

117TH CONGRESS
2D SESSION

S. _____

To amend the Consumer Financial Protection Act of 2010 to subject the Bureau of Consumer Financial Protection to the regular appropriations process, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. TOOMEY (for himself and Mr. HAGERTY) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend the Consumer Financial Protection Act of 2010 to subject the Bureau of Consumer Financial Protection to the regular appropriations process, 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 “CFPB Stability Act
5 of 2022”.

6 **SEC. 2. MAKING THE BUREAU A COMMISSION.**

7 (a) IN GENERAL.—The Consumer Financial Protec-
8 tion Act of 2010 (12 U.S.C. 5481 et seq.) is amended—

1 (1) in section 1011—

2 (A) in subsection (a), by striking “in the
3 Federal Reserve System,”;

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

6 (C) by redesignating subsection (e) as sub-
7 section (j);

8 (D) in subsection (j), as so redesignated,
9 by striking “, including in cities in which the
10 Federal reserve banks, or branches of such
11 banks, are located,”; and

12 (E) by inserting after subsection (a) the
13 following:

14 “(b) AUTHORITY TO PRESCRIBE REGULATIONS.—

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

21 “(c) COMPOSITION OF THE BUREAU.—

22 “(1) IN GENERAL.—The Bureau shall be com-
23 posed of 5 members who shall be appointed by the
24 President, by and with the advice and consent of the
25 Senate.

1 “(2) STAGGERING.—The members of the Bu-
2 reau shall serve staggered terms, which initially shall
3 be established by the President for terms of 1, 2, 3,
4 4, and 5 years, respectively.

5 “(3) TERMS.—

6 “(A) IN GENERAL.—Each member of the
7 Bureau, including the Chair, shall serve for a
8 term of 5 years.

9 “(B) REMOVAL.—The President may re-
10 move any member of the Bureau for ineffi-
11 ciency, neglect of duty, or malfeasance in office.

12 “(C) VACANCIES.—Any member of the Bu-
13 reau appointed to fill a vacancy occurring be-
14 fore the expiration of the term to which that
15 member’s predecessor was appointed (including
16 the Chair) shall be appointed only for the re-
17 mainder of the term.

18 “(D) CONTINUATION OF SERVICE.—Each
19 member of the Bureau may continue to serve
20 after the expiration of the term of office to
21 which that member was appointed until a suc-
22 cessor has been appointed by the President and
23 confirmed by the Senate, except that a member
24 may not continue to serve more than 1 year

1 after the date on which that member's term
2 would otherwise expire.

3 “(E) OTHER EMPLOYMENT PROHIBITED.—

4 No member of the Bureau shall engage in any
5 other business, vocation, or employment.

6 “(d) AFFILIATION.—Not more than 3 members of
7 the Bureau shall be members of any one political party.

8 “(e) CHAIR OF THE BUREAU.—

9 “(1) INITIAL CHAIR.—The first member and
10 Chair of the Bureau shall be the individual serving
11 as Chair of the Bureau of Consumer Financial Pro-
12 tection on the day before the date of the enactment
13 of this subsection.

14 “(2) SUBSEQUENT CHAIR.—Of the 5 members
15 appointed in accordance with subsection (c), the
16 President shall appoint 1 member to serve as the
17 subsequent Chair of the Bureau.

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

22 “(A) the appointment and supervision of
23 personnel employed under the Bureau (other
24 than personnel employed regularly and full time

1 in the immediate offices of members of the Bu-
2 reau other than the Chair);

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

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

8 “(4) LIMITATION.—In carrying out any of the
9 Chair’s functions under the provisions of this sub-
10 section the Chair shall be governed by general poli-
11 cies of the Bureau and by such regulatory decisions,
12 findings, and determinations as the Bureau may by
13 law be authorized to make.

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

19 “(6) TERM.—The term of each Chair serving
20 under this subsection shall expire on the earlier of—

21 “(A) the date that is 5 years after the date
22 on which the Chair began serving; and

23 “(B) the date on which the individual who
24 was President while the Chair was serving
25 leaves office.

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

8 “(g) NO IMPAIRMENT BY REASON OF VACANCIES.—
9 No vacancy in the members of the Bureau after the estab-
10 lishment of an initial quorum under subsection (f) shall
11 impair the right of the remaining members of the Bureau
12 to exercise all the powers of the Bureau. Three members
13 of the Bureau shall constitute a quorum for the trans-
14 action of business, except that if there are only 3 members
15 serving on the Bureau because of vacancies in the Bureau,
16 2 members of the Bureau shall constitute a quorum for
17 the transaction of business. If there are only 2 members
18 serving on the Bureau because of vacancies in the Bureau,
19 2 members shall constitute a quorum for the 6-month pe-
20 riod beginning on the date of the vacancy which caused
21 the number of Bureau members to decline to 2.

22 “(h) SEAL.—The Bureau shall have an official seal.

23 “(i) COMPENSATION.—

24 “(1) CHAIR.—The Chair shall receive com-
25 pensation at the rate prescribed for level I of the

1 Executive Schedule under section 5313 of title 5,
2 United States Code.

3 “(2) OTHER MEMBERS OF THE BUREAU.—The
4 4 other members of the Bureau shall each receive
5 compensation at the rate prescribed for level II of
6 the Executive Schedule under section 5314 of title
7 5, United States Code.”;

8 (2) in section 1012(c), by striking paragraphs
9 (2), (3), (4), and (5);

10 (3) in section 1013(a), by striking paragraph
11 (2) and inserting the following:

12 “(2) COMPENSATION.—Notwithstanding any
13 otherwise applicable provision of title 5, United
14 States Code, concerning compensation, including the
15 provisions of chapter 51 and chapter 53, the rates
16 of basic pay for all employees of the Bureau may be
17 set and adjusted by the Chair.”; and

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

22 (b) PRESIDENTIAL APPOINTMENT OF INSPECTOR
23 GENERAL OF THE FINANCIAL PRODUCT SAFETY BU-
24 REAU.—The Inspector General Act of 1978 (5 U.S.C.
25 App.) is amended—

1 (1) in section 8G—

2 (A) in subsection (a)(2), by striking “and
3 the Bureau of Consumer Financial Protection”;

4 (B) in subsection (c), by striking “For the
5 purposes of implementing this section” and all
6 that follows through the end of the subsection;
7 and

8 (C) in subsection (g)(3), by striking “and
9 the Bureau of Consumer Financial Protection”;
10 and

11 (2) in section 12—

12 (A) in paragraph (1), by inserting “the
13 Chair of the Bureau of Consumer Financial
14 Protection;” after “the President of the Export-
15 Import Bank;” and

16 (B) in paragraph (2), by inserting “the
17 Bureau of Consumer Financial Protection,”
18 after “the Export-Import Bank,”.

19 **SEC. 3. SUBJECTING THE BUREAU OF CONSUMER FINAN-**
20 **CIAL PROTECTION TO THE REGULAR APPRO-**
21 **PRIATIONS PROCESS.**

22 (a) IN GENERAL.—Section 1017 of the Consumer Fi-
23 nancial Protection Act of 2010 (12 U.S.C. 5497) is
24 amended—

25 (1) in subsection (a)—

1 (A) in the subsection heading, by striking
2 “TRANSFER OF FUNDS FROM BOARD OF GOV-
3 ERNORS.—” and inserting “BUDGET AND FI-
4 NANCIAL MANAGEMENT.—”;

5 (B) by striking paragraphs (1) through
6 (3);

7 (C) by redesignating paragraphs (4) and
8 (5) as paragraphs (1) and (2), respectively; and

9 (D) in paragraph (1), as so redesignated—

10 (i) in the paragraph heading, by strik-
11 ing “BUDGET AND FINANCIAL MANAGE-
12 MENT.—” and inserting “IN GENERAL.—”;

13 (ii) by striking subparagraph (E); and

14 (iii) by redesignating subparagraph
15 (F) as subparagraph (E);

16 (2) by striking subsections (b) and (c);

17 (3) by redesignating subsections (d) and (e) as
18 subsections (b) and (c), respectively;

19 (4) in subsection (b), as so redesignated—

20 (A) in paragraph (2)—

21 (i) in the first sentence, by inserting
22 “direct” before “victims”; and

23 (ii) by striking the second sentence;

24 and

25 (B) by adding at the end the following:

1 “(3) TREATMENT OF EXCESS AMOUNTS.—If,
2 after the Bureau obtains a civil penalty in a judicial
3 or administrative action under Federal consumer fi-
4 nancial laws, deposits that civil penalty into the Civil
5 Penalty Fund under paragraph (1), and, under
6 paragraph (2), makes payments to all of the direct
7 victims of activities for which that civil penalty was
8 imposed, amounts remain in the Civil Penalty Fund
9 with respect to that civil penalty, the Bureau shall
10 transfer those excess amounts to the general fund of
11 the Treasury.”; and

12 (5) in subsection (c), as so redesignated—

13 (A) by striking paragraphs (1) through (3)
14 and inserting the following:

15 “(1) AUTHORIZATION OF APPROPRIATIONS.—
16 There is authorized to be appropriated such funds as
17 may be necessary to carry out this title for fiscal
18 year 2024.”; and

19 (B) by redesignating paragraph (4) as
20 paragraph (2).

21 (b) EFFECTIVE DATE.—The amendments made by
22 this section shall take effect on October 1, 2023.

23 **SEC. 4. CONFORMING AMENDMENTS.**

24 (a) CONSUMER FINANCIAL PROTECTION ACT OF
25 2010.—

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

4 (A) by striking “Director of the Bureau”
5 each place the term appears, other than where
6 the term is used to refer to a Director other
7 than the Director of the Bureau of Consumer
8 Financial Protection, and inserting “Chair of
9 the Bureau”;

10 (B) by striking “Director” each place the
11 term appears and inserting “Chair”, other than
12 where the term is used to refer to a Director
13 other than the Director of the Bureau of Con-
14 sumer Financial Protection; and

15 (C) in section 1002, by striking paragraph
16 (10).

17 (2) EXCEPTIONS.—The Consumer Financial
18 Protection Act of 2010 (12 U.S.C. 5481 et seq.) is
19 amended—

20 (A) in section 1013(c)(3)—

21 (i) in the matter preceding subpara-
22 graph (A), by striking “Assistant Director
23 of the Bureau for” and inserting “Head of
24 the Office of”; and

1 (ii) in subparagraph (B), by striking
2 “Assistant Director” and inserting “Head
3 of the Office”; and

4 (B) in section 1013(g)(2)—

5 (i) by striking “ASSISTANT DIREC-
6 TOR” and inserting “HEAD OF THE OF-
7 FICE”; and

8 (ii) by striking “an assistant director”
9 and inserting “a Head of the Office of Fi-
10 nancial Protection for Older Americans”.

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

15 (1) in section 111(b)(1)(D), by striking “Direc-
16 tor” and inserting “Chair”; and

17 (2) in section 1447, by striking “Director” each
18 place the term appears and inserting “Chair”.

19 (c) ELECTRONIC FUND TRANSFER ACT.—Section
20 920(a)(4)(C) of the Electronic Fund Transfer Act (15
21 U.S.C. 1693o–2(a)(4)(C)), as added by section 1075(a)(2)
22 of the Consumer Financial Protection Act of 2010, is
23 amended by striking “Director of the Bureau of Consumer
24 Financial Protection” and inserting “Chair of the Bureau
25 of Consumer Financial Protection”.

1 (d) EXPEDITED FUNDS AVAILABILITY ACT.—The
2 Expedited Funds Availability Act (12 U.S.C. 4001 et seq.)
3 is amended by striking “Director of the Bureau” each
4 place the term appears and inserting “Chair of the Bu-
5 reau”.

6 (e) FEDERAL DEPOSIT INSURANCE ACT.—Section 2
7 of the Federal Deposit Insurance Act (12 U.S.C. 1812)
8 is amended by striking “Director of the Consumer Finan-
9 cial Protection Bureau” each place the term appears and
10 inserting “Chair of the Consumer Financial Protection
11 Bureau”.

12 (f) FEDERAL FINANCIAL INSTITUTIONS EXAMINA-
13 TION COUNCIL ACT OF 1978.—Section 1004(a)(4) of the
14 Federal Financial Institutions Examination Council Act of
15 1978 (12 U.S.C. 3303(a)(4)) is amended by striking “Di-
16 rector of the Consumer Financial Protection Bureau” and
17 inserting “Chair of the Consumer Financial Protection
18 Bureau”.

19 (g) FINANCIAL LITERACY AND EDUCATION IM-
20 PROVEMENT ACT.—Section 513 of the Financial Literacy
21 and Education Improvement Act (20 U.S.C. 9702) is
22 amended by striking “Director” each place the term ap-
23 pears and inserting “Chair”.

24 (h) HOME MORTGAGE DISCLOSURE ACT OF 1975.—
25 Section 307 of the Home Mortgage Disclosure Act of 1975

1 (12 U.S.C. 2806) is amended by striking “Director of the
2 Bureau of Consumer Financial Protection” each place the
3 term appears and inserting “Chair of the Bureau of Con-
4 sumer Financial Protection”.

5 (i) INTERSTATE LAND SALES FULL DISCLOSURE
6 ACT.—The Interstate Land Sales Full Disclosure Act (15
7 U.S.C. 1701 et seq.) is amended—

8 (1) in section 1402 (15 U.S.C. 1701), by strik-
9 ing paragraph (1) and inserting the following:

10 “(1) ‘Chair’ means the Chair of the Bureau of
11 Consumer Financial Protection;” and

12 (2) by striking “Director” each place the term
13 appears and inserting “Chair”.

14 (j) REAL ESTATE SETTLEMENT PROCEDURES ACT
15 OF 1974.—Section 5 of the Real Estate Settlement Proce-
16 dures Act of 1974 (12 U.S.C. 2604) 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 Chair of the Bureau of Consumer Financial
21 Protection (hereafter in this section referred to as
22 the ‘Chair’)”; and

23 (2) by striking “Director” each place the term
24 appears and inserting “Chair”.

1 (k) S.A.F.E. MORTGAGE LICENSING ACT OF 2008.—
2 The S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C.
3 5101 et seq.) is amended—

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

9 (2) in section 1503 (12 U.S.C. 5102), by strik-
10 ing paragraph (10) and inserting the following:

11 “(10) CHAIR.—The term ‘Chair’ means the Di-
12 rector of the Bureau of Consumer Financial Protec-
13 tion.”.

14 (l) TITLE 44, UNITED STATES CODE.—Section
15 3513(e) of title 44, United States Code is amended by
16 striking “Director of the Bureau of Consumer Financial
17 Protection” and inserting “Chair of the Bureau of Con-
18 sumer Financial Protection”.