

**\*\* Senate Counteroffer \*\***

**June 22, 2010**

**Title: Title X**

**Matter: Bureau of Consumer Financial Protection**

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**The Senate accepts the following House proposals for amendments to the Base text:**

1. Recede to Senate on provisions relating to the structure of the Consumer Financial Protection Bureau (Bureau). House offer #1.
2. With modifications, amend Senate provision funding the Bureau with funds from the Federal Reserve System. House offer #2.
3. With modification, add House provision providing for authorization of appropriations of the Bureau for 2010-2015. House offer #2.
4. Add House provision directing Consumer Advisory Board to include experts in civil rights. House offer #3.
5. With modifications, add new provision to subject pay day lenders, money remitters, check cashers and private student loan providers to supervision by the Bureau. House offer #4.
6. With modification, add provisions excluding auto dealers. House offer #8.
7. With modification, amend Senate provisions excluding attorneys. House offer #8.
8. With modification, add House provisions setting the standard the Comptroller of the Currency or a court must use in preempting State consumer laws and requiring the Comptroller or a court to find that a substantive federal consumer protection standard is in place before preempting a state law. House offer #9.
9. Amend Senate provision requiring Federal Reserve Board regulations relating to interchange transaction fees for electronic debit transactions and imposing limits on payment card network restrictions with a technical correction. House offer #10.
10. With modification, amend Senate provision requiring disclosures and regulation of remittance transfers. House offer #11.
11. Add House provision with revisions directing Bureau to issue regulations on reverse mortgages. House offer #12.
12. With modification, amend Senate provisions relating to Energy & Commerce Committee. House offer #13.

13. Amend Senate provisions relating to Judiciary Committee jurisdictions. House offer #13.
14. With modification, add new provision relating to compensation, benefits and protections of Bureau employees, including employees transferred from existing agencies. House offer #14.
15. With modification, add House provision creating an ombudsperson at the Bureau. House offer #15b.
16. Add House provisions directing Bureau to regulate exchange facilitators. House offer #15d.

**The Senate does not accept the following House proposals for amendments to the Base text:**

1. Add House provisions authorizing the Bureau to participate in examinations and take enforcement actions against insured depository institutions and credit unions with assets of \$10 billion or less. House offer #5.
2. Strike Senate provision requiring additional Regulatory Flexibility Act analyses prior to proposed rulemakings of the Bureau. House offer #6.
3. Add House provision streamlining the authorities of the Federal Trade Commission in issuing regulations, administering and enforcing the Federal Trade Commission Act. House offer #7.
4. Add House provisions excluding pawnbrokers and employee benefit and compensation plans. House offer #8.
5. Add House provisions requiring private student loan providers to obtain mandatory certifications from institutions of higher learning. House offer #15a.
6. Add House provisions requiring the Federal Reserve Board to retain a Consumer Advisory Council. House offer #15c.
7. Add House provision directing Bureau to regulate person-to-person lending. House offer #15e.

**The Senate proposes the following amendment to the Base text:**

1. This amendment would further clarify a provision in the merchant's exemption in the base text to make clear that small, non-financial businesses who finance the sale of their own products or services are not subject to the CFPB's rule-writing or enforcement. The base text does this by drawing a bright line based on revenues. However, some small businesses aren't categorized by revenues; rather, they are deemed to be small businesses based on the number of employees. This amendment adds the latter group to the exemption, as long as they are non-financial and legitimately financing their own products or services.