

## 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.”.

