

# Union Calendar No. 294

110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3526

[Report No. 110–472, Parts I and II]

To include all banking agencies within the existing regulatory authority under the Federal Trade Commission Act with respect to depository institutions, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2007

Mr. FRANK of Massachusetts introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

DECEMBER 5, 2007

Additional sponsor: Mr. DINGELL

DECEMBER 5, 2007

Reported from the Committee on Financial Services

DECEMBER 5, 2007

Reported from the Committee on Energy and Commerce with an amendment; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

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## A BILL

To include all banking agencies within the existing regulatory

authority under the Federal Trade Commission Act with respect to depository institutions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INCLUSION OF ALL BANKING AGENCIES.**

4 (a) **IN GENERAL.**—The second sentence of section  
5 18(f)(1) of the Federal Trade Commission Act (15 U.S.C.  
6 57a(f)(1)) is amended—

7 (1) by striking “The Board of Governors of the  
8 Federal Reserve System (with respect to banks) and  
9 the Federal Home Loan Bank Board (with respect  
10 to savings and loan institutions described in para-  
11 graph (3))” and inserting “Each Federal banking  
12 agency (with respect to depository institutions);  
13 and

14 (2) by inserting “, which shall be prescribed  
15 jointly by such agencies to the extent practicable,”  
16 after “shall prescribe regulations”.

17 (b) **TECHNICAL AND CONFORMING AMENDMENTS.**—  
18 Section 18(f) of the Federal Trade Commission Act (15  
19 U.S.C. 57a(f)(1)) is amended—

20 (1) in the first sentence of paragraph (1)—

21 (A) by striking “banks or savings and loan  
22 institutions described in paragraph (3), each  
23 agency specified in paragraph (2) or (3)” and  
24 inserting “depository institutions, the Federal

1 banking agencies and the National Credit  
2 Union Administration Board”;

3 (2) in the third sentence of paragraph (1)—

4 (A) by striking “each such Board” and in-  
5 serting “each such banking agency and the Na-  
6 tional Credit Union Administration Board”;

7 (B) by striking “banks or savings and loan  
8 institutions described in paragraph (3)” each  
9 place such term appears and inserting “deposi-  
10 tory institutions”; and

11 (C) by striking “with respect to banks,  
12 savings and loan institutions” and inserting  
13 “with respect to depository institutions”;

14 (3) by adding at the end of paragraph (1) the  
15 following new sentence: “For purposes of this sub-  
16 section, the terms ‘Federal banking agency’ and ‘de-  
17 pository institution’ have the same meaning as in  
18 section 3 of the Federal Deposit Insurance Act.”;

19 (4) in paragraph (3), by inserting “by the Di-  
20 rector of the Office of Thrift Supervision” before the  
21 period at the end;

22 (5) in paragraph (4), by inserting “by the Na-  
23 tional Credit Union Administration” before the pe-  
24 riod at the end; and

1           (6) in paragraph (6), by striking “the Board of  
2           Governors of the Federal Reserve System” and in-  
3           serting “any Federal banking agency or the National  
4           Credit Union Administration Board”.

5 **SECTION 1. INCLUSION OF ALL BANKING AGENCIES.**

6           (a) *IN GENERAL.*—*The second sentence of section*  
7 *18(f)(1) of the Federal Trade Commission Act (15 U.S.C.*  
8 *57a(f)(1)) is amended—*

9           (1) *by striking “The Board of Governors of the*  
10 *Federal Reserve System (with respect to banks) and*  
11 *the Federal Home Loan Bank Board (with respect to*  
12 *savings and loan institutions described in paragraph*  
13 *(3))” and inserting “Each Federal banking agency*  
14 *(with respect to depository institutions), in consulta-*  
15 *tion with the Commission,”; and*

16           (2) *by inserting “in consultation with the Com-*  
17 *mission” after “shall prescribe regulations”.*

18           (b) *FTC CONCURRENT RULEMAKING.*—*Section 18(f) of*  
19 *such Act is further amended by inserting after the second*  
20 *sentence the following: “Such regulations shall be prescribed*  
21 *jointly by such agencies to the extent practicable. Notwith-*  
22 *standing any other provision of this section, whenever such*  
23 *agencies commence such a rulemaking proceeding, the Com-*  
24 *mission, with respect to the entities within its jurisdiction*  
25 *under this Act, may commence a rulemaking proceeding*

1 *and prescribe regulations in accordance with section 553*  
2 *of title 5, United States Code. If the Commission commences*  
3 *such a rulemaking proceeding, the Commission, the Federal*  
4 *banking agencies, and the National Credit Union Adminis-*  
5 *tration Board shall consult and coordinate with each other*  
6 *so that the regulations prescribed by each such agency are*  
7 *consistent with and comparable to the regulations pre-*  
8 *scribed by each other such agency to the extent practicable.”.*

9       (c) *GAO STUDY AND REPORT.*—*Not later than 18*  
10 *months after the date of enactment of this Act, the Comp-*  
11 *troller General shall transmit to Congress a report on the*  
12 *status of regulations of the Federal banking agencies and*  
13 *the National Credit Union Administration regarding un-*  
14 *fair and deceptive acts or practices by the depository insti-*  
15 *tutions.*

16       (d) *TECHNICAL AND CONFORMING AMENDMENTS.*—  
17 *Section 18(f) of the Federal Trade Commission Act (15*  
18 *U.S.C. 57a(f)) is amended—*

19               (1) *in the first sentence of paragraph (1)—*

20                       (A) *by striking “banks or savings and loan*  
21 *institutions described in paragraph (3), each*  
22 *agency specified in paragraph (2) or (3)” and*  
23 *inserting “depository institutions, the Federal*  
24 *banking agencies and the National Credit Union*  
25 *Administration Board”;*

1           (2) *in the third sentence of paragraph (1)—*

2                   (A) *by striking “each such Board” and in-*  
3                   *serting “each such banking agency and the Na-*  
4                   *tional Credit Union Administration Board”;*

5                   (B) *by striking “banks or savings and loan*  
6                   *institutions described in paragraph (3)” each*  
7                   *place such term appears and inserting “deposi-*  
8                   *tory institutions”;* and

9                   (C) *by striking “with respect to banks, sav-*  
10                   *ings and loan institutions” and inserting “with*  
11                   *respect to depository institutions”;*

12           (3) *by adding at the end of paragraph (1) the*  
13           *following new sentence: “For purposes of this sub-*  
14           *section, the terms ‘Federal banking agency’ and ‘de-*  
15           *pository institution’ have the same meaning as in sec-*  
16           *tion 3 of the Federal Deposit Insurance Act.”;*

17           (4) *in paragraph (3), by inserting “by the Direc-*  
18           *tor of the Office of Thrift Supervision” before the pe-*  
19           *riod at the end;*

20           (5) *in paragraph (4), by inserting “by the Na-*  
21           *tional Credit Union Administration” before the pe-*  
22           *riod at the end; and*

23           (6) *in paragraph (6), by striking “the Board of*  
24           *Governors of the Federal Reserve System” and insert-*

- 1        *ing “any Federal banking agency or the National*
- 2        *Credit Union Administration Board”.*

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