

AMENDMENT TO H.R. 4173

OFFERED BY _____

Page 13, line 16, strike “and”.

Page 13, line 18, strike the period and insert “; and” and after such line insert the following:

1 (C) that is not a Farm Credit System in-
2 stitution chartered under and subject to the
3 provisions of the Farm Credit Act of 1971, as
4 amended (12 U.S.C. 2001 et seq.).

Page 18, line 4, insert “any retail foreign exchange dealer,” after “adviser,”.

Page 18, beginning on line 12, strike “organization” and insert “organization, designated contract market, or swap execution facility”.

Page 28, line 9, after “report to” insert the following: “the Committee on Ways and Means, the Committee on Agriculture, and”.

Page 28, line 10, strike “Representatives,” and insert “Representatives and the Committee on Finance, the Committee on Agriculture, and”.

Page 29, line 13, insert before “Committee” the following: “Committee on Ways and Means, the Committee on Agriculture, and the”.

Page 29, line 14, insert before “Committee” the following: “Committee on Finance, the Committee on Agriculture, and the”.

Page 29, line 23, after “to the” insert the following: “Committee on Ways and Means, the Committee on Agriculture, and the”.

Page 29, line 25, after “and the” insert the following: “Committee on Finance, the Committee on Agriculture, and the”.

Page 30, line 5, after “to the” insert the following: “Committee on Ways and Means, the Committee on Agriculture, and the”.

Page 30, line 7, after “and the” insert the following: “Committee on Finance, the Committee on Agriculture, and the”.

Page 104, beginning on line 6, strike “, unless the President” and all that follows through page 110, line 7, and insert a period.

Page 277, line 22, strike the period and insert “; and” and after such line insert the following:

1 (C) that is not a Farm Credit System in-
2 stitution chartered under and subject to the
3 provisions of the Farm Credit Act of 1971, as
4 amended (12 U.S.C. 2001 et seq.).

Page 383, strike line 21 and all that follows through
page 384, line 2, and insert the following:

5 (9) EXEMPT TAX STATUS.—

6 (A) EXEMPTION FROM FEDERAL INCOME
7 TAX.—Subsection (l) of section 501 of the In-
8 ternal Revenue Code of 1986 is amended by
9 adding at the end the following new paragraph:
10 “(4) Any bridge financial company organized
11 under section 1609(h) of the Financial Stability Im-
12 provement Act of 2009.”.

13 (B) EXEMPTION FROM CERTAIN OTHER
14 TAXES.—Notwithstanding any other provision
15 of Federal or State law, a bridge financial com-
16 pany, its franchise, property, and income shall
17 be exempt from all taxation now or hereafter
18 imposed by any territory, dependency, or pos-
19 session of the United States, or by any State,
20 county, municipality, or local taxing authority.

Page 416, beginning on line 16, strike “shall be in-
troduced in the House” and all that follows through “mi-

nority leader of the Senate” and insert “shall be introduced in the House by the majority leader of the House and in the Senate by the majority leader of the Senate”.

Page 417, line 21, insert “for the majority leader” after “resolution,”.

Page 437, line 25, strike “Congress” and insert “House of Representatives and the Senate”.

Page 440, beginning on line 25, strike “and minority leader of the House”.

Page 441, beginning on line 2, strike “and minority leader of the Senate”.

Page 441, line 20, strike “each committee” and insert “all committees”.

Page 441, line 21, strike “reports” and insert “have reported”.

Page 441, line 22, strike “has been” and insert “have been”.

Page 442, line 1, insert “for the majority leader” after “resolution,”.

Page 443, beginning line 12, strike “resolution” and insert “resolution in the Senate”.

Page 443, line 14, insert “in the Senate” after “introduction”.

Page 446, line 14, insert “on adoption” after “fails”.

Page 448, line 9, strike “use of authority relevant to”.

Page 665, strike lines 19 and 20 and insert the following:

1 (2) AGENCY.—The term “Agency” means—
2 (A) before the Agency conversion date, the
3 Consumer Financial Protection Agency; and
4 (B) on and after the Agency conversion
5 date, the commission established under section
6 4103.

Page 668, strike lines 22 and 23 and insert the following:

7 (15) DIRECTOR.—The term “Director”
8 means—
9 (A) before the Agency conversion date, the
10 Director of the Agency; and
11 (B) on and after the Agency conversion
12 date, the commission established under section
13 4103.

Page 676, strike line 23 and all that follows through page 677, line 3, and insert the following:

1 (aa) the activity is financial
2 in nature or is otherwise a per-
3 missible activity for a bank or
4 bank holding company, including
5 a financial holding company,
6 under any provision of Federal
7 law or regulation applicable to a
8 bank or bank holding company,
9 including a financial holding
10 company;

Page 678, beginning on line 8, strike “BUSINESS OF INSURANCE EXCEPTION” and insert “EXCEPTIONS”.

Page 678, line 10, insert before the period the following: “ or the provision of electronic data transmission, routing, intermediate or transient storage, or connections to a system or network, where the person providing such services does not select or modify the content of the electronic data, is not the sender or the intended recipient of the data, and such person transmits, routes, stores, or provides connections for electronic data, including financial data, in a manner that such data is undifferentiated

from other types of data that such person transmits, routes, stores, or provides connections”.

Page 680, line 24, strike “or”.

Page 680, line 24, strike “to the extent” and insert “, retail foreign exchange dealer, or swap execution facility to the extent”.

Page 687, after line 9, insert the following new paragraph:

1 (38) AGENCY CONVERSION DATE.—The term
2 “Agency conversion date” means the date that is
3 two years after the designated transfer date.

Page 687, after line 18, insert the following new subsection (and redesignate succeeding subsections accordingly):

4 (b) AGENCY STRUCTURE.—

5 (1) INITIAL STRUCTURE.—The Agency shall be
6 led by a Director or Acting Director, established
7 pursuant to section 4102, until the day before the
8 Agency conversion date.

9 (2) SUBSEQUENT STRUCTURE.—On and after
10 the Agency conversion date, the Agency shall consist
11 of the commission established under section 4103.

Page 688, line 9, insert before the period the following: “and shall exercise any authorities granted under this title and all other laws within the Director’s jurisdiction”.

Page 688, strike lines 11 through 14 and insert the following (and redesignate succeeding paragraphs accordingly):

1 (1) NOMINATION.—Within 60 days after the
2 date of enactment of this title, the President shall
3 nominate the Director, from among individuals
4 who—

5 (A) are citizens of the United States; and
6 (B) have strong competencies and experi-
7 ences related to consumer financial protection.

8 (2) APPOINTMENT SUBJECT TO CONFIRMA-
9 TION.—The Director nominated under paragraph
10 (1) shall be appointed by and with the advice and
11 consent of the Senate

12 (3) ACTING DIRECTOR BEFORE SENATE CON-
13 FIRMATION.—The individual nominated pursuant to
14 paragraph (1) shall serve as Acting Director with
15 full authorities granted to the Director under this
16 title until the Director is confirmed by the Senate.

Page 688, line 16, strike “of 5 years” and insert “that ends on the Agency conversion date”.

Page 688, line 24, strike “paragraph (1)” and insert “paragraph (2)”.

Page 689, beginning on line 4, strike “In the event of a vacancy in the position of Director or during the absence or disability of the Director” and insert “In the event of vacancy or during the absence of the Director (who has been confirmed by the Senate pursuant to paragraph (2))”.

Page 690, before line 1, insert the following new section (and redesignate succeeding sections accordingly):

1 **SEC. 4103. ESTABLISHMENT AND COMPOSITION OF THE**
2 **COMMISSION.**

3 (a) ESTABLISHMENT OF THE COMMISSION.—

4 (1) IN GENERAL.—On the Agency conversion
5 date, there shall be established a commission (here-
6 inafter in this section referred to as the “Commis-
7 sion”) that shall by operation of law succeed to all
8 of the authorities of the Director of the Agency
9 granted under this title and any other law.

10 (2) AUTHORITY TO PRESCRIBE REGULA-
11 TIONS.—The Commission may prescribe such regu-
12 lations and issue such orders in accordance with this

1 title as the Commission may determine to be nec-
2 essary for carrying out this title and all other laws
3 within the Commission's jurisdiction and shall exer-
4 cise any authorities granted under this title and all
5 other laws within the Commission's jurisdiction.

6 (b) COMPOSITION OF THE COMMISSION.—

7 (1) IN GENERAL.—The Commission shall be
8 composed of 5 members who shall be appointed by
9 the President, by and with the advice and consent
10 of the Senate, from among individuals who—

11 (A) are citizens of the United States; and

12 (B) have strong competencies and experi-
13 ences related to consumer financial protection.

14 (2) INITIAL APPOINTMENTS.—

15 (A) IN GENERAL.—The initial members of
16 the Commission, other than the initial Chair,
17 may be appointed by the President, by and with
18 the advice and consent of the Senate, prior to
19 the Agency conversion date, but may not serve
20 in their positions until such date.

21 (B) STAGGERING.—Except as provided
22 under subsection (d)(1), the members of the
23 Commission shall serve staggered terms, which
24 initially shall be established by the President
25 for terms of 1, 2, 4, and 5 years, respectively.

1 (3) TERMS.—

2 (A) IN GENERAL.—Except as provided in
3 subsection (d)(1), each member of the Commis-
4 sion, including the Chair, shall serve for a term
5 of 5 years.

6 (B) REMOVAL FOR CAUSE.—The President
7 may remove any member of the Commission
8 only for inefficiency, neglect of duty, or malfea-
9 sance in office.

10 (C) VACANCIES.—Any member of the
11 Commission appointed to fill a vacancy occur-
12 ring before the expiration of the term to which
13 that member's predecessor was appointed (in-
14 cluding the Chair) shall be appointed only for
15 the remainder of the term.

16 (D) CONTINUATION OF SERVICE.—Each
17 member of the Commission may continue to
18 serve after the expiration of the term of office
19 to which that member was appointed until a
20 successor has been appointed by the President
21 and confirmed by the Senate, except that a
22 member may not continue to serve more than 1
23 year after the date on which that member's
24 term would otherwise expire.

1 (E) OTHER EMPLOYMENT PROHIBITED.—

2 No member of the Commission shall engage in
3 any other business, vocation, or employment.

4 (c) AFFILIATION.—With respect to members ap-
5 pointed pursuant to subsection (b), not more than 3 shall
6 be members of any one political party.

7 (d) CHAIR OF THE COMMISSION.—

8 (1) APPOINTMENT.—

9 (A) INITIAL CHAIR.—The first Chair of the
10 Commission shall be the Director or Acting Di-
11 rector serving on the day before the Agency
12 conversion date, and such individual shall serve
13 in the position of Chair for a period of 3 years.

14 (B) SUBSEQUENT CHAIRS.—Subsequent
15 chairs shall be appointed by the President from
16 among the members of the Commission to serve
17 as the Chair.

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

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

1 in the immediate offices of members of the
2 Commission other than the Chair);

3 (B) the distribution of business among per-
4 sonnel appointed and supervised by the Chair
5 and among administrative units of the Agency;
6 and

7 (C) the use and expenditure of funds.

8 (3) LIMITATION.—In carrying out any of the
9 Chair's functions under the provisions of this sub-
10 section the Chair shall be governed by general poli-
11 cies of the Commission and by such regulatory deci-
12 sions, findings, and determinations as the Commis-
13 sion may by law be authorized to make.

14 (4) REQUESTS OR ESTIMATES RELATED TO AP-
15 PROPRIATIONS.—Requests or estimates for regular,
16 supplemental, or deficiency appropriations on behalf
17 of the Commission may not be submitted by the
18 Chair without the prior approval of the commission.

19 (e) NO IMPAIRMENT BY REASON OF VACANCIES.—
20 No vacancy in the members of the Commission shall im-
21 pair the right of the remaining members of the Commis-
22 sion to exercise all the powers of the Commission. Three
23 members of the Commission shall constitute a quorum for
24 the transaction of business, except that if there are only
25 3 members serving on the Commission because of vacan-

1 cies in the Commission, 2 members of the Commission
2 shall constitute a quorum for the transaction of business.
3 If there are only 2 members serving on the Commission
4 because of vacancies in the Commission, 2 members shall
5 constitute a quorum for the 6-month period beginning on
6 the date of the vacancy which caused the number of Com-
7 mission members to decline to 2.

8 (f) SEAL.—The Commission shall have an official
9 seal.

10 (g) COMPENSATION.—

11 (1) CHAIR.—The Chair shall receive compensa-
12 tion at the rate prescribed for level I of the Execu-
13 tive Schedule under section 5313 of title 5, United
14 States Code.

15 (2) OTHER MEMBERS OF THE COMMISSION.—

16 The 4 other members of the Commission shall each
17 receive compensation at the rate prescribed for level
18 II of the Executive Schedule under section 5314 of
19 title 5, United States Code.

20 (h) INITIAL QUORUM ESTABLISHED.—During any
21 time period prior to the confirmation of at least two mem-
22 bers of the Commission under subsection (b)(2), one mem-
23 ber of the Commission shall constitute a quorum for the
24 transaction of business. Following the confirmation of at

1 least 2 additional commissioners, the quorum require-
2 ments of subsection (e) shall apply.

3 (i) DEFINITIONS.—Notwithstanding section 4002,
4 for purposes of this section:

5 (1) AGENCY.—The term “Agency” means the
6 Consumer Financial Protection Agency.

7 (2) DIRECTOR.—The term “Director” means
8 the Director of the Agency.

Page 700, line 18, insert before “other Federal” the
following: “the Federal Trade Commission,”.

Page 723, after line 19, insert the following:

9 (D) OFFSETTING COLLECTIONS.—Fees as-
10 sessed under this paragraph—

11 (i) shall not be collected for any fiscal
12 year except to the extent provided in ad-
13 vance in appropriation Acts; and

14 (ii) shall be deposited and credited as
15 offsetting collections to the account pro-
16 viding appropriations to the Agency.

Page 730, strike lines 11 through page 731, line 3,
and insert the following:

17 (3) USE OF FUNDS.—

18 (A) DEPOSITORY INSTITUTION FUND.—

19 Funds obtained by, transferred to, or credited

1 to the Consumer Financial Protection Agency
2 Depository Institution Fund shall be imme-
3 diately available to the Agency, and remain
4 available until expended, to pay the expenses of
5 the Agency in carrying out the duties and re-
6 sponsibilities of the Director and the Agency,
7 including the payment of compensation of the
8 Director and officers and employees of the
9 Agency.

10 (B) NONDEPOSITORY INSTITUTION
11 FUND.—Funds obtained by, transferred to, or
12 credited to the Consumer Financial Protection
13 Agency Nondepository Institution Fund shall be
14 available to the Agency to the extent provided
15 in advance in appropriation Acts, and may re-
16 main available until expended, to pay the ex-
17 penses of the Agency in carrying out the duties
18 and responsibilities of the Director and the
19 Agency, including the payment of compensation
20 of the Director and officers and employees of
21 the Agency.

Page 747, after line 21, insert the following:

22 (i) PRESERVATION OF FARM CREDIT ADMINISTRA-
23 TION AUTHORITY.—No provision of this title shall be con-

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

Page 712, line 19, after “Treasury” insert “the Federal Trade Commission,”.

Page 714, beginning on line 13, strike “its central database on complaints”.

Page 716, line 6, after “Services” insert “and the House Committee on Energy and Commerce”.

Page 716, after line 11, insert the following new section (and redesignate succeeding sections accordingly):

3 **SEC. 4110. GAO SMALL BUSINESS STUDIES.**

4 (a) STUDIES REQUIRED.—Not later than the end of
5 the 3-year period beginning on the designated transfer
6 date, and also 3 years thereafter, the Comptroller General
7 of the United States shall carry out a study to examine
8 the effects that regulations issued by the Agency have on
9 small businesses.

10 (b) REPORT.—At the conclusion of each study re-
11 quired under subsection (a), the Comptroller General of
12 the United States shall issue a report to the Congress con-
13 taining the finding and determinations made by the Comp-
14 troller General in carrying out such study.

Page 724, strike line 2 and insert the following:

“\$200,000,000 for each of fiscal years 2010, 2011, 2012, 2013, and 2014.”.

Page 743, strike line 14 and all that follows through page 745, line 14, and insert the following:

1 (1) THE AGENCY TO HAVE PRIMARY ENFORCE-
2 MENT AUTHORITY.—To the extent that a Federal
3 law authorizes the Agency and another Federal
4 agency to enforce a provision of a law, the Agency
5 shall have primary enforcement authority to enforce
6 the provision of that Federal law with respect to any
7 person in accordance with this subsection.

8 (2) COORDINATION WITH THE FEDERAL TRADE
9 COMMISSION.—

10 (A) NOTICE.—If the Federal Trade Com-
11 mission is authorized to enforce any Federal
12 law described in paragraph (1), or a regulation
13 prescribed under any such Federal law, either
14 the Agency or the Federal Trade Commission
15 shall serve written notice to the other of any en-
16 forcement action prior to initiating such an en-
17 forcement action, except that if the agency or
18 commission filing the action determines that
19 prior notice is not feasible, that agency or com-

1 mission may provide notice immediately upon
2 initiating such enforcement action.

3 (B) INTERVENTION BY EITHER ENTITY.—

4 Upon receiving any notice under subparagraph
5 (A) with respect to an enforcement action, the
6 Agency or Federal Trade Commission may in-
7 tervene in such enforcement action, and upon
8 intervening—

9 (i) be heard on all matters arising in
10 such enforcement action; and

11 (ii) file petitions for appeal in such
12 enforcement action.

13 (C) PENDENCY OF ACTION.—Whenever a
14 civil action has been instituted by or on behalf
15 of the Agency or the Federal Trade Commission
16 for any violation of any Federal law described
17 in paragraph (1), or a regulation prescribed
18 under any such Federal law, the other entity
19 may not, during the pendency of that action, in-
20 stitute a civil action under such law or regula-
21 tion against any defendant named in the com-
22 plaint in such pending action for any violation
23 alleged in the complaint.

24 (D) AGREEMENTS BETWEEN ENTITIES.—

1 (i) NEGOTIATIONS AUTHORIZED.—

2 The Agency and the Federal Trade Com-
3 mission may negotiate an agreement to es-
4 tablish procedures to ensure that the en-
5 forcement actions of the 2 agencies are ap-
6 propriately coordinated.

7 (ii) SCOPE OF NEGOTIATED AGREE-
8 MENT.—The terms of any agreement nego-
9 tiated pursuant to clause (i) may modify or
10 supersede the provisions of subparagraphs
11 (A), (B), and (C).

Page 761, after line 13, insert the following new paragraph (and redesignated the succeeding paragraphs accordingly):

12 (2) NO EXCLUSION FOR CERTAIN PRIVATE EDU-
13 CATION LOANS.—Paragraph (1) shall not apply to
14 any private education loan (as defined in section
15 140(a) of the Truth in Lending Act) provided by a
16 private educational lender (as defined in such sec-
17 tion), including a covered educational institution (as
18 defined in such section).

Page 766, strike line 17 and all that follows through page 768, line 3, and insert the following (and redesignate succeeding subsections accordingly):

1 (f) EXCLUSION FOR PERSONS REGULATED BY THE
2 FARM CREDIT ADMINISTRATION.—No provision of this
3 title shall be constructed as altering, amending, or affect-
4 ing the authority of the Farm Credit Administration to
5 adopt rules, institute enforcement proceedings, or take any
6 other action with respect to a person regulated by the
7 Farm Credit Administration. The Director and Agency
8 shall have no authority to exercise any power to enforce
9 this title, compel registration, or to order assessments with
10 respect to a person regulated by the Farm Credit Adminis-
11 tration. For purposes of this subsection, the term “person
12 regulated by the Farm Credit Administration” means any
13 Farm Credit System Institution.

14 (g) EMPLOYEE BENEFIT AND COMPENSATION PLANS
15 AND CERTAIN OTHER ARRANGEMENTS UNDER THE IN-
16 TERNAL REVENUE CODE OF 1986.—

17 (1) AUTHORITY RETAINED BY OTHER AGEN-
18 CIES.—No provision of this title shall be construed
19 as altering, amending, or affecting the authority of
20 the Secretary of the Treasury, the Secretary of
21 Labor, or the Commissioner of Internal Revenue to
22 adopt regulations, initiate enforcement proceedings,
23 or take any actions with respect to any specified
24 plan or arrangement.

1 (2) ACTIVITIES NOT CONSTITUTING FINANCIAL
2 ACTIVITIES.—For the purposes of this title, a person
3 shall not be treated as having engaged in a financial
4 activity, as defined in section 4002(19), solely be-
5 cause such person is a specified plan or arrangement
6 or is engaged in the activity of establishing or main-
7 taining, for the benefit of employees of such person
8 (or for members of an employee organization), any
9 specified plan or arrangement.

10 (3) REGULATORY COORDINATION.—In the case
11 of regulations promulgated under this title that ad-
12 dress any financial activity specifically pertaining to
13 the administration and maintenance of a specified
14 plan or arrangement, the Director shall coordinate
15 with the Secretary of Labor and the Secretary of
16 Treasury, as appropriate.

17 (4) SPECIFIED PLAN OR ARRANGEMENT.—For
18 purposes of this subsection, the term “specified plan
19 or arrangement” means any plan, account, or ar-
20 rangement described in section 220, 223, 401(a),
21 403(a), 403(b), 408, 408A, 529, or 530 of the Inter-
22 nal Revenue Code of 1986, or any employee benefit
23 or compensation plan or arrangement, including a
24 plan that is subject to title I of the Employee Retirement
25 Income Security Act of 1974.

Page 785, after line 6, insert the following new paragraph (and redesignate succeeding paragraphs accordingly):

1 (4) CONSULTATION WITH THE FEDERAL TRADE
2 COMMISSION.—In developing and implementing re-
3 port requirements under this subsection, the Agency
4 shall consult with the Federal Trade Commission,
5 where appropriate.

Page 800, line 2, insert after the period the following: “Nothing in this section shall be construed as limiting or superseding the protection provided to any provider or user qualifying for protection under section 230(c)(1) of the Communications Act of 1934 (47 U.S.C. 230(c)(1))”.

Page 895, line 22, insert after the period the following: “This transfer shall not be subject to the provisions of section 3503 of title 5, United States Code”.

Page 895, strike line 23 and all that follows through page 896, line 15, and insert the following:

6 (B) FEDERAL TRADE COMMISSION AU-
7 THORITY.—The Agency shall have all powers
8 and duties that were vested in the Federal
9 Trade Commission that were contained within
10 the enumerated statutes, except as provided in

1 section 4202(e), on the day before the des-
2 ignated transfer date.

Page 898, strike line 23 and all that follows through
page 901, line 3, and insert the following:

3 **SEC. 4604. DESIGNATED TRANSFER DATE.**

4 The designated transfer date shall be 180 days after
5 the date of enactment of this title.

Page 903, strike lines 5 through 7 and insert the
following:

6 (c) FEDERAL TRADE COMMISSION.—Section
7 4601(a)(5) shall

Page 903, strike lines 17 through 25.

Page 934, beginning on line 19, strike “is confirmed
by the Senate”.

Page 1019, line 20, insert before the period the fol-
lowing: “Nothing in this section shall be construed as
limiting or superseding the protection provided to any
provider or user qualifying for protection under section
230(c)(1) of the Communications Act of 1934 (47 U.S.C.
230(c)(1)”.

Page 1020, line 4-5, strike “(without regard to any reference in such section to sections 556 and 557 of such title)”.

Page 1020, after line 13, insert the following (and redesignate the succeeding paragraph accordingly):

1 (4) in subsection (c) (as redesignated), by in-
2 serting “prescribed” after “rule”.

Page 1020, after line 14, insert the following (and redesignate succeeding subparagraphs accordingly):

3 (A) in paragraph (1)(A) by striking “pro-
4 mulgated” and inserting “prescribed”;

Page 1020, after line 20, insert the following:

5 (d) Section 16(a)(2) of the Federal Trade Commis-
6 sion Act (15 U.S.C. 56(a)(2)) is amended—
7 (1) in subparagraph (D), by striking “; or” and
8 inserting a semicolon; and
9 (2) by inserting after subparagraph (E) the fol-
10 lowing:
11 “(F) to obtain a civil penalty authorized
12 under any provision of law enforced by the
13 Commission.”.

1 (e) Section 5(l) of the Federal Trade Commission Act
2 (15 U.S.C. 45(l)) is amended in the first sentence by in-
3 serting “the Commission or” after “brought by”.

Strike section 7511.



Page 254, line 3, insert after “(2)” the following:
“in paragraph (5),”.

Page 254, line 9, strike the period and insert “;
and”.

Page 254, after line 9, insert the following new
paragraph:

1 (3) in paragraph (7)(B), by inserting “subpara-
2 graphs (A) and (B) of” before “paragraph”.

Page 274, strike lines 3 through 6 and insert the
following:

3 **SEC. 1601. SHORT TITLE; PURPOSE.**

4 (a) **SHORT TITLE.**—This subtitle may be cited as the
5 “Dissolution Authority for Large, Interconnected Finan-
6 cial Companies Act of 2009”.

7 (b) **PURPOSE.**—The purpose of this subtitle is to pro-
8 tect the financial system of the United States in times of
9 severe crisis by providing for the orderly resolution of
10 large, interconnected financial companies whose failure
11 could create, or increase, the risk of significant liquidity,
12 credit, or other financial problems spreading among finan-
13 cial institutions or markets and thereby threaten the sta-
14 bility of the overall financial system of the United States.
15 There shall be a strong presumption that resolution under
16 the bankruptcy laws will remain the primary method of

1 resolving financial companies, and the authorities con-
2 tained in this subtitle will only be used in the most exigent
3 circumstances.

Page 282, line 15, after “Urban Affairs” insert
“and the Committee on the Judiciary”.

Page 282, line 16, after “Financial Services” insert
“and the Committee on the Judiciary”.

Page 290, line 20, strike “The Corporation’s” and
insert the following:

4 (a) TERMINATION AND EXCLUSION OF BANK-
5 RUPTCY.—The Corporation’s

Page 290, line 21, strike “title” and insert “sub-
title”.

Page 291, after line 4, insert the following new sub-
sections:

6 (b) CONVERSION TO BANKRUPTCY.—

7 (1) CONVERSION.—The Corporation may at any
8 time, with the approval of the Secretary and after
9 consulting with the Council, convert the receivership
10 of a covered financial company to a proceeding
11 under chapter 7 or 11 of title 11, United States
12 Code, by filing a petition against the covered finan-
13 cial company under section 303(m) of such title. The

1 Corporation may serve as the trustee for the covered
2 financial company in bankruptcy.

3 (2) BRIDGE FINANCIAL COMPANY.—The Cor-
4 poration's exercise of authority under paragraph (1)
5 shall not affect any powers or duties of the Corpora-
6 tion with regard to any bridge financial company es-
7 tablished under section 1609(h).

8 (c) REPORTING TO THE CONGRESS.—

9 (1) IN GENERAL.—

10 (A) INITIAL REPORT.—Upon the appoint-
11 ment of the Corporation as receiver under sec-
12 tion 1604(a), the Corporation shall issue a re-
13 port on the issue described under paragraph
14 (3)(A).

15 (B) CONTINUING REPORTS.—At the end of
16 each 180-day period after the appointment of
17 the Corporation as receiver under section
18 1604(a), and continuing while the Corporation
19 is acting as receiver, the Corporation shall issue
20 a report on the issues described under subpara-
21 graphs (A) through (C) of paragraph (3).

22 (2) COMMITTEES TO RECEIVE REPORTS.—Re-
23 ports issued under this subsection shall be issued to
24 the Committee on Banking, Housing, and Urban Af-
25 fairs and the Committee on the Judiciary of the

1 Senate and the Committee on Financial Services and
2 the Committee on the Judiciary of the House of
3 Representatives.

4 (3) REPORTING ISSUES.—

5 (A) Why the receivership should continue
6 instead of converting the receivership into a
7 proceeding under chapter 7 or 11 of title 11,
8 United States Code.

9 (B) The extent to which unsecured credi-
10 tors are likely to receive at least as much as
11 they would receive if the receivership of the cov-
12 ered financial company was converted to a case
13 under chapter 7 of title 11, United States Code.

14 (C) An explanation of each instance where
15 the Corporation as receiver of a covered finan-
16 cial company waived the requirement of 12
17 C.F.R. Part 366 with respect to conflicts of in-
18 terest by any person in the private sector who
19 was retained to provide services to the Corpora-
20 tion in connection with such receivership.

Page 291, line 6, after “may” insert the following:
“, after following the notice and comment rulemaking re-
quirements under the Administrative Procedure Act,”.

Page 295, beginning on line 11, strike “If a filing”
and all that follows through the end of the subclause and

insert the following: “If notification under section 7A of the Clayton Act is required with respect to such transaction, then the required waiting period shall end on the 15th day after the date on which the Attorney General and the Federal Trade Commission receive such notification, unless the waiting period is terminated earlier under subsection (b)(2) of such section, or is extended pursuant to subsection (e)(2) of such section.”.

Page 296, beginning on line 4, strike “1 or more of the covered financial companies” and insert “the covered financial company”.

Page 296, line 6, strike “approvals and filings” and insert “approval and prior notification”.

Page 296, line 8, strike “transactions” and insert “transaction”.

Page 296, line 10, insert the following after the period: “The preceding sentence shall not otherwise modify, impair, or supercede the operation of any of the antitrust laws (as defined in subsection (a) of the first section of the Clayton Act, except that such term includes section 5 of the Federal Trade Commission Act to the extent that such section 5 relates to unfair methods of competition).”.

Page 299, after line 14, insert the following new subparagraph:

1 (M) APPOINTMENT OF CONSUMER PRIVACY

2 ADVISOR.—

3 (i) APPOINTMENT.—Upon the ap-
4 pointment of the Corporation as receiver
5 under section 1604(a), the Corporation
6 shall appoint a Consumer Privacy Advisor.

7 (ii) DUTIES.—The Consumer Privacy
8 Advisor appointed under clause (i) shall
9 advise the Corporation with respect to—

10 (I) the covered financial com-
11 pany's consumer privacy policies;

12 (II) the potential losses or gains
13 of privacy to consumers upon any
14 sale, lease, or other transfer of mate-
15 rial assets of the covered financial
16 company;

17 (III) the potential costs or bene-
18 fits to consumers upon any sale, lease,
19 or other transfer of material assets of
20 the covered financial company; and

21 (IV) the potential alternatives
22 that would mitigate potential privacy
23 losses or potential costs to consumers.

Page 301, line 2, after “shall” insert the following:
“, after following the notice and comment rulemaking requirements under the Administrative Procedure Act,”.

Page 324, after line 12, insert the following new subparagraphs (and redesignated succeeding subparagraphs accordingly):

1 (C) Wages, salaries, or commissions, in-
2 cluding vacation, severance, and sick leave pay
3 earned by an individual (other than manage-
4 ment responsible for the failed condition of the
5 covered financial company who have been re-
6 moved), subject to the limitations for such pay-
7 ments contained in title 11, United States
8 Code, including the amount (11 U.S.C.
9 507(a)(4)) and restrictions on severance pay-
10 ments to insiders (11 U.S.C. 503(e)).

11 (D) Contributions to employee benefit
12 plans, subject to the limitations in title 11,
13 United States Code (11 U.S.C. 507(a)(5)).

Page 324, line 15, strike “(D)” and insert “(F)”.

Page 324, line 19, strike “(E)” and insert “(G)”.

Page 327, after line 8, insert the following new paragraph:

1 (5) RULEMAKING.—The Corporation shall,
2 after following the notice and comment rulemaking
3 requirements under the Administrative Procedure
4 Act, prescribe rules to carry out this section.

Page 369, after line 3, insert the following new
paragraph:

5 (16) AUTHORITY REGARDING COLLECTIVE BAR-
6 GAINING AGREEMENTS.—The Corporation as re-
7 ceiver for any covered financial company shall not
8 disaffirm or repudiate any collective bargaining
9 agreement to which the covered financial company is
10 a party unless the Corporation determines that repu-
11 diation is necessary for the orderly resolution of the
12 covered financial company after taking into consider-
13 ation the cost to taxpayers and the financial stability
14 of the United States.

Page 384, beginning on line 18, strike “If a filing”
and all that follows through the end of the subparagraph
and insert the following: “If notification under section 7A
of the Clayton Act is required with respect to such trans-
action, then the required waiting period shall end on the
15th day after the date on which the Attorney General
and the Federal Trade Commission receive such notifica-
tion, unless the waiting period is terminated earlier under

subsection (b)(2) of such section, or is extended pursuant to subsection (e)(2) of such section.”.

Page 385, line 9, strike “approvals and filings” and insert “approval and prior notification”.

Page 385, line 12, insert after the period the following: “The preceding sentence shall not otherwise modify, impair, or supercede the operation of any of the anti-trust laws (as defined in subsection (a) of the first section of the Clayton Act, except that such term includes section 5 of the Federal Trade Commission Act to the extent that such section 5 relates to unfair methods of competition).”.

Page 424, after line 21, insert the following new subsection:

1 (u) STUDY OF PAYMENT OF CONSUMER CLAIMS.—
2 Not later than 6 months following the dissolution of a cov-
3 ered financial company under section 1603(b), the Comp-
4 troller General of the United States shall carry out a
5 study, and report on such study to the Committee on
6 Banking, Housing, and Urban Affairs and the Committee
7 on the Judiciary of the Senate and the Committee on Fi-
8 nancial Services and the Committee on the Judiciary of
9 the House of Representatives, regarding the satisfaction
10 of claims arising from violations of the provisions of the

1 Truth in Lending Act, if any, in instances where any as-
2 sets were transferred from such covered financial com-
3 pany.

Page 432, line 7, strike “Section” and insert the fol-
lowing:

4 (1) Section

Page 432, after line 12, insert the following new
paragraphs:

5 (2) Section 303 of title 11, United States Code,
6 is amended—

7 (A) in subsection (h)—

8 (i) by striking “or” at the end of
9 paragraph (1);

10 (ii) by striking the period at the end
11 of paragraph (2) and inserting “; or”; and

12 (iii) by adding at the end the fol-
13 lowing new paragraph:

14 “(3) an involuntary case is filed against a cov-
15 ered financial company, as defined in section
16 1602(5) of the Dissolution Authority for Large,
17 Interconnected Financial Companies Act of 2009, by
18 the Federal Deposit Insurance Corporation under
19 section 1607 of that Act.”; and

1 (B) by adding at the end the following new
2 subsection:

3 “(m) Notwithstanding subsections (a) and (b) of this
4 section and section 109(b)(2), an involuntary case may be
5 commenced by the Federal Deposit Insurance Corporation
6 against a covered financial company (as defined in section
7 1602(5) of the Dissolution Authority for Large, Inter-
8 connected Financial Companies Act of 2009). Such invol-
9 untary case may be commenced by the Federal Deposit
10 Insurance Corporation in accordance with section 1607 of
11 that Act.”.

12 (3) Title 11, United States Code, is amended by
13 inserting after section 303 the following new section:

14 **“SEC. 304. CASES INVOLVING FDIC DISSOLUTION AUTHOR-**
15 **ITY.**

16 “(a) APPOINTMENT.—In any case commenced by the
17 Federal Deposit Insurance Corporation under section
18 303(m), on the request of the Federal Deposit Insurance
19 Corporation, such Corporation shall be appointed to serve
20 as trustee in such case, notwithstanding any other provi-
21 sion of this title.

22 “(b) QUALIFICATION.—Sections 321, 322, 324, and
23 326 shall not apply with respect to the appointment or
24 service of such Corporation as trustee in any case so com-
25 menced.”.

Page 436, after line 11, insert the following new section:

1 **SEC. 1615. STUDY ON THE EFFECT OF SAFE HARBOR PROVI-**
2 **SIONS IN INSOLVENCY CASES.**

3 (a) STUDY.—The Comptroller General of the United
4 States shall conduct a study of the safe harbor provisions
5 under Federal law for derivatives, swaps, and securities
6 transactions addressing—

7 (1) how the safe harbor provisions have been
8 applied in insolvency cases;

9 (2) how such provisions impact the rights of
10 parties in interest in insolvency cases;

11 (3) whether these provisions impede or interfere
12 with allowing a debtor a reasonable period of time
13 to pursue rehabilitation and reorganization; and

14 (4) whether these provisions had an adverse im-
15 pact on the financial marketplace.

16 (b) REPORT TO THE CONGRESS.—Not later than 180
17 days after the date of the enactment of this title, the
18 Comptroller General shall submit to the President pro
19 tempore of the Senate and the Speaker of the House of
20 Representatives a report on the results of the study con-
21 ducted under subsection (a), together with any rec-
22 ommendations for legislation to address any adverse im-
23 pacts presented by the Federal safe harbor provisions.

Page 643, strike line 23, and all that follows through page 644, line 7.

Page 768, beginning on line 4, strike “, TAX PREPARERS, AND ATTORNEYS” and insert “AND TAX PREPARERS”.

Page 769, line 5, insert “or” after the semicolon.

Page 769, beginning on line 8, strike “; or” and insert a period.

Page 769, strike line 10 and all that follows through page 770, line 4 (and redesignate succeeding paragraphs accordingly).

Page 770, line 15, strike “or (1)(C)”.

Page 770, line 20, strike “, (1)(B) or (1)(C)” and insert “or (1)(B)”.

Page 776, after line 19, insert the following new subsection:

1 (1) EXCLUSION FOR PRACTICE OF LAW.—

2 (1) IN GENERAL.—Except as provided under
3 paragraph (2), nothing in this title shall apply with
4 respect to an activity engaged in by an attorney, or
5 engaged in under the direction of an attorney, as

1 part of the practice of law under the laws of a State
2 in which the attorney is licensed to practice law.

3 (2) RULE OF CONSTRUCTION.—

4 (A) IN GENERAL.—Paragraph (1) shall not
5 be construed to limit the exercise by the Direc-
6 tor and the Agency of any rulemaking, super-
7 visory, enforcement, or other authority, includ-
8 ing authority to order assessments, regarding
9 any activity that is a financial activity described
10 in any subparagraph of section 4002(19) and is
11 not engaged in as—

12 (i) part of the practice of law; or
13 (ii) incidental to the practice of law,
14 to the extent that such activity is provided
15 exclusively within the scope of the attor-
16 ney-client relationship and is not otherwise
17 provided by or under the direction of the
18 attorney to any consumer who is not re-
19 ceiving legal advice or services from the at-
20 torney in connection with such activity.

21 (B) CONSTRUCTION.—Paragraph (1) shall
22 not be construed to limit the authority of the
23 Director and the Agency with respect to any ac-
24 tivity to the extent that such activity is other-
25 wise subject to any of the enumerated consumer

1 laws or the authorities transferred under sub-
2 titles F or H.

3 (3) EXCEPTION.—Notwithstanding paragraph
4 (1), an individual who provides legal advice or serv-
5 ices related to preventing a foreclosure shall be sub-
6 ject to this title unless such individual provides fore-
7 closure prevention services in connection with—

8 (A) the preparation and filing of a bank-
9 ruptcy petition; or

10 (B) court proceedings to avoid a fore-
11 closure.

Page 844, strike lines 18 through 20 and redesignate succeeding paragraphs accordingly.

Page 846, beginning on line 25, strike “the district court of the United States for any district in which such person is found, resides, or transacts business” and insert “an appropriate United States district court may”.

Page 847, line 5, strike “shall have jurisdiction to”.

Page 847, strike lines 9 through 11.

Page 851, strike lines 1 through 10.

Page 854, beginning on line 7, strike “Any Agency investigator” and insert “The examination of any person pursuant to a demand for oral testimony served under

this subsection shall be taken before an officer authorized to administer oaths and affirmations by the laws of the United States or of the place where the examination is held. The officer”.

Page 854, beginning on line 12, strike “investigator” and insert “officer”.

Page 854, beginning on line 19, strike “Agency investigator” and insert “officer”.

Page 858, line 12, after “it,” insert “the officer or”.

Page 858, line 19, strike “Agency investigator” and insert “officer”.

Page 858, line 23, insert “the officer or” before “the Agency”.

Page 880, line 11, strike “may” and insert “shall”.

Page 1118, beginning on line 20, strike “and shall be subject” and all that follows through line 21 and insert a period.

Page 1144, strike line 16 and all that follows through the item after line 18, page 1145, and insert the following:

1 **SEC. 7214. EXPANDED ACCESS TO GRAND JURY INFORMA-**
2 **TION.**

3 Subsection (b) of section 3322 of title 18, United
4 States Code, is amended—

5 (1) in paragraph (1), by striking “matters oc-
6 ccurring before a grand jury” and inserting “grand
7 jury information obtained”;

8 (2) by redesignating paragraph (2) as para-
9 graph (3);

10 (3) in paragraph (3) (as so redesignated), by
11 inserting “or (2)” after “(1)”; and

12 (4) by inserting after paragraph (1), the fol-
13 lowing new paragraph:

14 “(2) Upon motion of an attorney for the gov-
15 ernment, a court may direct disclosure of grand jury
16 information obtained during an investigation of a se-
17 curities law violation to identified personnel of the
18 Securities and Exchange Commission—

19 “(A) for use in relation to any matter
20 within the jurisdiction of the Commission; or

21 “(B) to assist an attorney for the govern-
22 ment to whom matters have been disclosed
23 under subsection (a).”.

