

MOTION TO RECOMMIT H.R. 2396

M____. _____ moves to recommit the bill H.R. 2396 to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

In subsection (g)(3) of the matter proposed to be inserted by section 2 of the bill, insert after subparagraph (B) the following flush-left text: “For purposes of this subsection, the term ‘vehicle financial company’ does not include a financial institution that is engaging or has engaged in a pattern or practice of unsafe or unsound banking practices and other violations related to consumer harm.”.

Add at the end the following:

1 “(4) ADDITIONAL DEFINITIONS.—For purposes
2 of this section:

3 “(A) FEDERAL CONSUMER FINANCIAL
4 LAW.—The term ‘Federal consumer financial
5 law’ has the meaning given that term under
6 section 1002 of the Consumer Financial Protec-
7 tion Act of 2010 (12 U.S.C. 5481).

1 “(B) PATTERN OR PRACTICE OF UNSAFE
2 OR UNSOUND BANKING PRACTICES AND OTHER
3 VIOLATIONS RELATED TO CONSUMER HARM.—

4 The term ‘pattern or practice of unsafe or un-
5 sound banking practices and other violations re-
6 lated to consumer harm’ means engaging in all
7 of the following activities, to the extent each ac-
8 tivity was discovered or occurred at least once
9 in the 10 years preceding the date of the enact-
10 ment of this Act:

11 “(i) Having unsafe or unsound prac-
12 tices in the institution’s risk management
13 and oversight of the institution’s sales
14 practices, as evidenced by—

15 “(I) an institution lacking an en-
16 terprise-wide sales practices oversight
17 program that enables the institution
18 to adequately monitor sales practices
19 to prevent and detect unsafe or un-
20 sound sales practices and mitigate
21 risks that may result from such un-
22 safe and unsound sales practices; and

23 “(II) an institution lacking a
24 comprehensive customer complaint
25 monitoring process that—

1 “(aa) enables the institution
2 to assess customer complaint ac-
3 tivity across the institution;

4 “(bb) adequately monitors,
5 manages, and reports on cus-
6 tomer complaints; and

7 “(cc) analyzes and under-
8 stands the potential risks posed
9 by the institution’s sales prac-
10 tices.

11 “(ii) Engaging in unsafe and unsound
12 sales practices, as evidenced by the institu-
13 tion—

14 “(I) opening more than one mil-
15 lion unauthorized deposit, credit card,
16 or other accounts;

17 “(II) performing unauthorized
18 transfers of customer funds; and

19 “(III) performing unauthorized
20 credit inquiries for purposes of the
21 conduct described in subclause (I) or
22 (II).

23 “(iii) Lacking adequate oversight of
24 third-party vendors for purposes of risk-
25 mitigation, to prevent abusive and decep-

1 tive practices in the vendor’s provision of
2 consumer products or services.

3 “(iv) Having deficient policies and
4 procedures for sharing customers’ personal
5 identifiable information with third-party
6 vendors for litigation purposes that led to
7 inadvertent disclosure of such information
8 to unintended parties.

9 “(v) Violating Federal consumer fi-
10 nancial laws with respect to mortgage
11 loans, including charges of hidden fees and
12 unauthorized or improper disclosures tied
13 to home mortgage loan modifications.

14 “(vi) Engaging in unsafe or unsound
15 banking practices related to residential
16 mortgage loan servicing and foreclosure
17 processing.

18 “(vii) Violating the Servicemembers
19 Civil Relief Act.”.

