

[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R.

To amend the Consumer Financial Protection Act of 2010 to clarify the funding of the Bureau of Consumer Financial Protection, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. HILL introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Consumer Financial Protection Act of 2010 to clarify the funding of the Bureau of Consumer Financial Protection, and for other purposes.

1 *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Reserve Loss
5 Transparency Act”.

6 **SEC. 2. BUREAU FUNDING.**

7 Section 1017(a) of the Consumer Financial Protection
8 Act of 2010 (12 U.S.C. 5497(a)) is amended—

5 “(3) PROHIBITION ON TRANSFER WHEN THE
6 FEDERAL RESERVE BANKS INCUR A LOSS.—Notwith-
7 standing paragraph (1), no transfer may be made to
8 the Bureau if the Federal reserve banks, in the ag-
9 gregate, incurred an operating loss in the most re-
10 cently completed calendar quarter until the loss is
11 offset with subsequent earnings.”.

12 SEC. 3. CALCULATION OF NET EARNINGS AND TOTAL CAP- 13 ITAL USING GAAP.

14 Section 7 of the Federal Reserve Act (12 U.S.C. 289
15 et seq.) is amended—

16 (1) by redesignating the second subsection (b)
17 (relating to the use of earnings transferred to the
18 Secretary) and subsection (c) as subsections (c) and
19 (d), respectively; and

20 (2) by adding at the end the following:

21 “(e) CALCULATION OF NET EARNINGS AND TOTAL
22 CAPITAL USING GAAP.—For purposes of this section, net
23 earnings and total capital shall be calculated in accordance
24 with U.S. generally accepted accounting principles.”.