

MOTION TO RECOMMIT H.R. 4296

M____. _____ moves to recommit the bill H.R. 4296 to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

In section 1(b)(2), redesignate subparagraphs (A), (B), (C), (D), and (E) as clauses (i), (ii), (iii), (iv), and (v), respectively, and adjust the margins accordingly.

Page 2, line 16, strike “means—” and insert the following: “—

1 (A) means—

Page 3, line 7, strike the period and insert “; and”.

Page 3, after line 7, insert the following:

2 (B) does not include a global systemically
3 important bank holding company or any sub-
4 sidiary thereof, if the global systemically impor-
5 tant bank holding company or any subsidiary
6 thereof has engaged in a pattern or practice of
7 unsafe or unsound banking practices and other
8 violations related to consumer harm.

1 (3) FEDERAL CONSUMER FINANCIAL LAW.—

2 The term “Federal consumer financial law” has the
3 meaning given that term under section 1002 of the
4 Consumer Financial Protection Act of 2010 (12
5 U.S.C. 5481).

6 (4) GLOBAL SYSTEMICALLY IMPORTANT BANK
7 HOLDING COMPANY.—

8 (A) IN GENERAL.—The term “global sys-
9 temically important bank holding company”
10 means—

11 (i) a bank holding company that has
12 been identified by the Board of Governors
13 of the Federal Reserve System as a global
14 systemically important bank holding com-
15 pany pursuant to section 217.402 of title
16 12, Code of Federal Regulations; and

17 (ii) a global systemically important
18 foreign banking organization, as defined
19 under section 252.2 of title 12, Code of
20 Federal Regulations.

21 (B) TREATMENT OF EXISTING GSIBS.—A
22 company or organization described under clause
23 (i) or (ii) of subparagraph (A) on the date of
24 the enactment of this Act shall be deemed a

1 global systemically important bank holding com-
2 pany for purposes of this Act.

3 (5) PATTERN OR PRACTICE OF UNSAFE OR UN-
4 SOUND BANKING PRACTICES AND OTHER VIOLA-
5 TIONS RELATED TO CONSUMER HARM.—The term
6 “pattern or practice of unsafe or unsound banking
7 practices and other violations related to consumer
8 harm” means engaging in all of the following activi-
9 ties, to the extent each activity was discovered or oc-
10 curred at least once in the 10 years preceding the
11 date of the enactment of this Act:

12 (A) Having unsafe or unsound practices in
13 the institution’s risk management and oversight
14 of the institution’s sales practices, as evidenced
15 by—

16 (i) an institution lacking an enter-
17 prise-wide sales practices oversight pro-
18 gram that enables the institution to ade-
19 quately monitor sales practices to prevent
20 and detect unsafe or unsound sales prac-
21 tices and mitigate risks that may result
22 from such unsafe and unsound sales prac-
23 tices; and

1 (ii) an institution lacking a com-
2 prehensive customer complaint monitoring
3 process that—

4 (I) enables the institution to as-
5 sess customer complaint activity
6 across the institution;

7 (II) adequately monitors, man-
8 ages, and reports on customer com-
9 plaints; and

10 (III) analyzes and understands
11 the potential risks posed by the insti-
12 tution's sales practices.

13 (B) Engaging in unsafe and unsound sales
14 practices, as evidenced by the institution—

15 (i) opening more than one million un-
16 authorized deposit, credit card, or other
17 accounts;

18 (ii) performing unauthorized transfers
19 of customer funds; and

20 (iii) performing unauthorized credit
21 inquiries for purposes of the conduct de-
22 scribed in clause (i) or (ii).

23 (C) Lacking adequate oversight of third-
24 party vendors for purposes of risk-mitigation, to
25 prevent abusive and deceptive practices in the

1 vendor's provision of consumer products or
2 services.

3 (D) Having deficient policies and proce-
4 dures for sharing customers' personal identifi-
5 able information with third-party vendors for
6 litigation purposes that led to inadvertent dis-
7 closure of such information to unintended par-
8 ties.

9 (E) Violating Federal consumer financial
10 laws with respect to mortgage loans, including
11 charges of hidden fees and unauthorized or im-
12 proper disclosures tied to home mortgage loan
13 modifications.

14 (F) Engaging in unsafe or unsound bank-
15 ing practices related to residential mortgage
16 loan servicing and foreclosure processing.

17 (G) Violating the Servicemembers Civil Re-
18 lief Act.

