted for inflation) extended pursuant to an open-end, non-open-end, or other CFPB-determined credit plan meeting specified criteria. Small-dollar consumer credit transactions must comply with state law where the consumer resides. The EFTA is amended to declare unlawful overdraft fees charged on a general-use prepaid card; and authorize the CFPB to prohibit fees for declined transactions involving such a card. The TILA is further amended to prohibit a person from certain activities, including distributing sensitive personal financial information, in connection with a small-dollar consumer credit transaction, if that person ("lead generator") does not itself grant the credit directly to the consumer. The Government Accountability Office (GAO) shall study: (1) the availability of capital on Indian reservations, and (2) the impact on tribal economic opportunity and wealth of small-dollar consumer credit extensions to tribal members through Internet and non-Internet means.

Status Update: no change since the last report.