

115TH CONGRESS  
1ST SESSION

# H. R. 1018

To replace the Director of the Bureau of Consumer Financial Protection with a 5-person commission, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2017

Mr. DESJARLAIS (for himself and Mr. DUNCAN of Tennessee) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To replace the Director of the Bureau of Consumer Financial Protection with a 5-person commission, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “CFPB Constitutional  
5 Reform Act of 2017”.

6 **SEC. 2. REPLACING THE DIRECTOR WITH A 5-PERSON COM-**  
7 **MISSION.**

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

10 (1) in section 1011—

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

3 (B) by redesignating subsection (e) as sub-  
4 section (h); and

5 (C) by inserting after subsection (a) the  
6 following new subsections:

7 “(b) BUREAU HEADED BY A COMMISSION.—

8 “(1) IN GENERAL.—The Bureau shall be head-  
9 ed by a commission, as provided under this sub-  
10 section.

11 “(2) COMPOSITION OF THE COMMISSION.—

12 “(A) IN GENERAL.—The commission shall  
13 be composed of 5 members who shall be ap-  
14 pointed by the President, by and with the ad-  
15 vice and consent of the Senate, from among in-  
16 dividuals who—

17 “(i) are citizens of the United States;  
18 and

19 “(ii) have strong competencies and ex-  
20 periences related to consumer financial  
21 products and services.

22 “(B) STAGGERING.—The members of the  
23 commission shall serve staggered terms, which  
24 initially shall be established by the President

1 for terms of 1, 2, 3, 4, and 5 years, respec-  
2 tively.

3 “(C) TERMS.—

4 “(i) IN GENERAL.—Except as pro-  
5 vided under subparagraph (B), each mem-  
6 ber of the commission, including the Chair,  
7 shall serve for a term of 5 years.

8 “(ii) REMOVAL.—The President may  
9 remove any member of the commission for  
10 inefficiency, neglect of duty, or malfea-  
11 sance in office.

12 “(iii) VACANCIES.—Any member of  
13 the commission appointed to fill a vacancy  
14 occurring before the expiration of the term  
15 to which that member’s predecessor was  
16 appointed (including the Chair) shall be  
17 appointed only for the remainder of the  
18 term.

19 “(iv) CONTINUATION OF SERVICE.—  
20 Each member of the commission may con-  
21 tinue to serve after the expiration of the  
22 term of office to which that member was  
23 appointed until a successor has been ap-  
24 pointed by the President and confirmed by  
25 the Senate, except that a member may not

1 continue to serve more than 1 year after  
2 the date on which that member's term  
3 would otherwise expire.

4 “(v) OTHER EMPLOYMENT PROHIB-  
5 ITED.—No member of the commission  
6 shall engage in any other business, voca-  
7 tion, or employment.

8 “(c) AFFILIATION.—Not more than 3 members of the  
9 commission shall be members of any one political party.

10 “(d) CHAIR.—

11 “(1) APPOINTMENT.—The Chair of the com-  
12 mission shall be appointed by the President from  
13 among the members of the commission.

14 “(2) AUTHORITY.—The Chair shall be the prin-  
15 cipal executive officer of the commission, and shall  
16 exercise all of the executive and administrative func-  
17 tions of the commission, including with respect to—

18 “(A) the appointment and supervision of  
19 personnel employed under the commission  
20 (other than personnel employed regularly and  
21 full time in the immediate offices of members of  
22 the commission other than the Chair);

23 “(B) the distribution of business among  
24 personnel appointed and supervised by the

1 Chair and among administrative units of the  
2 commission; and

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

4 “(3) LIMITATION.—In carrying out any of the  
5 Chair’s functions under the provisions of this sub-  
6 section the Chair shall be governed by general poli-  
7 cies of the commission and by such regulatory deci-  
8 sions, findings, and determinations as the commis-  
9 sion may by law be authorized to make.

10 “(e) NO IMPAIRMENT BY REASON OF VACANCIES.—  
11 No vacancy in the members of the commission shall impair  
12 the right of the remaining members of the commission to  
13 exercise all the powers of the commission. Three members  
14 of the commission shall constitute a quorum for the trans-  
15 action of business, except that if there are only 3 members  
16 serving on the commission because of vacancies in the  
17 commission, 2 members of the commission shall constitute  
18 a quorum for the transaction of business. If there are only  
19 2 members serving on the commission because of vacan-  
20 cies in the commission, 2 members shall constitute a  
21 quorum for the 6-month period beginning on the date of  
22 the vacancy which caused the number of commission mem-  
23 bers to decline to 2.

24 “(f) SEAL.—The Commission shall have an official  
25 seal.

1 “(g) COMPENSATION.—

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

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

11 **SEC. 3. DEEMING OF NAME.**

12 Any reference in a law, regulation, document, paper,  
13 or other record of the United States to the Director of  
14 the Bureau of Consumer Financial Protection shall be  
15 deemed a reference to the Bureau of Consumer Financial  
16 Protection.

17 **SEC. 4. CONFORMING AMENDMENTS.**

18 (a) CONSUMER FINANCIAL PROTECTION ACT OF  
19 2010.—

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

23 (A) by striking “Director of the Bureau”  
24 each place such term appears, other than where  
25 such term is used to refer to a Director other

1 than the Director of the Bureau of Consumer  
2 Financial Protection, and inserting “Bureau”;

3 (B) by striking “Director” each place such  
4 term appears and inserting “Bureau”, other  
5 than where such term is used to refer to a Di-  
6 rector other than the Director of the Bureau of  
7 Consumer Financial Protection; and

8 (C) in section 1002, by striking paragraph  
9 (10).

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

13 (A) in section 1013(c)(3)—

14 (i) by striking “Assistant Director of  
15 the Bureau for” and inserting “Head of  
16 the Office of”; and

17 (ii) in subparagraph (B), by striking  
18 “Assistant Director” and inserting “Head  
19 of the Office”;

20 (B) in section 1013(g)(2)—

21 (i) by striking “ASSISTANT DIREC-  
22 TOR” and inserting “HEAD OF THE OF-  
23 FICE”; and

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

4 (C) in section 1016(a), by striking “Direc-  
5 tor of the Bureau” and inserting “Chair of the  
6 Bureau”;

7 (D) in section 1017(c)(1), by striking “Di-  
8 rector and other”;

9 (E) in section 1027(l)(1), by striking “Di-  
10 rector and the Bureau” and inserting “Chair  
11 and the Bureau”; and

12 (F) in section 1066(a), by striking “Direc-  
13 tor of the Bureau is” and inserting “first mem-  
14 ber of the Bureau is”.

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

19 (1) in section 111(b)(1)(D), by striking “Direc-  
20 tor of the Bureau” and inserting “Chair of the Bu-  
21 reau”; and

22 (2) in section 1447, by striking “Director of the  
23 Bureau” each place such term appears and inserting  
24 “Bureau”.



1 (c) ELECTRONIC FUND TRANSFER ACT.—Section  
2 921(a)(4)(C) of the Electronic Fund Transfer Act (15  
3 U.S.C. 1693o–2(a)(4)(C)) is amended by striking “Direc-  
4 tor of the Bureau of Consumer Financial Protection” and  
5 inserting “Bureau”.

6 (d) EXPEDITED FUNDS AVAILABILITY ACT.—The  
7 Expedited Funds Availability Act (12 U.S.C. 4001 et seq.)  
8 is amended by striking “Director of the” each place such  
9 term appears.

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

16 (f) FEDERAL FINANCIAL INSTITUTIONS EXAMINA-  
17 TION COUNCIL ACT OF 1978.—Section 1004(a)(4) of the  
18 Federal Financial Institutions Examination Council Act of  
19 1978 (12 U.S.C. 3303(a)(4)) is amended by striking “Di-  
20 rector of the Consumer Financial Protection Bureau” and  
21 inserting “Chair of the Bureau of Consumer Financial  
22 Protection”.

23 (g) FINANCIAL LITERACY AND EDUCATION IM-  
24 PROVEMENT ACT.—Section 513 of the Financial Literacy  
25 and Education Improvement Act (20 U.S.C. 9702) is

1 amended by striking “Director of the Bureau of Consumer  
2 Financial Protection” each place such term appears and  
3 inserting “Chair of the Bureau of Consumer Financial  
4 Protection”.

5 (h) HOME MORTGAGE DISCLOSURE ACT OF 1975.—  
6 Section 307 of the Home Mortgage Disclosure Act of 1975  
7 is amended by striking “Director of the Bureau of Con-  
8 sumer Financial Protection” each place such term appears  
9 and inserting “Bureau of Consumer Financial Protec-  
10 tion”.

11 (i) INTERSTATE LAND SALES FULL DISCLOSURE  
12 ACT.—The Interstate Land Sales Full Disclosure Act is  
13 amended—

14 (1) by amending section 1402(1) to read as fol-  
15 lows:

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

18 (2) in section 1416(a), by striking “Director of  
19 the Bureau of Consumer Financial Protection” and  
20 inserting “Chair”.

21 (j) REAL ESTATE SETTLEMENT PROCEDURES ACT  
22 OF 1974.—Section 5 of the Real Estate Settlement Proce-  
23 dures Act of 1974 (12 U.S.C. 2604) is amended—

24 (1) by striking “The Director of the Bureau of  
25 Consumer Financial Protection (hereafter in this

1 section referred to as the ‘Director’)” and inserting  
2 “The Bureau of Consumer Financial Protection”;  
3 and

4 (2) by striking “Director” each place such term  
5 appears and inserting “Bureau”.

6 (k) S.A.F.E. MORTGAGE LICENSING ACT OF 2008.—  
7 The S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C.  
8 5101 et seq.) is amended—

9 (1) by striking “Director” each place such term  
10 appears in headings and text and inserting “Bu-  
11 reau”;

12 (2) by striking “director” each place such term  
13 appears in headings and inserting “Bureau”; and

14 (3) in section 1503, by striking paragraph (10).

15 (l) TITLE 44, UNITED STATES CODE.—Section  
16 3513(c) of title 44, United States Code is amended by  
17 striking “Director of the Bureau” and inserting “Bu-  
18 reau”.

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