

AMENDMENT NO. _____ Calendar No. _____

Purpose: To improve the bill.

IN THE SENATE OF THE UNITED STATES—111th Cong., 2d Sess.

S. _____

To promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENTS intended to be proposed by Mr. DODD

Viz:

1 On page 4, strike the item relating to section 407

2 and insert the following:

Sec. 407. Exemption of venture capital fund advisors.

3 On page 8, before the item relating to subtitle G in-

4 sert the following:

Subtitle E—Accountability and Executive Compensation

Sec. 951. Shareholder vote on executive compensation disclosures.

Sec. 952. Compensation committee independence.

Sec. 953. Executive compensation disclosures.

2

- Sec. 954. Recovery of erroneously awarded compensation.
- Sec. 955. Disclosure regarding employee and director hedging.
- Sec. 956. Excessive compensation by holding companies of depository institutions.

Subtitle F—Improvements to the Management of the Securities and
Exchange Commission

- Sec. 961. Report and certification of internal supervisory controls.
- Sec. 962. Triennial report on personnel management.
- Sec. 963. Annual financial controls audit.
- Sec. 964. Report on oversight of national securities associations.
- Sec. 965. Compliance examiners.
- Sec. 966. Suggestion program for employees of the commission.

1 On page 9, after the item relating to section 1034,

2 insert the following:

- Sec. 1035 Effective date.

3 On page 10, strike the item following the item relat-
4 ing to section 1098 and insert the following:

- Sec. 1099. Amendments to the Truth in Lending Act.

5 On page 10, strike the item following the item relat-
6 ing to section 1152 and all that follows through the end
7 of page 10 and insert the following:

- Sec. 1153. Public access to information.
- Sec. 1154. Liquidity event determination.
- Sec. 1155. Emergency financial stabilization.
- Sec. 1156. Additional related amendments.
- Sec. 1157. Federal Reserve Act amendments on Federal reserve bank govern-
ance.
- Sec. 1158. Amendments to the Federal Reserve Act relating to supervision and
regulation policy.

8 On page 11, line 12, strike “(q)” and insert “(q)”.

1 On page 13, line 3, strike “3(q)” and insert “3(q)”.

2 On page 13, line 18, insert “and” after “activities;”.

3 On page 13, strike lines 19 through 21.

4 On page 13, line 22, strike “(v)” and insert “(iv)”.

5 On page 14, line 9, strike “and” at the end.

6 On page 14, line 16, strike the period at the end and
7 insert “; and”.

8 On page 14, between lines 16 and 17, insert the fol-
9 lowing:

10 “(E) the Federal Housing Finance Agency,
11 with respect to Federal Home Loan Banks or
12 the Federal Home Loan Bank System, and
13 with respect to the Federal National Mortgage
14 Association or the Federal Home Loan Mort-
15 gage Corporation.”.

16 On page 15, line 6, strike “80b-2” and insert “80b-
17 2”.

1 On page 18, lines 12 and 13, strike “United States,
2 as” and insert “United States as,”.

3 On page 19, between lines 13 and 14, insert the fol-
4 lowing:

5 “(D) NONBANK FINANCIAL COMPANY SU-
6 PERVISED BY THE BOARD OF GOVERNORS.—
7 The term ‘nonbank financial company super-
8 vised by the Board of Governors’ means a
9 nonbank financial company that the Council
10 has determined shall be supervised by the
11 Board of Governors under section 113.”.

12 On page 27, between lines 14 and 15, insert the fol-
13 lowing:

14 (K) make determinations regarding exemp-
15 tions in Title VII, where necessary;

16 On page 27, line 15, strike “(K)” and insert “(L)”.

17 On page, 27, line 22, strike “(L)” and insert “(M)”.

18 On page 31, line 17, insert “the” before “members”.

19 On page 33, line 11, insert “the” before “members”.

1 On page 35, line 10, insert “the” before “members”.

2 On page 37, line 7, insert “the” before “members”.

3 On page 67, line 4, insert “the” before “Research”.

4 On page 41, line 18, strike “risk management” and
5 insert “risk-management”.

6 On page 47, line 4, strike “risk management” and
7 insert “risk-management”.

8 On page 51, line 2, strike “hold” and insert “holds”.

9 On page 54, strike lines 5 through 7, and insert the
10 following:

11 (1) NOTICE AND OPPORTUNITY FOR COM-
12 MENT.—The Council shall con-

13 On page 56, line 10, strike “implementation or fail-
14 ure to implement” and insert “implementation, or failure
15 to implement”.

1 On page 57, lines 6 and 7, strike “this title should
2 remain in effect” and insert “this section should remain
3 in effect. Each primary financial regulatory agency that
4 has imposed standards under this section shall promulgate
5 regulations to establish a procedure under which entities
6 under its jurisdiction may appeal a determination by such
7 agency under this paragraph that standards imposed
8 under this section should remain in effect.”

9 On page 57, line 24, insert “to” before “sell”.

10 On page 61, line 5, strike “DUTIES” and insert “DU-
11 TIES,”.

12 On page 61, line 8, strike “exercise” and insert “ex-
13 ercises”.

14 On page 62, line 3, strike the second comma.

15 On page 68, line 5, strike “that”.

16 On page 88, line 22, strike “risk management” and
17 insert “risk-management”.

1 On page 93, line 6, strike “time frame” and insert
2 “time-frame”.

3 On page 96, line 2, strike “agreement” and insert
4 “agreements”.

5 On page 99, lines 13 and 14, strike “risk manage-
6 ment” and insert “risk-management”.

7 On page 99, line 18, strike “risk management” and
8 insert “risk-management”.

9 On page 108, line 10, strike “(12)” and insert
10 “(11)”.

11 On page 110, lines 5 and 6, strike “under this title”.

12 On page 111, between lines 6 and 7, insert the fol-
13 lowing:

14 “(14) NONBANK FINANCIAL COMPANY.—The
15 term ‘nonbank financial company’ has the same
16 meaning as in section 102(a)(3)(C).

17 “(15) NONBANK FINANCIAL COMPANY SUPER-
18 VISED BY THE BOARD OF GOVERNORS.—The term
19 ‘nonbank financial company supervised by the Board

1 of Governors' has the same meaning as in section
2 102(a)(3)(D).”.

3 On page 111, line 7, strike “(14)” and insert “(16)”.

4 On page 111, line 7, strike “‘Panel’means” and in-
5 sert “‘Panel’ means”.

6 On page 111, line 10, strike “(15)” and insert
7 “(17)”.

8 On page 111, line 23, strike “Each” and insert
9 “The”.

10 On page 112, line 6, strike “A”.

11 On page 113, lines 16 and 17, strike “the determina-
12 tion of the Secretary that”.

13 On page 114, line 8, strike “(3)” and insert “(2)”.

14 On page 115, line 2, strike “JURISDICTION” and in-
15 sert “IN GENERAL”.

1 On page 115, line 13, strike “JURISDICTION” and in-
2 sert “EXCEPTIONS”.

3 On page 115, line 16, strike “company,” and insert
4 “company”.

5 On page 117, line 3, strike “graph,” and insert
6 “graph”.

7 On page 120, line 11, strike “separate,” and insert
8 “separate”.

9 On page 122, line 10, strike “two-thirds” and insert
10 “ $\frac{2}{3}$ ”.

11 On page 122, line 14, strike “covered a” and insert
12 “covered”.

13 On page 124, line 5, strike “in subsection” and insert
14 “subsection”.

15 On page 124, line 16, strike “counterparties” and in-
16 sert “counterparties,”.

1 On page 124, lines 19 and 20, strike “or assistance”.

2 On page 125, line 7, strike “regulator” and insert
3 “regulatory”.

4 On page 129, line 7, strike “GAO” and insert “GAO”.

5 On page 129, line 21, strike “counterparties” and in-
6 sert “counterparties,”.

7 On page 131, lines 6 and 7, strike “Federal”.

8 On page 133, line 2, strike “(K)” and insert “(L)”.

9 On page 135, line 1, strike “et.” and insert “et”.

10 On page 136, line 3, strike “contrary,” and insert
11 “contrary”.

12 On page 140, line 13, strike “claim” and insert
13 “claims”.

14 On page 146, line 3, strike “dealer” and insert “deal-
15 er,”.

11

1 On page 149, line 20, strike “NON-INSOLVENCY” and
2 insert “NONINSOLVENCY”.

3 On page 150, line 23, insert “or” after “(i)”.

4 On page 152, lines 11 and 12, strike “claim provi-
5 sion” and insert “claims provisions”.

6 On page 170, line 18, strike “groups” and insert
7 “group”.

8 On page 175, line 24, strike “(B)” and insert “(B),”.

9 On page 189, line 3, strike “subsection (o)(1)(E)(i)”
10 and insert “subsection (o)(1)(E)(ii)”.

11 On page 225, line 12, strike “(8)(F)” and insert
12 “(8)(F)(i)”.

13 On page 225, line 17, strike “(8)(F)” and insert
14 “(8)(F)(ii)”.

15 On page 225, line 18, strike “defaults on” and insert
16 “fails to satisfy”.

1 On page 241, line 15, strike “(o)(4)” and insert
2 “(o)(1)(E)(ii)”.

3 On page 241, lines 15 and 16, strike “as receiver for
4 a covered financial company and”.

5 On page 255, line 7, insert “, subject to subsection
6 (o)(1)(E)(ii)” after “payments”.

7 On page 255, line 17, insert “or” after “company;”.

8 On page 255, line 21, strike “or” and insert “and”.

9 On page 255, strike lines 22 through 24.

10 On page 281, line 12, insert “, taking into account
11 the considerations set forth in paragraph (4),” after
12 “shall”.

13 On page 281, lines 20 and 22, strike “, taking into
14 account the considerations set forth in paragraph (4)”.

1 On page 281, line 24, strike “, taking into” and all
2 that follows through “paragraph (4),” on page 282, line
3 1.

4 On page 282, line 3, strike “(b)(4) or (d)(4)” and
5 insert “(b)(4), (d)(4), or (h)(5)(E)”.

6 On page 293, line 2, insert “Chairman of the” before
7 “Board”.

8 On page 293, line 2, insert “Chairperson of the” be-
9 fore “Corporation”.

10 On page 296, line 13, insert “and the Director of the
11 Office of Thrift Supervision” after “Supervision”.

12 On page 297, line 25, strike “paragraph (1)” and in-
13 sert “subparagraph (A)”.

14 On page 298, strike lines 1 through 8, and insert
15 “transferred to the Comptroller of the Currency all func-
16 tions of the Office of”.

1 On page 298, line 13, strike “and subparagraph
2 (B)(i),”.

3 On page 298, between lines 17 and 18, insert the fol-
4 lowing:

5 “(D) COMPTROLLER OF THE CURRENCY
6 AND THE CORPORATION.—All rulemaking au-
7 thority (including the authority to issue orders)
8 of the Office of Thrift Supervision and the Di-
9 rector of the Office of Thrift Supervision relat-
10 ing to savings associations is transferred to,
11 and shall be exercised jointly by, the Comp-
12 troller of the Currency and the Corporation.”.

13 On page 313, line 11, insert “Office of the” before
14 “Comptroller”.

15 On page 315, line 16, strike “, by” and insert “by,”.

16 On page 321, line 13, insert “Office of the” before
17 “Comptroller”.

18 On page 324, line 21, strike “Comptroller” and insert
19 “Office of the Comptroller of the Currency”.

1 On page 326, line 18, insert “Office of the” before
2 “Comptroller”.

3 On page 329, between lines 12 and 13, insert the fol-
4 lowing:

5 (c) CORPORATION EXAMINATION FEES.—Section
6 10(e) of the Federal Deposit Insurance Act (12 U.S.C.
7 1820(e)) is amended by striking paragraph (1) and insert-
8 ing the following:

9 “(1) REGULAR AND SPECIAL EXAMINATIONS OF
10 DEPOSITORY INSTITUTIONS.—The cost of conducting
11 any regular examination or special examination of
12 any depository institution under subsection (b)(2),
13 (b)(3), or (d) or of any entity described in section
14 3(q)(2) may be assessed by the Corporation against
15 the institution or entity to meet the expenses of the
16 Corporation in carrying out such examinations, or as
17 the Corporation determines is necessary or appro-
18 priate to carry out the responsibilities of the Cor-
19 poration. The Corporation also may collect an as-
20 sessment, fee, or other charge from any entity, the
21 activities of which are supervised by the Corporation
22 under section 6 of the Bank Holding Company Act
23 of 1956, as the Corporation determines is necessary

1 or appropriate to carry out the responsibilities of the
2 Corporation in connection with such activities.”.

3 On page 329, line 13, strike “(c)” and insert “(d)”.

4 On page 332, line 2, insert “Office of the” before
5 “Comptroller”.

6 On page 332, line 9, insert “Office of the” before
7 “Comptroller”.

8 On page 332, line 19, insert “Office of the” before
9 “Comptroller”.

10 On page 347, line 13, insert “Office of the” before
11 “Comptroller”.

12 On page 347, line 21, insert “Office of the” before
13 “Comptroller”.

14 On page 348, line 20, insert “Office of the” before
15 “Comptroller”.

1 On page 349, line 20, insert “Office of the” before
2 “Comptroller”.

3 On page 350, line 2, insert “Office of the” before
4 “Comptroller”.

5 On page 350, line 5, insert “Office of the” before
6 “Comptroller”.

7 On page 351, line 8, insert “Office of the” before
8 “Comptroller”.

9 On page 351, line 22, insert “Office of the” before
10 “Comptroller”.

11 On page 353, strike lines 14 through 19, and insert
12 the following:

13 “(j) INCORPORATION INTO AGENCY PAY SYSTEM.—
14 Not later than 2 years after the transfer date, the Comp-
15 troller of the Currency and the Chairperson of the Cor-
16 poration shall place each transferred employee into the es-
17 tablished pay system and structure of the appropriate em-
18 ploying agency.”.

1 On page 353, line 25, strike “transferred employee”
2 and insert “employee of the Office of the Comptroller of
3 the Currency or the Corporation”.

4 On page 366, line 12, insert “, in total,” after “has”.

5 On page 366, line 14, insert “aggregate” after “has”.

6 On page 366, lines 15 and 16, strike “who are domi-
7 ciled or residents of the United States” and insert “in the
8 United States and investors in the United States in pri-
9 vate funds advised by the investment adviser”.

10 On page 376, line 18, insert “, except the Commis-
11 sion shall not define the term ‘client’ for the purposes of
12 sections 206(1) and 206(2) to include an investor in a pri-
13 vate fund managed by an investment advisor, if such pri-
14 vate fund has entered into an advisory contract with such
15 adviser” after “title”.

16 On page 377, line 6, strike “**EXEMPTIONS**” and in-
17 sert “**EXEMPTION**”.

1 On page 379, lines 12 and 13, strike “structures and
2 management arrangements” and insert “, management,
3 and employment structures and arrangements”.

4 On page 381, lines 24 and 25, strike “, private equity
5 funds, and venture capital funds,”.

6 On page 382, line 8, strike “Office” and insert “Divi-
7 sion”.

8 On page 382, line 18, strike “Office” and insert “Di-
9 vision”.

10 On page 382, line 19, insert “with any recommenda-
11 tions for market improvements, including consideration of
12 real time reporting of short sale positions,” after “report”.

13 On page 431, line 25, insert “and” after the semi-
14 colon.

15 On page 431, line 4, strike “that the” and insert
16 “that such”.

17 On page 436, line 19, strike “(g)” and insert “(h)”.

1 On page 436, between lines 18 and 19, insert the fol-
2 lowing:

3 (g) REPORTS BY SAVINGS AND LOAN HOLDING COM-
4 PANIES.—Section 10(b)(2) of the Home Owners' Loan Act
5 (12 U.S.C. 1467a(b) is amended—

6 (1) by striking “Each savings” and inserting
7 the following:

8 “(A) IN GENERAL.—Each savings”; and

9 (2) by adding at the end the following:

10 “(B) USE OF EXISTING REPORTS AND
11 OTHER SUPERVISORY INFORMATION.—The ap-
12 propriate Federal banking agency for a savings
13 and loan holding company shall, to the fullest
14 extent possible, use—

15 “(i) reports and other supervisory in-
16 formation that the savings and loan hold-
17 ing company or any subsidiary thereof has
18 been required to provide to other Federal
19 or State regulatory agencies;

20 “(ii) externally audited financial state-
21 ments of the savings and loan holding com-
22 pany or subsidiary;

23 “(iii) information that is otherwise
24 available from Federal or State regulatory
25 agencies; and

1 “(iv) information that is otherwise re-
2 quired to be reported publicly.

3 “(C) AVAILABILITY.—Upon the request of
4 the appropriate Federal banking agency for a
5 savings and loan holding company, the savings
6 and loan holding company or a subsidiary of
7 the savings and loan holding company shall
8 promptly provide to the appropriate Federal
9 banking agency any information described in
10 clauses (i) through (iii) of subparagraph (B).”.

11 On page 439, line 3, strike “(h)” and insert “(i)”.

12 On page 438, beginning on line 6, strike “that is a
13 depository institution or a functionally regulated sub-
14 sidiary”.

15 On page 438, line 9, insert “and other information”
16 after “reports”.

17 On page 438, line 15, strike “the Federal” and insert
18 “provide reasonable notice to, and consult with, the appro-
19 priate Federal banking agency”.

20 On page 438, line 18, strike “with reasonable notice”.

1 On page 438, beginning on line 1, strike “with re-
2 spect to a subsidiary described in clause (i)”.

3 On page 461, line 19, strike “on the” and insert “1
4 year after the”.

5 On page 474, line 18, strike “(e)” and insert “(f)”.

6 On page 474, between lines 17 and 18, insert the fol-
7 lowing:

8 (e) EXCEPTION FOR BANKS.—No bank shall be sub-
9 ject to any of the requirements set forth in subsections
10 (c) and (d).

11 On page 484, line 13, strike “(b)” and insert “(a)”.

12 On page 489, line 4, insert “under title I of the Re-
13 storing American Financial Stability Act of 2010” after
14 “Board”.

15 On page 524, strike lines 1 through 14, and insert
16 the following:

17 “(B) PERMISSIVE EXEMPTION.—The Com-
18 mission by rule or order, as the Commission
19 deems consistent with the public interest, may

1 conditionally or unconditionally exempt a swap
2 from the requirements of paragraphs (1) and
3 (8), and any rules issued under this subsection,
4 if 1 of the counterparties to the swap—

5 “(i) is not a swap dealer or major
6 swap participant; and

7 “(ii) does not meet the eligibility re-
8 quirements of any derivatives clearing or-
9 ganization that clears the swap.

10 “(C) DETERMINATION OF THE FINANCIAL
11 STABILITY OVERSIGHT COUNCIL.—The Com-
12 mission may act by rule or order to exempt a
13 swap from any requirement or rule under this
14 subsection only if—

15 “(i) the Commission has provided a
16 written notice to the Financial Stability
17 Oversight Council describing the proposed
18 exemption; and

19 “(ii) the Financial Stability Oversight
20 Council has not made a determination and
21 notified the Commission within 60 days of
22 receipt of such notice that such exemption
23 would pose a threat to the stability of the
24 United States financial system.

1 On page 524, line 15, strike “(C)” and insert “(D)”.

2 On page 562, lines 16 and 17, strike “in consultation
3 with the Financial Stability Oversight Council and”.

4 On page 563, between lines 12 and 13, insert the fol-
5 lowing:

6 “(iii) DETERMINATION OF THE FI-
7 NANCIAL STABILITY OVERSIGHT COUN-
8 CIL.—The primary financial regulatory
9 agency may act by rule or order to exempt
10 a swap dealer or major swap participant
11 for which it is the primary financial regu-
12 latory agency from any requirement or rule
13 under this subsection only if—

14 “(I) the primary financial regu-
15 latory agency has provided a written
16 notice to the Financial Stability Over-
17 sight Council describing the proposed
18 exemption; and

19 “(II) the Financial Stability
20 Oversight Council has not made a de-
21 termination and notified the primary
22 financial regulatory agency within 60
23 days of receipt of such notice that

1 such exemption would pose a threat to
2 the stability of the United States fi-
3 nancial system.

4 On page 564, lines 5 and 6, strike “in consultation
5 with the Financial Stability Oversight Council and”.

6 On page 565, between lines 2 and 3, insert the fol-
7 lowing:

8 “(C) DETERMINATION OF THE FINANCIAL
9 STABILITY OVERSIGHT COUNCIL.—The Com-
10 mission may act by rule or order to exempt a
11 nonbank swap dealer or major swap participant
12 from any requirement or rule under this sub-
13 section only if—

14 “(i) the Commission has provided a
15 written notice to the Financial Stability
16 Oversight Council describing the proposed
17 exemption; and

18 “(ii) the Financial Stability Oversight
19 Council has not made a determination and
20 notified the Commission within 60 days of
21 receipt of such notice that such exemption
22 would pose a threat to the stability of the
23 United States financial system.

1 On page 646, lines 11 and 12, strike “in consultation
2 with the Financial Stability Oversight Council and”.

3 On page 646, after line 24, insert the following:

4 “(C) DETERMINATION OF THE FINANCIAL
5 STABILITY OVERSIGHT COUNCIL.—The Com-
6 mission may act by rule or order to exempt a
7 security-based swap from any requirement or
8 rule under this subsection only if—

9 “(i) the Commission has provided a
10 written notice to the Financial Stability
11 Oversight Council describing the proposed
12 exemption; and

13 “(ii) the Financial Stability Oversight
14 Council has not made a determination and
15 notified the Commission within 60 days of
16 receipt of such notice that such exemption
17 would pose a threat to the stability of the
18 United States financial system.

19 On page 671, lines 3 and 4, strike “in consultation
20 with the Financial Stability Oversight Council and”.

21 On page 671, after line 24, insert the following:

1 “(C) DETERMINATION OF THE FINANCIAL
2 STABILITY OVERSIGHT COUNCIL.—The primary
3 financial regulatory agency may act by rule or
4 order to exempt a bank security-based swap
5 dealer or major security-based swap participant
6 for which it is the primary financial regulatory
7 agency from any requirement or rule under this
8 subsection only if—

9 “(i) the primary financial regulatory
10 agency has provided a written notice to the
11 Financial Stability Oversight Council de-
12 scribing the proposed exemption; and

13 “(ii) the Financial Stability Oversight
14 Council has not made a determination and
15 notified the primary financial regulatory
16 agency within 60 days of receipt of such
17 notice that such exemption would pose a
18 threat to the stability of the United States
19 financial system.

20 On page 672, lines 15 and 16, strike “in consultation
21 with the Financial Stability Oversight Council and”.

22 On page 673, between lines 12 and 13, insert the fol-
23 lowing:

1 “(C) DETERMINATION OF THE FINANCIAL
2 STABILITY OVERSIGHT COUNCIL.—The Com-
3 mission may act by rule or order to exempt a
4 nonbank security-based swap dealer or major
5 security-based swap participant from any re-
6 quirement or rule under this subsection only
7 if—

8 “(i) the Commission has provided a
9 written notice to the Financial Stability
10 Oversight Council describing the proposed
11 exemption; and

12 “(ii) the Financial Stability Oversight
13 Council has not made a determination and
14 notified the Commission within 60 days of
15 receipt of such notice that such exemption
16 would pose a threat to the stability of the
17 United States financial system.

18 On page 763, line 14, strike “Commission” and in-
19 sert “Committee”.

20 On page 767, line 11, strike the quotation marks and
21 the second period.

1 On page 767, between lines 11 and 12, insert the fol-
2 lowing:

3 “(f) RULE OF CONSTRUCTION.—For purposes of the
4 Paperwork Reduction Act (44 U.S.C. 3501 et seq.), any
5 action taken under subsection (e) shall not be construed
6 to be a collection of information.”.

7 On page 786, strike line 24 and all that follows
8 through page 787, line 10, and insert the following:

9 “(E) PUBLICATION DATE BASED ON FED-
10 ERAL REGISTER PUBLICATION.—For purposes
11 of this paragraph, if, after filing a proposed
12 rule change with the Commission pursuant to
13 paragraph (1), a self-regulatory organization
14 publishes a notice of the filing of such proposed
15 rule change, together with the substantive
16 terms of such proposed rule change, on a pub-
17 licly accessible website, the Commission shall
18 thereafter send the notice to the Federal Reg-
19 ister for publication thereof under paragraph
20 (1) within 15 days of the date on which such
21 website publication is made. If the Commission
22 fails to send the notice for publication thereof
23 within such 15 day period, then the date of

1 publication shall be deemed to be the date on
2 which such website publication was made.”.

3 On page 795, line 11, strike “broker, dealer, or mu-
4 nicipal securities dealer” and insert “investment adviser”.

5 On page 800, line 13, strike “or”.

6 On page 800, between lines 13 and 14, insert the fol-
7 lowing:

8 “(C) to any whistleblower who gains the
9 information through the performance of an
10 audit of financial statements required under the
11 securities laws and for whom such submission
12 would be contrary to the requirements of sec-
13 tion 10A of the Securities Exchange Act of
14 1934 (15 U.S.C. 78j-1); or”.

15 On page 800, line 14, strike “(C)” and insert “(D)”.

16 On page 816, line 20, strike the quotation marks and
17 the second period.

18 On page 816, between lines 20 and 21, insert the fol-
19 lowing:

1 “(v) Not later than 360 days after the
2 date of enactment of the Restoring Amer-
3 ican Financial Stability Act of 2010, the
4 Commission shall conduct a rulemaking to
5 determine whether to designate a class of
6 securities that the Commission deems not
7 to be covered securities because the offer-
8 ing of such securities is not of sufficient
9 size or scope.”.

10 On page 817, lines 22 and 23, strike “a State securi-
11 ties commissioner (or equivalent State officer)” and insert
12 “the Commission, not later than 120 days of the filing
13 with the Commission,”.

14 On page 818, lines 5 and 6, strike “the State securi-
15 ties commissioner (or equivalent State officer)” and insert
16 “the Commission, not later than 120 days of the filing
17 with the Commission,”.

18 On page 819, line 4, strike the quotation marks and
19 the second period.

20 On page 819, between lines 4 and 5, insert the fol-
21 lowing:

1 “(E) OFFERINGS AFFECTED.—The re-
2 quirements of this section shall apply to offer-
3 ings filed after the date of enactment of the Re-
4 storing American Financial Stability Act of
5 2010.”.

6 On page 825, line 16, strike “that are accurate” and
7 insert “with integrity”.

8 On page 825, line 24, strike “with integrity” and in-
9 sert “that are accurate”.

10 On page 858, line 23, strike “material”.

11 On page 860, line 7, strike “or” and insert “and”.

12 On page 874, lines 8 and 9, strike “committee” and
13 insert “consultant”.

14 On page 877, line 3, strike “the annual proxy state-
15 ment of the issuer” and insert “any proxy or consent solici-
16 tation material for an annual meeting of the shareholders
17 of the issuer”.

1 On page 879, lines 8 and 9, strike “the annual proxy
2 statement of the issuer” and insert “any proxy or consent
3 solicitation material for an annual meeting of the share-
4 holders of the issuer”.

5 On page 880, line 5, insert “, in consultation with
6 the Comptroller of the Currency and the Federal Deposit
7 Insurance Corporation,” after “Governors”.

8 On page 880, line 20, insert “and the views and rec-
9 ommendations of the Comptroller of the Currency and the
10 Federal Deposit Insurance Corporation” after “(c)”.

11 On page 891, line 2, strike “on—” and all that fol-
12 lows through line 10 and insert the following: “on the ef-
13 fectiveness of such national securities associations in per-
14 forming their mission and in dealing fairly with investors
15 and members.”.

16 On page 941, line 1, strike “1 year” and insert “2
17 years”.

18 On page 1009, line 16, insert “and any company that
19 has elected to be regulated as a business development com-
20 pany under such Act” after “1940”.

1 On page 1009, beginning on line 25, strike “and” at
2 the end and insert the following:

3 “(G) any self-regulatory organization that
4 is required to be registered with the Securities
5 and Exchange Commission;

6 “(H) any nationally recognized statistical
7 rating organization that is required to be reg-
8 istered with the Securities and Exchange Com-
9 mission;

10 “(I) any securities information processor
11 that is required to be registered with the Secu-
12 rities and Exchange Commission;

13 “(J) any municipal securities dealer that is
14 required to be registered with the Securities
15 and Exchange Commission;

16 “(K) any other person that is required to
17 be registered with the Securities and Exchange
18 Commission under the Securities Exchange Act
19 of 1934; and”.

20 On page 1010, line 1, strike “(G)” and insert “(L)”.

21 On page 1033, lines 6 and 7, strike “combined ex-
22 penditures” and insert “expenses”.

1 On page 1033, lines 8 and 9, strike “combined ex-
2 penditures” and insert “expenses”.

3 On page 1033, lines 10 and 11, strike “combined ex-
4 penditures” and insert “expenses”.

5 On page 1033, line 15, insert “(iii)” after “(A)”.

6 On page 1036, line 24, strike “Comptroller General’s
7 right of access” and insert “right of access of the Comp-
8 troller General”.

9 On page 1043, line 25, insert “the purposes and ob-
10 jectives of” after “carry out”.

11 On page 1044, line 11, insert “appropriate” after
12 “with the”.

13 On page 1044, line 12, strike both commas.

14 On page 1044, lines 12 and 13, strike “as appro-
15 priate,”.

1 On page 1052, line 22, strike “sector” and insert
2 “system”.

3 On page 1058, line 17, strike “date of enactment of
4 this Act” and insert “designated transfer date”.

5 On page 1063, line 13, strike “PRIMARY” and insert
6 “EXCLUSIVE”.

7 On page 1063, line 14, strike “PRIMARY” and insert
8 “EXCLUSIVE”.

9 On page 1063, line 15, strike “a Federal” and insert
10 “Federal”.

11 On page 1065, line 24, strike “a provision of”.

12 On page 1066, line 3, strike “that provision of” and
13 insert “such”.

14 On page 1079, lines 20 and 21, strike “Federal con-
15 sumer financial law” and insert “enumerated consumer
16 law or any law for which authorities are transferred under
17 subtitle F or H”.

1 On page 1083, line 22, strike “Federal consumer fi-
2 nancial law” and insert “enumerated consumer law or any
3 law for which authorities are transferred under subtitle
4 F or H”.

5 On page 1084, line 22, strike “Federal consumer fi-
6 nancial law” and insert “enumerated consumer law or any
7 law for which authorities are transferred under subtitle
8 F or H”.

9 On page 1086, line 5, strike “advisory,” and insert
10 “advisory, or”.

11 On page 1087, line 22, after “(1)(A)(i)” insert “or
12 (1)(A)(ii)”.

13 On page 1088, line 6, strike “Federal consumer fi-
14 nancial law” and insert “enumerated consumer law or any
15 law for which authorities are transferred under subtitle
16 F or H”.

17 On page 1088, line 18, strike “Federal consumer fi-
18 nancial law” and insert “enumerated consumer law or any
19 law for which authorities are transferred under subtitle
20 F or H”.

1 On page 1089, line 11, strike “Federal consumer fi-
2 nancial law” and insert “enumerated consumer law or any
3 law for which authorities are transferred under subtitle
4 F or H”.

5 On page 1089, line 24, insert “CONSUMER” after
6 “ANY”.

7 On page 1090, line 13, insert “products or” after
8 “respect to”.

9 On page 1091, line 9, insert “PRODUCTS OR” after
10 “DESCRIPTION OF”.

11 On page 1091, line 10, insert “products or” after
12 “providing”.

13 On page 1091, lines 12 and 13, strike “Federal con-
14 sumer financial law” and insert “enumerated consumer
15 law or any law for which authorities are transferred under
16 subtitle F or H”.

17 On page 1091, line 14, strike “Federal consumer fi-
18 nancial” and insert “the”.

1 On page 1092, line 20, strike “Federal consumer fi-
2 nancial law” and insert “enumerated consumer law or any
3 law for which authorities are transferred under subtitle
4 F or H”.

5 On page 1093, line 8, after “coordinate” insert “,
6 where feasible”.

7 On page 1093, line 15, insert after “law.” the fol-
8 lowing: “In carrying out this paragraph, the agencies shall
9 negotiate an agreement to establish procedures for such
10 coordination, including procedures for providing advance
11 notice to the Bureau when the Commission is initiating
12 a rulemaking.”.

13 On page 1095, line 6, insert “are” after “service, or”.

14 On page 1095, lines 7 and 8, strike “Federal con-
15 sumer financial law” and insert “enumerated consumer
16 law or any law for which authorities are transferred under
17 subtitle F or H”.

18 On page 1095, lines 9 and 10, strike “Except with
19 respect to insurance activities described in section 1002,
20 the” and insert “The”.

1 On page 1096, line 3, after “title” insert “, including
2 section 1024(c)(1),”.

3 On page 1105, strike lines 9 through 18, and insert
4 the following:

5 “(1)(A) to advertise, market, offer, or sell a
6 consumer financial product or service not in con-
7 formity with this title or applicable rules or orders
8 issued by the Bureau;

9 “(B) to enforce, or attempt to enforce, any
10 agreement with a consumer (including any term or
11 change in terms in respect of such agreement), or
12 impose, or attempt to impose, any fee or charge on
13 a consumer in connection with a consumer financial
14 product or service that is not in conformity with this
15 title or applicable rules or orders issued by the Bu-
16 reau; or

17 “(C) to engage in any unfair, deceptive, or abu-
18 sive act or practice, except that no person shall be
19 held to have violated this subsection solely by virtue
20 of providing or selling time or space to a person
21 placing an advertisement;”.

22 On page 1106, between lines 10 and 11, insert the
23 following:

1 **“SEC. 1035. EFFECTIVE DATE.**

2 “This subtitle shall take effect on the date of enact-
3 ment of this Act.”.

4 On page 1116, lines 3 and 4, strike “a determination
5 regarding preemption of a” and insert “the”.

6 On page 1116, line 7, strike “, and such determina-
7 tion” and insert “, and a preemption determination under
8 this subparagraph”.

9 On page 1118, line 23, strike “that” and all that fol-
10 lows through page 1119, line 2, and insert “regarding the
11 preemption of such provision in accordance with the legal
12 standard of the decision of the Supreme Court of the
13 United States in Barnett Bank of Marion County, N.A.
14 v. Nelson, Florida Insurance Commissioner, et al., 517
15 U.S. 25 (1996).”.

16 On page 1124, lines 14 and 15, strike “and recover
17 damages”.

18 On page 1161, line 8, strike “enumerated consumer
19 law or any provision of”.

1 On page 1177, lines 11 and 12, strike “DEPARTMENT
2 OF HOUSING AND URBAN DEVELOPMENT’S AUTHORITY”
3 and insert “AUTHORITY OF THE DEPARTMENT OF HOUS-
4 ING AND URBAN DEVELOPMENT”.

5 On page 1178, strike lines 3 through 9.

6 On page 1178, line 10, strike “(e)” and insert “(d)”.

7 On page 1192, between lines 20 and 21, insert the
8 following:

9 (4) CERTAIN OFFICE OF THE COMPTROLLER OF
10 THE CURRENCY EMPLOYEES TRANSFERRED.—

11 (A) IDENTIFYING EMPLOYEES FOR TRANS-
12 FER.—The Bureau and the Comptroller shall—

13 (i) jointly determine the number of
14 employees of the Office of the Comptroller
15 of the Currency necessary to perform or
16 support the consumer financial protection
17 functions of the Office of the Comptroller
18 of the Currency that are transferred to the
19 Bureau by this title; and

20 (ii) consistent with the number deter-
21 mined under clause (i), jointly identify em-
22 ployees of the Office of the Comptroller of

1 the Currency for transfer to the Bureau, in
2 a manner that the Bureau and the Office
3 of the Comptroller of the Currency, in
4 their sole discretion, determine equitable.

5 (B) IDENTIFIED EMPLOYEES TRANS-
6 FERRED.—All employees of the Office of the
7 Comptroller of the Currency identified under
8 subparagraph (A)(ii) shall be transferred to the
9 Bureau for employment.

10 (5) CERTAIN OFFICE OF THRIFT SUPERVISION
11 EMPLOYEES TRANSFERRED.—

12 (A) IDENTIFYING EMPLOYEES FOR TRANS-
13 FER.—The Bureau and the Director of the Of-
14 fice of Thrift Supervision shall—

15 (i) jointly determine the number of
16 employees of the Office of Thrift Super-
17 vision necessary to perform or support the
18 consumer financial protection functions of
19 the Office of Thrift Supervision that are
20 transferred to the Bureau by this title; and

21 (ii) consistent with the number deter-
22 mined under clause (i), jointly identify em-
23 ployees of the Office of Thrift Supervision
24 for transfer to the Bureau, in a manner
25 that the Bureau and the Office of Thrift

1 On page 1236, lines 14 and 15, strike “Federal bank-
2 ing agencies may jointly” and insert “Bureau may”.

3 On page 1237, lines 2 and 3, strike “Federal banking
4 agencies” and insert “Bureau”.

5 On page 1239, line 17, strike “in” the first place that
6 term appears.

7 On page 1265, line 13, strike “2 U.S.C. 1831t” and
8 insert “12 U.S.C. 1831t”.

9 On page 1281, line 23, insert “and a violation of a
10 rule under section 18 of the Federal Trade Commission
11 Act (15 U.S.C. 57a) regarding unfair or deceptive acts
12 or practices” after “2010”.

13 On page 1282, line 18, strike “a practices that vio-
14 lates” and insert “practices that violate”.

15 On page 1301, line 14, strike “financial market” and
16 all that follows through “important, or” on line 17.

1 On page 1302, line 13 strike “1103” and insert
2 “1102”.

3 On page 1302, line 25, strike “financial market” and
4 all that follows through page 1303, line 2.

5 On page 1303, line 8, strike “such financial” and all
6 that follows through “important, or” on line 11.

7 On page 1307, lines 1 through 3, strike “after the
8 date of enactment of the Restoring American Financial
9 Stability Act of 2010”.

10 On page 1307, line 16, insert “assistance” before
11 “under”.

12 On page 1312, line 18, strike “Maiden Lane I, and
13 Maiden Lane II” and insert “Maiden Lane II, and Maiden
14 Lane III”.

15 On page 1314, line 17, strike “Council” and insert
16 “Corporation”.

1 On page 1315, line 12, strike “Council” and insert
2 “Corporation”.

3 On page 1315, line 13, strike “Council” and insert
4 “Corporation”.

5 On page 1316, line 2, strike “Council” and insert
6 “Corporation”.

7 On page 1316, line 8, strike “Council” and insert
8 “Corporation”.

9 On page 1316, line 17, strike “Council” and insert
10 “Corporation”.

11 On page 1316, line 24, strike “Council” and insert
12 “Corporation”.

13 On page 1317, line 11, strike “with the concurrence
14 of” and insert “in consultation with”.

15 On page 1319, line 25, strike “1205(a)” and insert
16 “1155(c)”.

- 1 On page 1327, strike line 11 and all that follows
- 2 through page 1328, line 11.

- 3 On page 1328, line 12, strike “(2)” and insert “(1)”.

- 4 On page 1328, line 18, strike “(4)” and insert “(3)”.

- 5 On page 1328, line 20, strike “(3)” and insert “(2)”.

- 6 On page 1329, line 1, strike “(4)” and insert “(3)”.

- 7 On page 1329, line 13, strike “(2)” and insert “(1)”.

- 8 On page 1329, line 14, strike “(5)” and insert “(4)”.

- 9 On page 1329, line 19, strike “(5)” and insert “(4)”.

- 10 On page 1329, line 21, strike “(2)” and insert “(1)”.

- 11 On page 1329, line 23, strike “(4)” and insert “(3)”.

- 12 On page 1330, line 4, strike “(6)” and insert “(5)”.

- 13 On page 1330, line 6, strike “(4)” and insert “(3)”.

1 On page 1334, line 10, strike “Reserve” and insert
2 “reserve”.

3 On page 1334, line 11, strike “Band no” and insert
4 “bank, and no”.

5 On page 1334, line 14, strike “Reserve Bank” and
6 insert “reserve bank”.

7 On page 17, line 9, strike “on” and insert “1 day
8 after”.

9 On page 19, line 1, insert before the end parenthet-
10 ical the following: “or a Farm Credit System institution
11 chartered and subject to the provisions of the Farm Credit
12 Act of 1971 (12 U.S.C. 2001 et. seq.)”.

13 On page 60, line 5, strike “and” at the end.

14 On page 60, line 8, strike the period at the end and
15 insert a semicolon.

16 On page 60, between lines 8 and 9, insert the fol-
17 lowing:

1 (5) the term “financial transaction data” means
2 the structure and legal description of a financial
3 contract, with sufficient detail to describe the rights
4 and obligations between counterparties and make
5 possible an independent valuation;

6 (6) the term “position data”—

7 (A) means data on financial assets or li-
8 abilities held on the balance sheet of a financial
9 company, where positions are created or
10 changed by the execution of a financial trans-
11 action; and

12 (B) includes information that identifies
13 counterparties, the valuation by the financial
14 company of the position, and information that
15 makes possible an independent valuation of the
16 position;

17 (7) the term “financial contract” means a le-
18 gally binding agreement between 2 or more counter-
19 parties, describing rights and obligations relating to
20 the future delivery of items of intrinsic or extrinsic
21 value among the counterparties; and

22 (8) the term “financial instrument” means a fi-
23 nancial contract in which the terms and conditions
24 are publicly available, and the roles of one or more
25 of the counterparties are assignable without the con-

1 sent of any of the other counterparties (including
2 common stock of a publicly traded company, govern-
3 ment bonds, or exchange traded futures and options
4 contracts).

5 On page 65, line 10, strike “and” at the end.

6 On page 65, line 12, strike the period at the end and
7 insert “; and”.

8 On page 65, between lines 12 and 13, insert the fol-
9 lowing:

10 (7) assisting member agencies in determining
11 the types and formats of data where member agen-
12 cies are authorized by this Act to collect data.

13 On page 66, beginning on line 8, strike “and (2)”
14 and insert “, (2), and (7)”.

15 On page 69, beginning on line 11, strike “on behalf
16 of the Council” and insert “as determined by the Council
17 or by the Director in consultation with the Council”.

18 On page 70, line 5, insert “, 153(a)(2), 153(a)(7),”
19 after “153(a)(1)”.

1 On page 83, strike lines 14 through 22 and insert
2 the following:

3 (2) BACK-UP AUTHORITY OF THE BOARD OF
4 GOVERNORS.—If, during the 60-day period begin-
5 ning on the date on which the primary financial reg-
6 ulatory agency receives a recommendation under
7 paragraph (1), the primary financial regulatory
8 agency does not take supervisory or enforcement ac-
9 tion against a subsidiary that is acceptable to the
10 Board of Governors, the Board of Governors (upon
11 a vote of its members) may take the recommended
12 supervisory or enforcement action, as if the sub-
13 sidiary were a bank holding company subject to su-
14 pervision by the Board of Governors.

15 On page 109, line 22, strike “and” at the end.

16 On page 110, line 19, strike the period at the end
17 and insert the following: “; and

18 “(C) is not a Farm Credit System institu-
19 tion chartered under and subject to the provi-
20 sions of the Farm Credit Act of 1971, as
21 amended (12 U.S.C. 2001 et seq.).”.

22 On page 125, line 17, strike “48” and insert “24”.

1 On page 125, beginning on line 20, strike “deter-
2 mination of the Secretary under subsection (a)” and insert
3 “recommendations and determinations reached in accord-
4 ance with subsections (a) and (b)”.

5 On page 128, line 23, insert “or” at the end.

6 On page 129, line 2, strike “; or” and all that follows
7 through line 6 and insert a period.

8 On page 140, line 14, strike “and” at the end.

9 On page 140, line 19, strike the period at the end
10 and insert “; and”.

11 On page 140, between lines 19 and 20, insert the fol-
12 lowing:

13 (5) not take an equity interest in or become a
14 shareholder of any covered financial company or any
15 covered subsidiary.

16 On page 145, line 4, strike “may” and insert “shall”.

17 On page 155, line 1, strike “may” and insert “shall”.

1 On page 181, line 21, strike “and” and insert “or”.

2 On page 185, beginning on line 23, strike “as the”
3 and all that follows through line 25 and insert “as are
4 necessary to maintain the documents and records of the
5 Corporation generated in exercising the authorities of this
6 title and”.

7 On page 186, strike lines 4 through 6 and redesi-
8 gnat subsequent clauses accordingly.

9 On page 186, beginning on line 14, strike “Notwith-
10 standing clause (i), and, unless” and insert “Unless”.

11 On page 186, line 17, insert “not” after “may”.

12 On page 186, line 18, following “records” insert
13 “subject to clause (i)”.

14 On page 186, beginning on line 18, strike “of a cov-
15 ered financial company” and all that follows through line
16 22 and insert a period.

1 On page 298, strike the matter proposed to be in-
2 serted between lines 17 and 18, and insert the following:

3 (D) COMPTROLLER OF THE CURRENCY
4 AND THE CORPORATION.—All rulemaking au-
5 thority of the Office of Thrift Supervision and
6 the Director of the Office of Thrift Supervision
7 relating to savings associations is transferred
8 to, and shall be exercised jointly by, the Comp-
9 troller of the Currency and the Corporation.

10 On page 386, line 8, insert before the period at the
11 end: “, and crop insurance, as established by the Federal
12 Crop Insurance Act (7 U.S.C. 1501 et seq)”.

13 On page 386, strike line 22 and all that follows
14 through page 387, line 3, and insert the following:

15 “(2) COLLECTION OF INFORMATION FROM IN-
16 SURERS AND AFFILIATES.—

17 “(A) IN GENERAL.—Except as provided in
18 paragraph (3), the Office may require an in-
19 surer, or any affiliate of an insurer, to submit
20 such data or information as the Office may rea-
21 sonably require in carrying out the functions
22 described under subsection (c).

1 “(B) RULE OF CONSTRUCTION.—Notwith-
2 standing any other provision of this section, for
3 purposes of subparagraph (A), the term ‘in-
4 surer’ means any person that is authorized to
5 write insurance or reinsure risks and issue con-
6 tracts or policies in 1 or more States.

7 On page 476, line 15, strike “and” and insert “or”.

8 On page 476, line 18, insert “, directly or indirectly,”
9 after “controls”.

10 On page 476, line 23, insert “(or such other portfolio
11 as the Federal banking agencies may determine)” after
12 “trading book”.

13 On page 477, line 1, insert “subject to such restric-
14 tions as the Federal banking agencies may determine,” be-
15 fore “does not”.

16 On page 477, line 2, strike “and” and insert “or”.

17 On page 477, line 7, insert “risk-mitigating” before
18 “hedging”.

1 On page 478, line 4, insert “, directly or indirectly,”
2 after “controls”.

3 On page 480, line 5, insert “, directly or indirectly,”
4 after “controls”.

5 On page 481, line 19, insert “, directly or indirectly,”
6 after “controls”.

7 On page 482, line 6, insert “, directly or indirectly,”
8 after “controls”.

9 On page 485, line 17, strike “and” at the end.

10 On page 485, line 25, insert “and” at the end.

11 On page 485, after line 25, insert the following:

12 (vii) appropriately accommodates the
13 business of insurance within an insurance
14 company subject to regulation in accord-
15 ance with State insurance company invest-
16 ment laws;

1 On page 487, line 12, insert “, directly or indirectly,”
2 after “controls”.

3 On page 763, line 3, strike “12” and insert “10”.

4 On page 763, line 4, strike “22” and insert “20”.

5 On page 763, line 7, insert before the semicolon “,
6 including investors in mutual funds”.

7 On page 763, line 10, insert before the semicolon
8 “and registered investment companies”.

9 On page 794, line 5, after the first period, insert the
10 following:

11 “(3) FORM AND CONTENTS OF DOCUMENTS
12 AND INFORMATION.—Any documents or information
13 designated under a rule promulgated under para-
14 graph (1) shall—

15 “(A) be in a summary format; and

16 “(B) contain clear and concise information
17 about—

18 “(i) investment objectives, strategies,
19 costs, and risks; and

1 “(ii) any compensation or other finan-
2 cial incentive received by a broker, dealer,
3 or other intermediary in connection with
4 the purchase of retail investment products.

5 On page 794, between lines 5 and 6, insert the fol-
6 lowing:

7 **SEC. 919. STUDY ON CONFLICTS OF INTEREST.**

8 (a) IN GENERAL.—The Comptroller General of the
9 United States shall conduct a study—

10 (1) to identify and examine potential conflicts
11 of interest that exist between the staffs of the secu-
12 rities underwriting and securities analyst functions
13 within the same firm; and

14 (2) to make recommendations to Congress de-
15 signed to protect investors in light of such conflicts.

16 (b) CONSIDERATIONS.—In conducting the study
17 under subsection (a), the Comptroller General shall—

18 (1) consider—

19 (A) the potential for investor harm result-
20 ing from conflicts, including consideration of
21 the forms of misconduct engaged in by the sev-
22 eral securities firms and individuals that en-
23 tered into the Global Analyst Research Settle-

1 ments in 2003 (also known as the “Global Set-
2 tlement”);

3 (B) the nature and benefits of the under-
4 takings to which those firms agreed in enforce-
5 ment proceedings, including firewalls between
6 research and investment banking, separate re-
7 porting lines, dedicated legal and compliance
8 staffs, allocation of budget, physical separation,
9 compensation, employee performance evalua-
10 tions, coverage decisions, limitations on solici-
11 tating investment banking business, disclosures,
12 transparency, and other measures;

13 (C) whether any such undertakings should
14 be codified and applied permanently to securi-
15 ties firms; and

16 (D) whether to recommend regulatory or
17 legislative measures designed to mitigate pos-
18 sible adverse consequences to investors arising
19 from the conflicts of interest or to enhance in-
20 vestor protection or confidence in the integrity
21 of the securities markets; and

22 (2) consult with State attorneys general, State
23 securities officials, the Commission, the Financial
24 Industry Regulatory Authority (“FINRA”), investor

1 advocates, brokers, dealers, retail investors, institu-
2 tional investors, and academics.

3 (c) REPORT.—The Comptroller General shall submit
4 a report on the results of the study required by this section
5 to the Committee on Banking, Housing, and Urban Af-
6 fairs of the Senate and the Committee on Financial Serv-
7 ices of the House of Representatives, not later than 18
8 months after the date of enactment of this Act.

9 **SEC. 920. STUDY ON IMPROVED INVESTOR ACCESS TO IN-**
10 **FORMATION ON INVESTMENT ADVISERS AND**
11 **BROKER-DEALERS.**

12 (a) STUDY.—

13 (1) IN GENERAL.—Not later than 6 months
14 after the date of enactment of this Act, the Commis-
15 sion shall complete a study, including recommenda-
16 tions, of ways to improve the access of investors to
17 registration information (including disciplinary ac-
18 tions, regulatory, judicial, and arbitration pro-
19 ceedings, and other information) about registered
20 and previously registered investment advisers, asso-
21 ciated persons of investment advisers, brokers and
22 dealers and their associated persons on the existing
23 Central Registration Depository and Investment Ad-
24 viser Registration Depository systems, as well as

1 identify additional information that should be made
2 publicly available.

3 (2) CONTENTS.—The study required by sub-
4 section (a) shall include an analysis of the advan-
5 tages and disadvantages of further centralizing ac-
6 cess to the information contained in the 2 systems,
7 including—

8 (A) identification of those data pertinent
9 to investors; and

10 (B) the identification of the method and
11 format for displaying and publishing such data
12 to enhance accessibility by and utility to inves-
13 tors.

14 (b) IMPLEMENTATION.—Not later than 18 months
15 after the date of completion of the study required by sub-
16 section (a), the Commission shall implement any rec-
17 ommendations of the study.

18 **SEC. 921. STUDY ON FINANCIAL PLANNERS AND THE USE**
19 **OF FINANCIAL DESIGNATIONS.**

20 (a) IN GENERAL.—The Comptroller General of the
21 United States shall conduct a study to evaluate—

22 (1) the effectiveness of State and Federal regu-
23 lations to protect consumers from misleading finan-
24 cial advisor designations;

1 (2) current State and Federal oversight struc-
2 ture and regulations for financial planners; and

3 (3) legal or regulatory gaps in the regulation of
4 financial planners and other individuals who provide
5 or offer to provide financial planning services to con-
6 sumers.

7 (b) CONSIDERATIONS.—In conducting the study re-
8 quired under subsection (a), the Comptroller General shall
9 consider—

10 (1) the role of financial planners in providing
11 advice regarding the management of financial re-
12 sources, including investment planning, income tax
13 planning, education planning, retirement planning,
14 estate planning, and risk management;

15 (2) whether current regulations at the State
16 and Federal level provide adequate ethical and pro-
17 fessional standards for financial planners;

18 (3) the use of the designation “financial plan-
19 ner” in connection with sale of other financial prod-
20 ucts, including insurance and securities;

21 (4) the possible risk posed to consumers by use
22 of certain financial advisor designations, including
23 “financial planner” and “financial consultant”;

24 (5) the ability of consumers to distinguish be-
25 tween certain financial advisor designations and the

1 different registration, licensing, and duty of care
2 provided by a financial advisor;

3 (6) the possible benefits to consumers of profes-
4 sional oversight of financial planners; and

5 (7) any other consideration that the Comp-
6 troller General deems necessary or appropriate to ef-
7 fectively execute the study required under subsection
8 (a).

9 (c) RECOMMENDATIONS.—In providing recommenda-
10 tions for the appropriate regulation of financial planners
11 and other individuals who provide or offer to provide fi-
12 nancial planning services, in order to protect consumers
13 of financial planning services, the Comptroller General
14 shall consider—

15 (1) the appropriate structure for regulation of
16 financial planners and individuals providing financial
17 planning services; and

18 (2) the appropriate scope of the regulations
19 needed to protect consumers, including but not lim-
20 ited to the need to establish competency standards,
21 practice standards, ethical guidelines, disciplinary
22 authority, and transparency to consumers.

23 (d) REPORT.—

24 (1) IN GENERAL.—Not later than 180 days
25 after the date of enactment of this Act, the Comp-

1 troller General shall submit a report on the study re-
2 quired under subsection (a) to—

3 (A) the Committee on Banking, Housing,
4 and Urban Affairs of the Senate;

5 (B) the Special Committee on Aging of the
6 Senate; and

7 (C) the Committee on Financial Services of
8 the House of Representatives.

9 (2) **CONTENT REQUIREMENTS.**—The report re-
10 quired under paragraph (1) shall describe the find-
11 ings and determinations made by the Comptroller
12 General in carrying out the study required under
13 subsection (a), including a description of the consid-
14 erations, analysis, and government, public, industry,
15 nonprofit and consumer input that the Comptroller
16 General considered to make such findings, conclu-
17 sions, and legislative, regulatory, or other rec-
18 ommendations.

19 On page 820, between lines 12 and 13, insert the fol-
20 lowing:

21 **SEC. 929B. FAIR FUND AMENDMENTS.**

22 Section 308 of the Sarbanes-Oxley Act of 2002 (15
23 U.S.C. 7246(a)) is amended—

1 (1) by striking subsection (a) and inserting the
2 following:

3 “(a) CIVIL PENALTIES TO BE USED FOR THE RE-
4 LIEF OF VICTIMS.—If, in any judicial or administrative
5 action brought by the Commission under the securities
6 laws, the Commission obtains a civil penalty against any
7 person for a violation of such laws, or such person agrees,
8 in settlement of any such action, to such civil penalty, the
9 amount of such civil penalty shall, on the motion or at
10 the direction of the Commission, be added to and become
11 part of a disgorgement fund or other fund established for
12 the benefit of the victims of such violation.”;

13 (2) in subsection (b)—

14 (A) by striking “for a disgorgement fund
15 described in subsection (a)” and inserting “for
16 a disgorgement fund or other fund described in
17 subsection (a)”;

18 (B) by striking “in the disgorgement fund”
19 and inserting “in such fund”;

20 (3) by striking subsection (e).

21 **SEC. 929C. INCREASING THE BORROWING LIMIT ON TREAS-**
22 **URY LOANS.**

23 Section 4(h) of the Securities Investor Protection Act
24 of 1970 (15 U.S.C. 78ddd(h)) is amended in the first sen-

1 tence, by striking “\$1,000,000,000” and inserting
2 “\$2,500,000,000”.

3 On page 822, strike lines 17 through 19 and insert
4 the following:

5 (A) in paragraph (2), in the second sen-
6 tence—

7 (i) by inserting “any other provision
8 of this section, or” after “Notwith-
9 standing”; and

10 (ii) by inserting after the period at
11 the end the following: “Nothing in this
12 paragraph may be construed to afford a
13 defense against any action or proceeding
14 brought by the Commission to enforce the
15 antifraud provisions of the securities
16 laws.”; and

17 On page 843, between lines 21 and 22, insert the fol-
18 lowing:

19 “(t) CORPORATE GOVERNANCE, ORGANIZATION, AND
20 MANAGEMENT OF CONFLICTS OF INTEREST.—

21 “(1) BOARD OF DIRECTORS.—Each nationally
22 recognized statistical rating organization shall have
23 a board of directors.

1 “(2) INDEPENDENT DIRECTORS.—

2 “(A) IN GENERAL.—At least $\frac{1}{2}$ of the
3 board of directors, but not fewer than 2 of the
4 members thereof, shall be independent of the
5 nationally recognized statistical rating agency.
6 A portion of the independent directors shall in-
7 clude users of ratings from a nationally recog-
8 nized statistical rating organization.

9 “(B) INDEPENDENCE DETERMINATION.—
10 In order to be considered independent for pur-
11 poses of this subsection, a member of the board
12 of directors of a nationally recognized statistical
13 rating organization—

14 “(i) may not, other than in his or her
15 capacity as a member of the board of di-
16 rectors or any committee thereof—

17 “(I) accept any consulting, advi-
18 sory, or other compensatory fee from
19 the nationally recognized statistical
20 rating organization; or

21 “(II) be a person associated with
22 the nationally recognized statistical
23 rating organization or with any affili-
24 ated company thereof; and

1 “(ii) shall be disqualified from any de-
2 liberation involving a specific rating in
3 which the independent board member has
4 a financial interest in the outcome of the
5 rating.

6 “(C) COMPENSATION AND TERM.—The
7 compensation of the independent members of
8 the board of directors of a nationally recognized
9 statistical rating organization shall not be
10 linked to the business performance of the na-
11 tionally recognized statistical rating organiza-
12 tion, and shall be arranged so as to ensure the
13 independence of their judgment. The term of
14 office of the independent directors shall be for
15 a pre-agreed fixed period, not to exceed 5 years,
16 and shall not be renewable.

17 “(3) DUTIES OF BOARD OF DIRECTORS.—In
18 addition to the overall responsibilities of the board of
19 directors, the board shall oversee—

20 “(A) the establishment, maintenance, and
21 enforcement of policies and procedures for de-
22 termining credit ratings;

23 “(B) the establishment, maintenance, and
24 enforcement of policies and procedures to ad-

1 dress, manage, and disclose any conflicts of in-
2 terest;

3 “(C) the effectiveness of the internal con-
4 trol system with respect to policies and proce-
5 dures for determining credit ratings; and

6 “(D) the compensation and promotion poli-
7 cies and practices of the nationally recognized
8 statistical rating organization.

9 “(4) TREATMENT OF NRSRO SUBSIDIARIES.—If
10 a nationally recognized statistical rating organiza-
11 tion is a subsidiary of a parent entity, the board of
12 the directors of the parent entity may satisfy the re-
13 quirements of this subsection by assigning to a com-
14 mittee of such board of directors the duties under
15 paragraph (3), if—

16 “(A) at least $\frac{1}{2}$ of the members of the
17 committee (including the chairperson of the
18 committee) are independent, as defined in this
19 section; and

20 “(B) at least 1 member of the committee
21 is a user of ratings from a nationally recognized
22 statistical rating organization.

23 “(5) EXCEPTION AUTHORITY.—If the Commis-
24 sion finds that compliance with the provisions of this
25 subsection present an unreasonable burden on a

1 small nationally recognized statistical rating organi-
2 zation, the Commission may permit the nationally
3 recognized statistical rating organization to delegate
4 such responsibilities to a committee that includes at
5 least one individual who is a user of ratings of a na-
6 tionally recognized statistical rating organization.”.

7 On page 845, line 22, strike “(t)” and insert “(u)”.

8 On page 846, line 20, strike “(u)” and insert “(v)”.

9 On page 858, strike lines 17 and 18 and insert the
10 following:

11 “(4) the term ‘originator’ means a person
12 who—

13 “(A) through the extension of credit or
14 otherwise, creates a financial asset that
15 collateralizes an asset-backed security; and

16 “(B) sells an asset to a securitizer.

17 On page 861, line 24, insert before the period “,which
18 may not include the transfer of credit risk to a third
19 party”.

1 On page 862, line 20, insert “and businesses” after
2 “consumers”.

3 On page 862, between lines 23 and 24, insert the fol-
4 lowing:

5 “(3) FARM CREDIT SYSTEM INSTITUTIONS.—A
6 Farm Credit System institution, including the Fed-
7 eral Agricultural Mortgage Corporation, that is
8 chartered and subject to the provisions of the Farm
9 Credit Act of 1971, as amended (12 U.S.C. 2001 et
10 seq.), shall be exempt from the risk retention provi-
11 sions of this subsection.

12 On page 876, line 23, strike “Section 14” and insert
13 the following:

14 “(a) DISCLOSURE OF PAY VERSUS PERFORMANCE.—
15 Section 14”.

16 On page 877, between lines 13 and 14, insert the fol-
17 lowing:

18 (b) ADDITIONAL DISCLOSURE REQUIREMENTS.—

19 (1) IN GENERAL.—The Commission shall
20 amend section 229.402 of title 17, Code of Federal
21 Regulations, to require each issuer to disclose in any
22 filing of the issuer described in section 229.10(a) of

1 title 17, Code of Federal Regulations (or any suc-
2 cessor thereto)—

3 (A) the median of the annual total com-
4 pensation of all employees of the issuer, except
5 the chief executive officer (or any equivalent po-
6 sition) of the issuer;

7 (B) the annual total compensation of the
8 chief executive officer (or any equivalent posi-
9 tion) of the issuer; and

10 (C) the ratio of the amount described in
11 paragraph (1) to the amount described in para-
12 graph (2).

13 (2) **TOTAL COMPENSATION.**—For purposes of
14 this subsection, the total compensation of an em-
15 ployee of an issuer shall be determined in accordance
16 with section 229.402(c)(2)(x) of title 17, Code of
17 Federal Regulations, as in effect on the day before
18 the date of enactment of this Act.

19 On page 880, after line 20, insert the following:

20 **SEC. 957. VOTING BY BROKERS.**

21 Section 6(b) of the Securities Exchange Act of 1934
22 (15 U.S.C. 78f(b)) is amended—

23 (1) in paragraph (9)—

1 (A) in subparagraph (A), by redesignating
2 clauses (i) through (v) as subclauses (I)
3 through (V), respectively, and adjusting the
4 margins accordingly;

5 (B) by redesignating subparagraphs (A)
6 through (D) as clauses (i) through (iv), respec-
7 tively, and adjusting the margins accordingly;

8 (C) by inserting “(A)” after “(9)”; and

9 (D) in the matter immediately following
10 clause (iv), as so redesignated, by striking “As
11 used” and inserting the following:

12 “(B) As used”; and

13 (2) by adding at the end the following:

14 “(10)(A) The rules of the exchange prohibit
15 any member that is not the beneficial owner of a se-
16 curity registered under section 12 from granting a
17 proxy to vote the security in connection with a
18 shareholder vote described in subparagraph (B), un-
19 less the beneficial owner of the security has in-
20 structed the member to vote the proxy in accordance
21 with the voting instructions of the beneficial owner.

22 “(B) A shareholder vote described in this sub-
23 paragraph is a shareholder vote with respect to the
24 election of a member of the board of directors of an
25 issuer, executive compensation, or any other signifi-

1 cant matter, as determined by the Commission, by
2 rule.

3 “(C) Nothing in this paragraph shall be con-
4 strued to prohibit a national securities exchange
5 from prohibiting a member that is not the beneficial
6 owner of a security registered under section 12 from
7 granting a proxy to vote the security in connection
8 with a shareholder vote not described in subpara-
9 graph (A).”.

10 On page 900, line 16, insert “or obligated person”
11 after “municipal entity”.

12 On page 900, line 19, insert “or obligated person”
13 after “municipal entity”.

14 909, line 6, insert “provide” before “professional
15 standards”.

16 On page 909, strike lines 7 and 8 and insert the fol-
17 lowing:

18 “(N) not impose a regulatory burden on
19 small municipal advisors that is not necessary
20 or appropriate in the public interest and for the

1 protection of investors, municipal entities and
2 obligated persons.”;

3 On page 911, line 1, insert “or obligated person”
4 after “municipal entity”.

5 On page 911, line 11, insert “or obligated person”
6 after “municipal entity”.

7 On page 911, line 23, insert “or obligated person”
8 after “municipal entity”.

9 On page 913, strike line 16 and all that follows
10 through page 914, line 9 and insert the following:

11 (4) the term “municipal advisor”—

12 (A) means a person (who is not a munic-
13 ipal entity or an employee of a municipal enti-
14 ty) that—

15 (i) provides advice to or on behalf of
16 a municipal entity with respect to munic-
17 ipal financial products or the issuance of
18 municipal securities, including advice with
19 respect to the structure, timing, terms, and
20 other similar matters concerning such fi-
21 nancial products or issues;

1 (ii) participates in the issuance of mu-
2 nicipal securities;

3 (iii) undertakes a solicitation of a mu-
4 nicipal entity; or

5 (iv) financial advisors, guaranteed in-
6 vestment contract brokers, third-party
7 marketers, placement agents, solicitors,
8 finders, and swap advisors, if such persons
9 are described in any of clauses (i) through
10 (iii); and

11 (B) does not include a broker, dealer, or
12 municipal securities dealer serving as an under-
13 writer (as defined in section 2(a)(11) of the Se-
14 curities Act of 1933) (15 U.S.C. 77b(a)(11)),
15 any investment adviser registered under the In-
16 vestment Advisers Act of 1940, or persons asso-
17 ciated with such investment advisers who are
18 providing investment advice, attorneys offering
19 legal advice or providing services that are of a
20 traditional legal nature, or engineers providing
21 engineering advice;

22 On page 913, line 20, insert “or obligated person”
23 after “municipal entity”.

1 On page 914, line 11, insert “or” before “contract”.

2 On page 914, line 15, insert “, guaranteed invest-
3 ment contracts,” after “municipal derivatives”.

4 On page 919, line 23, strike “and” at the end.

5 On page 919, between lines 23 and 24, insert the fol-
6 lowing:

7 “(4) evaluate the potential benefit to investors
8 from additional financial disclosures by issuers of
9 municipal bonds; and”.

10 On page 919, line 24, strike “(4)” and insert “(5)”.

11 On page 994, strike lines 18 through 24.

12 On page 995, line 1, strike “(f)” and insert “(e)”.

13 On page 1066, between lines 20 and 21, insert the
14 following:

15 (f) PRESERVATION OF FARM CREDIT ADMINISTRA-
16 TION AUTHORITY.—No provision of this title may be con-

1 strued as modifying, limiting, or otherwise affecting the
2 authority of the Farm Credit Administration.

3 On page 1094, between lines 12 and 13, insert the
4 following:

5 (k) EXCLUSION FOR PERSONS REGULATED BY THE
6 FARM CREDIT ADMINISTRATION.—

7 (1) IN GENERAL.—No provision of this title
8 shall be construed as altering amending, or affecting
9 the authority of the Farm Credit Administration to
10 adopt rules, initiate enforcement proceedings, or
11 take any other action with respect to a person regu-
12 lated by the Farm Credit Administration. The Bu-
13 reau shall have no authority to exercise any power
14 to enforce this title with respect to a person regu-
15 lated by the Farm Credit Administration.

16 (2) DEFINITION.—For purposes of this sub-
17 section, the term “person regulated by the Farm
18 Credit Administration” means any Farm Credit Sys-
19 tem institution that is chartered and subject to the
20 provisions of the Farm Credit Act of 1971 (12
21 U.S.C. 2001 et seq.).

22 On page 1105, between lines 6 and 7, insert the fol-
23 lowing:

1 **SEC. 1034. RESPONSE TO CONSUMER COMPLAINTS AND IN-**
2 **QUIRIES.**

3 (a) **TIMELY REGULATOR RESPONSE TO CON-**
4 **SUMERS.**—The Bureau shall establish, in consultation
5 with the appropriate Federal regulatory agencies, reason-
6 able procedures to provide a timely response to consumers,
7 in writing where appropriate, to complaints against, or in-
8 quiries concerning, a covered person, including—

9 (1) all steps that have been taken by the regu-
10 lator in response to the consumer's complaint or in-
11 quiry;

12 (2) any responses received by the regulator
13 from the bank; and

14 (3) any follow-up actions or planned follow-up
15 actions by the regulator in response to the complaint
16 or inquiry of the consumer.

17 (b) **TIMELY COMPANY RESPONSE TO REGULATOR.**—
18 A covered person subject to supervision and primary en-
19 forcement by the Bureau pursuant to section 1025 shall
20 provide a timely response, in writing where appropriate,
21 to the Bureau, the prudential regulators, and any other
22 agency having jurisdiction over such covered person con-
23 cerning a consumer complaint or inquiry, including—

24 (1) steps that have been taken by the covered
25 person to respond to the complaint or inquiry of the
26 consumer;

1 (2) responses received by the covered person
2 from the consumer; and

3 (3) follow-up actions or planned follow-up ac-
4 tions by the covered person to respond to the con-
5 sumer's complaint or inquiry.

6 (c) PROVISION OF INFORMATION TO CONSUMERS.—

7 (1) IN GENERAL.—A covered person subject to
8 supervision and primary enforcement by the Bureau
9 pursuant to section 1025 shall, in a timely manner,
10 comply with a consumer request for information in
11 the control or possession of such covered person con-
12 cerning the consumer financial product or service
13 that the consumer obtained from such covered per-
14 son, including supporting written documentation,
15 concerning the account of the consumer.

16 (2) EXCEPTIONS.—A covered person subject to
17 supervision and primary enforcement by the Bureau
18 pursuant to section 1025, a prudential regulator,
19 and any other agency having jurisdiction over a cov-
20 ered person subject to supervision and primary en-
21 forcement by the Bureau pursuant to section 1025
22 may not be required by this section to make avail-
23 able to the consumer—

1 (A) any confidential commercial informa-
2 tion, including an algorithm used to derive cred-
3 it scores or other risk scores or predictors;

4 (B) any information collected by the cov-
5 ered person for the purpose of preventing fraud
6 or money laundering, or detecting, or making
7 any report regarding other unlawful or poten-
8 tially unlawful conduct;

9 (C) any information required to be kept
10 confidential by any other provision of law; or

11 (D) any nonpublic or confidential informa-
12 tion, including confidential bank supervisory in-
13 formation.

14 (d) REGULATIONS.—The Bureau shall enter into a
15 memorandum of understanding with any affected Federal
16 regulatory agency to establish procedures by which any
17 covered person, and the prudential regulators, and any
18 other agency having jurisdiction over a covered person, in-
19 cluding the Secretary of the Department of Housing and
20 Urban Development and the Secretary of Education, shall
21 comply with this section.

22 **SEC. 1035. PRIVATE EDUCATION LOAN OMBUDSMAN.**

23 (a) ESTABLISHMENT.—The Secretary, in consulta-
24 tion with the Director, shall designate a Private Education
25 Loan Ombudsman (in this section referred to as the “Om-

1 budsman”) within the Bureau, to provide timely assist-
2 ance to borrowers of private education loans.

3 (b) PUBLIC INFORMATION.—The Secretary and the
4 Director shall disseminate information about the avail-
5 ability and functions of the Ombudsman to borrowers and
6 potential borrowers, as well as institutions of higher edu-
7 cation, lenders, guaranty agencies, loan servicers, and
8 other participants in private education student loan pro-
9 grams.

10 (c) FUNCTIONS OF OMBUDSMAN.—The Ombudsman
11 designated under this subsection shall—

12 (1) in accordance with regulations of the Direc-
13 tor, receive, review, and attempt to resolve infor-
14 mally complaints from borrowers of loans described
15 in subsection (a), including, as appropriate, attempts
16 to resolve such complaints in collaboration with the
17 Department of Education and with institutions of
18 higher education, lenders, guaranty agencies, loan
19 servicers, and other participants in private education
20 loan programs;

21 (2) not later than 90 days after the designated
22 transfer date, establish a memorandum of under-
23 standing with the student loan ombudsman estab-
24 lished under section 141(f) of the Higher Education
25 Act of 1965 (20 U.S.C. 1018(f)), to ensure coordi-

1 nation in providing assistance to serving borrowers
2 seeking to resolve complaints related to their private
3 education or Federal student loans;

4 (3) compile and analyze data on borrower com-
5 plaints regarding private education loans; and

6 (4) make appropriate recommendations to the
7 Director, the Secretary of the Treasury, the Sec-
8 retary of Education, the Committee on Banking,
9 Housing, and Urban Affairs and the Committee on
10 Health, Education, Labor, and Pensions of the Sen-
11 ate, and the Committee on Financial Services and
12 the Committee on Education and Labor of the
13 House of Representatives.

14 (d) ANNUAL REPORTS.—

15 (1) IN GENERAL.—The Ombudsman shall pre-
16 pare an annual report that describes the activities,
17 and evaluates the effectiveness of the Ombudsman
18 during the preceding year.

19 (2) SUBMISSION.—The report required by sub-
20 paragraph (A) shall be submitted on the same date
21 annually to the Secretary of the Treasury, the Sec-
22 retary of Education, the Committee on Banking,
23 Housing, and Urban Affairs and the Committee on
24 Health, Education, Labor, and Pensions of the Sen-
25 ate, and the Committee on Financial Services and

1 the Committee on Education and Labor of the
2 House of Representatives.

3 (e) DEFINITIONS.—For purposes of this section, the
4 terms “private education loan” and “institution of higher
5 education” have the same meanings as in section 140 of
6 the Truth in Lending Act (15 U.S.C. 1650).

7 On page strike 1105, line 7, strike “Sec. 1034 ” and
8 insert “Sec. 1036 ”.

9 On page 1302, strike line 11 and insert the following:

10 **SEC. 1103. ADJUSTMENTS FOR INFLATION IN THE TRUTH**
11 **IN LENDING ACT.**

12 (a) CAPS.—

13 (1) CREDIT TRANSACTIONS.—Section 104(3) of
14 the Truth in Lending Act (15 U.S.C. 1603(3)) is
15 amended by striking “\$25,000” and inserting
16 “\$50,000”.

17 (2) CONSUMER LEASES.—Section 181(1) of the
18 Truth in Lending Act (15 U.S.C. 1667(1)) is
19 amended by striking “\$25,000” and inserting
20 “\$50,000”.

21 (b) ADJUSTMENTS FOR INFLATION.—On and after
22 December 31, 2011, the Bureau may adjust annually the
23 dollar amounts described in sections 104(3) and 181(1)

1 of the Truth in Lending Act (as amended by this section),
2 by the annual percentage increase in the Consumer Price
3 Index for Urban Wage Earners and Clerical Workers, as
4 published by the Bureau of Labor Statistics, rounded to
5 the nearest multiple of \$100, or \$1,000, as applicable.

6 **SEC. 1104. EFFECTIVE DATE.**

7 On page 1124, line 13, insert “nonpreempted” before
8 “State”.

9 On page 1125, line 17, insert “nonpreempted” before
10 “State”.

11 On page 1238, between lines 17 and 18, insert the
12 following:

13 **SEC. 1075. ASSISTANCE FOR ECONOMICALLY VULNERABLE**
14 **INDIVIDUALS AND FAMILIES.**

15 (a) HERA AMENDMENTS.—Section 1132 of the
16 Housing and Economic Recovery Act of 2008 (12 U.S.C.
17 1701x note) is amended—

18 (1) in subsection (a), by inserting in each of
19 paragraphs (1), (2), (3), and (4) “or economically
20 vulnerable individuals and families” after “home-
21 buyers”;

1 (2) in subsection (b)(1), by inserting “or eco-
2 nomicallly vulnerable individuals and families” after
3 “homebuyers”;

4 (3) in subsection (c)(1)—

5 (A) in subparagraph (A), by striking “or”
6 at the end;

7 (B) in subparagraph (B), by striking the
8 period at the end and inserting “; or”; and

9 (C) by adding at the end the following:

10 “(C) a nonprofit corporation that—

11 “(i) is exempt from taxation under
12 section 501(c)(3) of the Internal Revenue
13 Code of 1986; and

14 “(ii) specializes or has expertise in
15 working with economically vulnerable indi-
16 viduals and families, but whose primary
17 purpose is not provision of credit coun-
18 seling services.”; and

19 (4) in subsection (d)(1), by striking “not more
20 than 5”.

21 (b) APPLICABILITY.—Amendments made under sub-
22 section (a) shall not apply to programs authorized by sec-
23 tion 1132 of the Housing and Economic Recovery Act of
24 2008 (12 U.S.C. 1701x note) that are funded with appro-
25 priations prior to fiscal year 2011.

1 **SEC. 1076. REMITTANCE TRANSFERS.**

2 (a) TREATMENT OF REMITTANCE TRANSFERS.—The
3 Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.)
4 is amended—

5 (1) in section 902(b) (15 U.S.C. 1693(b)), by
6 inserting “and remittance” after “electronic fund”;

7 (2) by redesignating sections 919, 920, 921,
8 and 922 as sections 920, 921, 922, and 923, respec-
9 tively; and

10 (3) by inserting after section 918 the following:

11 **“SEC. 919. REMITTANCE TRANSFERS.**

12 “(a) DISCLOSURES REQUIRED FOR REMITTANCE
13 TRANSFERS.—

14 “(1) IN GENERAL.—Each remittance transfer
15 provider shall make disclosures as required under
16 this section and in accordance with rules prescribed
17 by the Board.

18 “(2) STOREFRONT DISCLOSURES.—

19 “(A) IN GENERAL.—At every physical
20 storefront location owned or controlled by a re-
21 mittance transfer provider (with respect to re-
22 mittance transfer activities), the remittance
23 transfer provider shall prominently post, and
24 update daily, a notice describing a model trans-
25 fer for the amounts of \$100 and \$200 (in
26 United States dollars) showing the amount of

1 currency that will be received by the designated
2 recipient, using the values of the currency into
3 which the funds will be exchanged for the 3
4 currencies to which that particular storefront
5 sends the greatest number of remittance trans-
6 fer payments, measured irrespective of the
7 value of such payments. The values shall in-
8 clude all fees charged by the remittance trans-
9 fer provider, taken out of the \$100 and \$200
10 amounts.

11 “(B) ELECTRONIC DISCLOSURE.—Subject
12 to the rules prescribed by the Board, a remit-
13 tance transfer provider shall prominently post,
14 and update daily, a notice describing a model
15 transfer, as described in subparagraph (A), on
16 the Internet site owned or controlled by the re-
17 mittance transfer provider which senders use to
18 electronically conduct remittance transfer trans-
19 actions.

20 “(3) SPECIFIC DISCLOSURES.—In addition to
21 any other disclosures applicable under this title and
22 subject to paragraph (4), a remittance transfer pro-
23 vider shall provide, in writing and in a form that the
24 sender may keep, to each sender requesting a remit-
25 tance transfer, as applicable to the transaction—

1 “(A) at the time at which the sender re-
2 quests a remittance transfer to be initiated, and
3 prior to the sender making any payment in con-
4 nection with the remittance transfer, a disclo-
5 sure describing the amount of currency that will
6 be sent to the designated recipient, using the
7 values of the currency into which the funds will
8 be exchanged; and

9 “(B) at the time at which the sender
10 makes payment in connection with the remit-
11 tance transfer—

12 “(i) a receipt showing—

13 “(I) the information described in
14 subparagraph (A);

15 “(II) the promised date of deliv-
16 ery to the designated recipient; and

17 “(III) the name and either the
18 telephone number or the address of
19 the designated recipient; and

20 “(ii) a statement containing—

21 “(I) information about the rights
22 of the sender under this section re-
23 garding the resolution of errors; and

24 “(II) appropriate contact infor-
25 mation for—

1 “(aa) the remittance trans-
2 fer provider; and

3 “(bb) each State or Federal
4 agency supervising the remit-
5 tance transfer provider, including
6 its State licensing authority or
7 Federal regulator, as applicable.

8 “(4) REQUIREMENTS RELATING TO DISCLO-
9 SURES.—With respect to each disclosure required to
10 be provided under paragraph (3), and subject to
11 paragraph (5), a remittance transfer provider
12 shall—

13 “(A) provide an initial notice and receipt,
14 as required by subparagraphs (A) and (B) of
15 paragraph (3), and an error resolution state-
16 ment, as required by subsection (c), that clearly
17 and conspicuously describe the information re-
18 quired to be disclosed therein; and

19 “(B) with respect to any transaction that
20 a sender conducts electronically, comply with
21 the Electronic Signatures in Global and Na-
22 tional Commerce Act (15 U.S.C. 7001(c)).

23 “(5) EXEMPTION AUTHORITY.—The Board
24 may, by rule, permit a remittance transfer provider
25 to satisfy the requirements of—

1 “(A) paragraph (3)(A) orally, if the trans-
2 action is conducted entirely by telephone;

3 “(B) paragraph (3)(B) by mailing the doc-
4 uments required under such subparagraph to
5 the sender, not later than 1 business day after
6 the date on which the transaction is conducted,
7 if the transaction is conducted entirely by tele-
8 phone;

9 “(C) subparagraphs (A) and (B) of para-
10 graph (3) together in one written disclosure,
11 but only to the extent that the information pro-
12 vided in accordance with paragraph (3)(A) is
13 accurate at the time at which payment is made
14 in connection with the subject remittance trans-
15 fer;

16 “(D) paragraph (3)(A), if a sender initi-
17 ates a transaction to one of those countries dis-
18 played, in the exact amount of the transfers
19 displayed pursuant to paragraph (2), if the
20 Board finds it to be appropriate; and

21 “(E) paragraph (3)(A), without compliance
22 with section 101(c) of the Electronic Signatures
23 in Global Commerce Act, if a sender initiates
24 the transaction electronically and the informa-

1 tion is displayed electronically in a manner that
2 the sender can keep.

3 “(b) FOREIGN LANGUAGE DISCLOSURES.—

4 “(1) IN GENERAL.—The disclosures required
5 under this section shall be made in English and in
6 each of the same foreign languages principally used
7 by the remittance transfer provider, or any of its
8 agents, to advertise, solicit, or market, either orally
9 or in writing, at that office.

10 “(2) ACCOUNTS.—In the case of a sender who
11 holds a demand deposit, savings deposit, or other
12 asset account with the remittance transfer provider
13 (other than an occasional or incidental credit bal-
14 ance under an open end credit plan, as defined in
15 section 103(i) of the Truth in Lending Act), the dis-
16 closures required under this section shall be made in
17 the language or languages principally used by the re-
18 mittance transfer provider to communicate to the
19 sender with respect to the account.

20 “(c) REMITTANCE TRANSFER ERRORS.—

21 “(1) ERROR RESOLUTION.—

22 “(A) IN GENERAL.—If a remittance trans-
23 fer provider receives oral or written notice from
24 the sender within 180 days of the promised
25 date of delivery that an error occurred with re-

1 “(iii) provide such other remedy, as
2 determined appropriate by rule of the
3 Board for the protection of senders; or

4 “(iv) provide written notice to the
5 sender that there was no error with an ex-
6 planation responding to the specific com-
7 plaint of the sender.

8 “(2) RULES.—The Board shall establish, by
9 rule issued not later than 1 calendar year after the
10 date of enactment of the Restoring American Finan-
11 cial Stability of 2010, clear and appropriate stand-
12 ards for remittance transfer providers with respect
13 to error resolution relating to remittance transfers,
14 to protect senders from such errors. Standards pre-
15 scribed under this paragraph shall include appro-
16 priate standards regarding record keeping, as re-
17 quired, including documentation—

18 “(A) of the sender’s complaint;

19 “(B) that the sender provides the remit-
20 tance transfer provider with respect to the al-
21 leged error; and

22 “(C) of the remittance transfer provider’s
23 findings regarding the investigation of the al-
24 leged error the sender brought to their atten-
25 tion.

1 “(d) APPLICABILITY OF THIS TITLE.—

2 “(1) IN GENERAL.—A remittance transfer that
3 is not an electronic fund transfer, as defined in sec-
4 tion 903, shall not be subject to any of the provi-
5 sions of sections 905 through 913. A remittance
6 transfer that is an electronic fund transfer, as de-
7 fined in section 903, shall be subject to all provisions
8 of this title, except for section 908, that are other-
9 wise applicable to electronic fund transfers under
10 this title.

11 “(2) RULE OF CONSTRUCTION.—Nothing in
12 this section shall be construed—

13 “(A) to affect the application to any trans-
14 action, to any remittance provider, or to any
15 other person of any of the provisions of sub-
16 chapter II of chapter 53 of title 31, United
17 States Code, section 21 of the Federal Deposit
18 Insurance Act (12 U.S.C. 1829b), or chapter 2
19 of title I of Public Law 91–508 (12 U.S.C.
20 1951–1959), or any regulations promulgated
21 thereunder; or

22 “(B) to cause any fund transfer that would
23 not otherwise be treated as such under para-
24 graph (2) to be treated as an electronic fund
25 transfer, or as otherwise subject to this title, for

1 the purposes of any of the provisions referred to
2 in subparagraph (A) or any regulations promul-
3 gated thereunder.

4 “(e) ACTS OF AGENTS.—A remittance transfer pro-
5 vider shall be liable for any violation of this section by
6 any agent, authorized delegate, or person affiliated with
7 such provider, when such agent, authorized delegate, or
8 affiliate acts for that remittance transfer provider.

9 “(f) DEFINITIONS.—As used in this section—

10 “(1) the term ‘designated recipient’ means any
11 person located in a foreign country and identified by
12 the sender as the authorized recipient of a remit-
13 tance transfer to be made by a remittance transfer
14 provider, except that a designated recipient shall not
15 be deemed to be a consumer for purposes of this
16 Act;

17 “(2) the term ‘remittance transfer’ means the
18 electronic (as defined in section 106(2) of the Elec-
19 tronic Signatures in Global and National Commerce
20 Act (15 U.S.C. 7006(2))) transfer of funds re-
21 quested by a sender located in any State to a des-
22 ignated recipient that is initiated by a remittance
23 transfer provider, whether or not the sender holds
24 an account with the remittance transfer provider or

1 whether or not the remittance transfer is also an
2 electronic fund transfer, as defined in section 903;

3 “(3) the term ‘remittance transfer provider’
4 means any person or financial institution that pro-
5 vides remittance transfers for a consumer in the nor-
6 mal course of its business, whether or not the con-
7 sumer holds an account with such person or finan-
8 cial institution; and

9 “(4) the term ‘sender’ means a consumer who
10 requests a remittance provider to send a remittance
11 transfer for the consumer to a designated recipi-
12 ent.”.

13 (b) AUTOMATED CLEARINGHOUSE SYSTEM.—

14 (1) EXPANSION OF SYSTEM.—The Board of
15 Governors shall work with the Federal reserve banks
16 to expand the use of the automated clearinghouse
17 system for remittance transfers to foreign countries,
18 with a focus on countries that receive significant re-
19 mittance transfers from the United States, based
20 on—

21 (A) the number, volume, and size of such
22 transfers;

23 (B) the significance of the volume of such
24 transfers relative to the external financial flows
25 of the receiving country, including—

1 (i) the total amount transferred; and

2 (ii) the total volume of payments

3 made by United States Government agen-

4 cies to beneficiaries and retirees living

5 abroad;

6 (C) the feasibility of such an expansion;

7 and

8 (D) the ability of the Federal Reserve Sys-

9 tem to establish payment gateways in different

10 geographic regions and currency zones to re-

11 ceive remittance transfers and route them

12 through the payments systems in the destina-

13 tion countries.

14 (2) REPORT TO CONGRESS.—Not later than one

15 calendar year after the date of enactment of this

16 Act, and on April 30 biennially thereafter during the

17 10-year period beginning on that date of enactment,

18 the Board of Governors shall submit a report to the

19 Committee on Banking, Housing, and Urban Affairs

20 of the Senate and the Committee on Financial Serv-

21 ices of the House of Representatives on the status

22 of the automated clearinghouse system and its

23 progress in complying with the requirements of this

24 subsection. The report shall also include an analysis

25 of adoption rates of International ACH Transactions

1 rules and formats, the efficacy of increasing adop-
2 tion rates and potential recommendations to increase
3 adoption.

4 (c) EXPANSION OF FINANCIAL INSTITUTION PROVI-
5 SION OF REMITTANCE TRANSFERS.—

6 (1) PROVISION OF GUIDELINES TO INSTITU-
7 TIONS.—Each of the Federal banking agencies and
8 the National Credit Union Administration shall pro-
9 vide guidelines to financial institutions under the ju-
10 risdiction of the agency regarding the offering of
11 low-cost remittance transfers and no-cost or low-cost
12 basic consumer accounts, as well as agency services
13 to remittance transfer providers.

14 (2) ASSISTANCE TO FINANCIAL LITERACY COM-
15 MISSION.—As part of their duties as members of the
16 Financial Literacy and Education Commission, the
17 CFPA, Federal banking agencies and NCUA shall
18 assist the Commission in executing the SAFE Strat-
19 egy as it relates to remittances.

20 (d) FEDERAL CREDIT UNION ACT AMENDMENT.—
21 Paragraph (12) of section 107 of the Federal Credit
22 Union Act (12 U.S.C. 1757(12)) is amended to read as
23 follows:

24 “(12) in accordance with regulations prescribed
25 by the Board—

1 “(A) to sell, to persons in the field of
2 membership, negotiable checks (including trav-
3 elers checks), money orders, and other similar
4 money transfer instruments (including inter-
5 national and domestic electronic fund trans-
6 fers);

7 “(B) to provide remittance transfers, as
8 defined in section 919 of the Electronic Fund
9 Transfer Act, to persons in the field of member-
10 ship; and

11 “(C) to cash checks and money orders for
12 persons in the field of membership for a fee;”.

13 On page 1250, between lines 2 and 3, insert the fol-
14 lowing:

15 (e) EXPEDITED FUNDS AVAILABILITY IMPROVE-
16 MENTS.—Section 603 of the Expedited Funds Availability
17 Act (12 U.S.C. 4002) is amended—

18 (1) in subsection (a)(2)(D), by striking “\$100”
19 and inserting “\$200”; and

20 (2) in subsection (b)(3)(C), in the subpara-
21 graph heading, by striking “\$100” and inserting
22 “\$200”; and

23 (3) in subsection (c)(1)(B)(iii), in the clause
24 heading, by striking “\$100” and inserting “\$200”.

1 (f) REGULAR ADJUSTMENTS FOR INFLATION.—Sec-
2 tion 607 of the Expedited Funds Availability Act (12
3 U.S.C. 4006) is amended by adding at the end the fol-
4 lowing:

5 “(f) ADJUSTMENTS TO DOLLAR AMOUNTS FOR IN-
6 FLATION.—The dollar amounts under this title shall be
7 adjusted every 5 years after December 31, 2011, by the
8 annual percentage increase in the Consumer Price Index
9 for Urban Wage Earners and Clerical Workers, as pub-
10 lished by the Bureau of Labor Statistics, rounded to the
11 nearest multiple of \$25.”.

12 On page 1301, line 22, insert “the Office of Financial
13 Research,” after “Financial Protection,”.

14 On page 1312, line 14, insert after the period the
15 following: “For purposes of this clause, a credit facility
16 shall be deemed to have terminated 24 months after the
17 date on which the credit facility ceases to make extensions
18 of credit and loans, unless the credit facility is otherwise
19 terminated by the Board of Governors.”.

20 At the end of the bill, add the following:

1 **TITLE XII—IMPROVING ACCESS**
2 **TO MAINSTREAM FINANCIAL**
3 **INSTITUTIONS**

4 **SECTION 1201. SHORT TITLE.**

5 This title may be cited as the “Improving Access to
6 Mainstream Financial Institutions Act of 2009”.

7 **SEC. 1202. PURPOSE.**

8 The purpose of this title is to encourage initiatives
9 for financial products and services that are appropriate
10 and accessible for millions of Americans who are not fully
11 incorporated into the financial mainstream.

12 **SEC. 1203. DEFINITIONS.**

13 In this title, the following definitions shall apply:

14 (1) **ACCOUNT.**—The term “account” means an
15 agreement between an individual and an eligible en-
16 tity under which the individual obtains from or
17 through the entity 1 or more banking products and
18 services, and includes a deposit account, a savings
19 account (including a money market savings ac-
20 count), an account for a closed-end loan, and other
21 products or services the Secretary deems appro-
22 priate.

23 (2) **COMMUNITY DEVELOPMENT FINANCIAL IN-**
24 **STITUTION.**—The term “community development fi-
25 nancial institution” has the same meaning as in sec-

1 tion 103(5) of the Community Development Banking
2 and Financial Institutions Act of 1994 (12 U.S.C.
3 4702(5)).

4 (3) **ELIGIBLE ENTITY.**—The term “eligible enti-
5 ty” means—

6 (A) an organization described in section
7 501(c)(3) of the Internal Revenue Code of
8 1986, and exempt from tax under section
9 501(a) of such Code;

10 (B) a federally insured depository institu-
11 tion;

12 (C) a community development financial in-
13 stitution;

14 (D) a State, local, or tribal government en-
15 tity; or

16 (E) a partnership or other joint venture
17 comprised of 1 or more of the entities described
18 in subparagraphs (A) through (D), in accord-
19 ance with regulations prescribed by the Sec-
20 retary under this title.

21 (4) **FEDERALLY INSURED DEPOSITORY INSTI-
22 TUTION.**—The term “federally insured depository in-
23 stitution” means any insured depository institution
24 (as that term is defined in section 3 of the Federal
25 Deposit Insurance Act (12 U.S.C. 1813)) and any

1 insured credit union (as that term is defined in sec-
2 tion 101 of the Federal Credit Union Act (12 U.S.C.
3 1752)).

4 (5) PAYDAY LOAN.—The term “payday loan”
5 means any transaction in which a small cash ad-
6 vance is made to a consumer in exchange for—

7 (A) the personal check or share draft of
8 the consumer, in the amount of the advance
9 plus a fee, where presentment or negotiation of
10 such check or share draft is deferred by agree-
11 ment of the parties until a designated future
12 date; or

13 (B) the authorization of the consumer to
14 debit the transaction account or share draft ac-
15 count of the consumer, in the amount of the ad-
16 vance plus a fee, where such account will be
17 debited on or after a designated future date.

18 **SEC. 1204. EXPANDED ACCESS TO MAINSTREAM FINANCIAL**

19 **INSTITUTIONS.**

20 (a) IN GENERAL.—The Secretary is authorized to es-
21 tablish a multiyear program of grants, cooperative agree-
22 ments, financial agency agreements, and similar contracts
23 or undertakings to promote initiatives designed—

24 (1) to enable low- and moderate-income individ-
25 uals to establish one or more accounts in a federally

1 insured depository institution that are appropriate to
2 meet the financial needs of such individuals; and

3 (2) to improve access to the provision of ac-
4 counts, on reasonable terms, for low- and moderate-
5 income individuals.

6 (b) PROGRAM ELIGIBILITY AND ACTIVITIES.—

7 (1) IN GENERAL.—The Secretary shall restrict
8 participation in any program established under sub-
9 section (a) to an eligible entity. Subject to regula-
10 tions prescribed by the Secretary under this title, 1
11 or more eligible entities may participate in 1 or sev-
12 eral programs established under subsection (a).

13 (2) ACCOUNT ACTIVITIES.—Subject to regula-
14 tions prescribed by the Secretary, an eligible entity
15 may, in participating in a program established under
16 subsection (a), offer or provide to low- and mod-
17 erate-income individuals products and services relat-
18 ing to accounts, including—

19 (A) small-dollar value loans; and

20 (B) financial education and counseling re-
21 lating to conducting transactions in and man-
22 aging accounts.

23 **SEC. 1205. LOW-COST ALTERNATIVES TO PAYDAY LOANS.**

24 (a) GRANTS AUTHORIZED.—The Secretary is author-
25 ized to establish multiyear demonstration programs by

1 means of grants, cooperative agreements, financial agency
2 agreements, and similar contracts or undertakings, with
3 eligible entities to provide low-cost, small loans to con-
4 sumers that will provide alternatives to more costly payday
5 loans.

6 (b) TERMS AND CONDITIONS.—

7 (1) IN GENERAL.—Loans under this section
8 shall be made on terms and conditions, and pursu-
9 ant to lending practices, that are reasonable for con-
10 sumers.

11 (2) FINANCIAL LITERACY AND EDUCATION OP-
12 PORTUNITIES.—

13 (A) IN GENERAL.—Each eligible entity
14 awarded a grant under this section shall pro-
15 mote and take appropriate steps to ensure the
16 provision of financial literacy and education op-
17 portunities, such as relevant counseling services,
18 educational courses, or wealth building pro-
19 grams, to each consumer provided with a loan
20 pursuant to this section.

21 (B) AUTHORITY TO EXPAND ACCESS.—As
22 part of the grants, agreements, and under-
23 takings established under this section, the Sec-
24 retary may implement reasonable measures or
25 programs designed to expand access to financial

1 literacy and education opportunities, including
2 relevant counseling services, educational
3 courses, or wealth building programs to be pro-
4 vided to individuals who obtain loans from eligi-
5 ble entities under this section.

6 **SEC. 1206. GRANTS TO ESTABLISH LOAN-LOSS RESERVE**
7 **FUNDS.**

8 The Community Development Banking and Financial
9 Institutions Act of 1994 (12 U.S.C. 4701 et seq.) is
10 amended by adding at the end the following:

11 **“SEC. 122. GRANTS TO ESTABLISH LOAN-LOSS RESERVE**
12 **FUNDS.**

13 “(a) PURPOSES.—The purposes of this section are—

14 “(1) to make financial assistance available from
15 the Fund in order to help community development
16 financial institutions defray the costs of operating
17 small dollar loan programs, by providing the
18 amounts necessary for such institutions to establish
19 their own loan loss reserve funds to mitigate some
20 of the losses on such small dollar loan programs;
21 and

22 “(2) to encourage community development fi-
23 nancial institutions to establish and maintain small
24 dollar loan programs that would help give consumers

1 access to mainstream financial institutions and com-
2 bat payday lending.

3 “(b) GRANTS.—

4 “(1) LOAN-LOSS RESERVE FUND GRANTS.—The
5 Fund shall make grants to community development
6 financial institutions or to any partnership between
7 such community development financial institutions
8 and any other federally insured depository institu-
9 tion with a primary mission to serve targeted invest-
10 ment areas, as such areas are defined under section
11 103(16), to enable such institutions or any partner-
12 ship of such institutions to establish a loan-loss re-
13 serve fund in order to defray the costs of a small
14 dollar loan program established or maintained by
15 such institution.

16 “(2) MATCHING REQUIREMENT.—A community
17 development financial institution or any partnership
18 of institutions established pursuant to paragraph (1)
19 shall provide non-Federal matching funds in an
20 amount equal to 50 percent of the amount of any
21 grant received under this section.

22 “(3) USE OF FUNDS.—Any grant amounts re-
23 ceived by a community development financial institu-
24 tion or any partnership between or among such in-
25 stitutions under paragraph (1)—

1 “(A) may not be used by such institution
2 to provide direct loans to consumers;

3 “(B) may be used by such institution to
4 help recapture a portion or all of a defaulted
5 loan made under the small dollar loan program
6 of such institution; and

7 “(C) may be used to designate and utilize
8 a fiscal agent for services normally provided by
9 such an agent.

10 “(4) TECHNICAL ASSISTANCE GRANTS.—The
11 Fund shall make technical assistance grants to com-
12 munity development financial institutions or any
13 partnership between or among such institutions to
14 support and maintain a small dollar loan program.
15 Any grant amounts received under this paragraph
16 may be used for technology, staff support, and other
17 costs associated with establishing a small dollar loan
18 program.

19 “(c) DEFINITIONS.—For purposes of this section—

20 “(1) the term ‘consumer reporting agency that
21 compiles and maintains files on consumers on a na-
22 tionwide basis’ has the same meaning given such
23 term in section 603(p) of the Fair Credit Reporting
24 Act (15 U.S.C. 1681a(p)); and

1 “(2) the term ‘small dollar loan program’
2 means a loan program wherein a community devel-
3 opment financial institution or any partnership be-
4 tween or among such institutions offers loans to con-
5 sumers that—

6 “(A) are made in amounts not exceeding
7 \$2,500;

8 “(B) must be repaid in installments;

9 “(C) have no pre-payment penalty;

10 “(D) the institution has to report pay-
11 ments regarding the loan to at least 1 of the
12 consumer reporting agencies that compiles and
13 maintains files on consumers on a nationwide
14 basis; and

15 “(E) meet any other affordability require-
16 ments as may be established by the Adminis-
17 trator.”.

18 **SEC. 1207. PROCEDURAL PROVISIONS.**

19 An eligible entity desiring to participate in a program
20 or obtain a grant under this title shall submit an applica-
21 tion to the Secretary, in such form and containing such
22 information as the Secretary may require.

23 **SEC. 1208. AUTHORIZATION OF APPROPRIATIONS.**

24 (a) **AUTHORIZATION TO THE SECRETARY.**—There
25 are authorized to be appropriated to the Secretary, such

1 sums as are necessary to both administer and fund the
2 programs and projects authorized by this title, to remain
3 available until expended.

4 (b) **AUTHORIZATION TO THE FUND.**—There is au-
5 thorized to be appropriated to the Fund for each fiscal
6 year beginning in fiscal year 2010, an amount equal to
7 the amount of the administrative costs of the Fund for
8 the operation of the grant program established under this
9 title.

10 **SEC. 1209. REGULATIONS.**

11 (a) **IN GENERAL.**—The Secretary is authorized to
12 promulgate regulations to implement and administer the
13 grant programs and undertakings authorized by this title.

14 (b) **REGULATORY AUTHORITY.**—Regulations pre-
15 scribed under this section may contain such classifications,
16 differentiations, or other provisions, and may provide for
17 such adjustments and exceptions for any class of grant
18 programs, undertakings, or eligible entities, as, in the
19 judgment of the Secretary, are necessary or proper to ef-
20 fectuate the purposes of this title, to prevent circumven-
21 tion or evasion of this title, or to facilitate compliance with
22 this title.

23 **SEC. 1210. EVALUATION AND REPORTS TO CONGRESS.**

24 For each fiscal year in which a program or project
25 is carried out under this Title, the Secretary shall submit

1 a report to the Committee on Banking, Housing, and
2 Urban Affairs of the Senate and the Committee on Finan-
3 cial Services of the House of Representatives containing
4 a description of the activities funded, amounts distributed,
5 and measurable results, as appropriate and available.