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October 30, 2020

To: NIADA
From: Sante Esposito
Subject: October Monthly Report

2020 Remaining Schedule

The House is in recess until Nov. 16 and the Senate subject to the call of the chair. Because of the Continuing Resolution expiration date, there will be a lame duck session, probably lasting until the December holidays. The legislative agenda for the session will depend, to a great extent, on the results of the election, not only regarding the presidency but control of the Senate. Because this is the end of the second session of the current Congress, any bills that don't become law by the time of adjournment "die" and will have to start over in the new Congress next year.

Lame Duck Session

What happens with current legislation in the lame duck session is tied to the election. If there is no change – the President wins and the Republicans hold the Senate - then the lame duck session will likely be a scramble to pass pending legislation. If Biden wins and the Senate flips to a Democrat majority, then it is likely that most pending bills will spill over (start again) in the new Congress to improve the outcome for Democrats. If it is a hybrid (Trump win/Democrat Senate or Biden win/Republican Senate), then it's anyone's guess what will happen in the lame duck session.

Safety Recalls

Status: No change since the last report. The original Blumenthal bill (S.1971, introduced June 25, 2019), which requires auto dealers to fix outstanding safety recalls before selling, leasing, or loaning (new addition from previous bills) a used motor vehicle and specifies that auctions would also be subject to the requirement unless determined otherwise by rule making, is still pending before the Commerce Committee. To date, Congresswoman Schakowsky has not introduced a House companion bill, which she has done in past congress. On Sept. 11, Congressman Raja Krishnamoorthi (D-8-IL), Chairman of the Oversight Subcommittee on Economic and Consumer Policy of the Committee on Oversight and Reform, wrote to the General Services Administration to request information on GSA's policies on the sale and lease

of cars and trucks subject to recall. This follows an amendment he and Congresswoman Schakowsky offered to the FY21 Financial Services and General Government Appropriations bill that passed the House in July to ban the sale of recalled GSA vehicles. To date, no Senate action on the Appropriations bill. In addition, the safety recall issue was not included in the House Democratic mega infrastructure bill – H.R. 2..

USMCA Impact

The Association, in conjunction with other stakeholders, is pursuing with the Administration, primarily with the office of the U.S. Trade Representative, concerns it has regarding the impact of the new tariff increase on vehicles manufactured prior to July 1, 2020, the effective date of the USMCA.

FAIR Act (Forced Arbitration Injustice Repeal Act)

Status: No change since the last report. Senate action on Blumenthal and House bill unlikely.

To review, on Feb. 28, Senator Blumenthal introduced S.610, now with 38 cosponsors, which would prohibit a pre-dispute arbitration agreement from being valid or enforceable if it requires arbitration of an employment, consumer, antitrust, or civil rights dispute. A House companion bill, H.R. 1423, was introduced by Congressman Henry Johnson (D-GA-4), also on Feb. 28. It has 222 cosponsors – all Democrats. On September 20, the House passed the bill by a vote of 225-186.

CFPB Accounting Standards Study

Status: No change since the last report. Further congressional action unclear given November 2019 directive by the Financial Accounting Standards Board to delay implementation of the new standards.

To review, on May 21, Senator Thom Tillis (R-NC) introduced S.1564, the “Continued Encouragement for Consumer Lending Act,” with 9 (now 20) Republican cosponsors. On June 10, Congressman Vicente Gonzalez (D-TX-15) introduced H.R. 3182, the companion bill, with 41 bipartisan cosponsors (now 68). Both bills would require the CFPB and other agencies to carry out a one-year study relating to accounting standards, focusing on the impact on credit availability, regulatory capital, financial institutions, investor decisions, and U.S. institutions.

CFPB Executive Director

Status: Supreme Court decision announced.

By a vote of 5-4, the Court ruled that the Constitution requires that the President has unfettered discretion to fire the head of the CFPB. However, the Court rejected arguments that the entire agency should be shut down. The majority backed the decision eliminating restrictions on dismissal of leaders of so-called single member agencies.

Minimum Wage

Status: No change since the last report. No Senate action expected on either Sanders or House bills.

To review, on July 18, the House passed H.R. 582, "Raise the Wage Act," that would raise the federal hourly minimum to \$15 by 2024 (with yearly increments @ \$1.30) and also phase out the so-called "subminimum" wages for tipped workers, young workers and workers with disabilities. Previously, on Jan. 16, Senator Bernie Sanders introduced S. 150, basically the same bill, with 31 (now 32) Democratic cosponsors.

H.R. 1500, "Consumers First Act"

Status: No change since the last report. No Senate action expected.

To review, on May 22, the House passed H.R. 1500, the "Consumers First Act" on a party line vote of 231-191. On May 23, the bill was referred to the Senate Banking Committee. No Senate action to date. The bill, authored by Congresswoman Maxine Waters, Chair of the Financial Services Committee, revises provisions related to the administration of the Consumer Financial Protection Bureau (CFPB), including establishing requirements for staffing levels, political appointees, and the publication of consumer complaints regarding consumer financial products or services; states the duties of the Office of Fair Lending and Equal Opportunity (under current law, these are delegated by the CFPB Director); adds the duty to implement enforcement and supervisory authority regarding the fair lending laws; amends all statutory references to the "Bureau of Consumer Financial Protection" to refer instead to the "Consumer Financial Protection Bureau;" and, revises membership and meeting requirements for the Consumer Advisory Board.

Debt Collection Bills

Status: No change since the last report. House passage expected of most if not all. No Senate action expected except possibly for H.R. 5003 (highlighted below) which has passed the House.

The Ending Debt Collection Harassment Act of 2019 (H.R. 5021), a bill by Representative Ayanna Pressley (D-MA), to amend the Fair Debt Collection Practices Act (FDCPA) to prohibit a debt collector from contacting a consumer by email or text message without a consumer's consent to be contacted electronically, and prohibits the Consumer Financial Protection Bureau (CFPB) from issuing any rules implementing the FDCPA that allow a debt collector to send unlimited email and text messages to a consumer.

The Small Business Fair Debt Collection Protection Act (H.R. 5013), a bill by Representative Al Lawson (D-FL) that expands the FDCPA's protections to cover small business loans.

The Fair Debt Collection Practices for Service Members Act (**H.R. 5003**), a bill by Representative Madeleine Dean (D-PA) that amends the FDCPA to prohibit debt collectors from threatening service members or their families to have a service member's rank reduced, have

their security clearance revoked, have them prosecuted under the Uniform Code of Military Justice, or communicating with a service member's chain of command to locate a service member.

The Small Business Lending Fairness Act (H.R. 3490), a bill by Representative Nydia Velázquez (D-NY), that would amend the Truth in Lending Act (TILA) to restrict the use of predatory small business loan contract clauses called "confessions of judgment."

Military Lending

Status: DOD withdrew concerned issue in the MLA rule with formal filing. DOD had announced its intent to issue a proposed rulemaking in Jan. 2020.

E-Titling/Salvage Branding

A titling issue has arisen in some states (Ohio, Nevada, Virginia, Oregon etc.) having to do with salvage branding per the JSI information reported to the NMVITIS data base. The Association, in conjunction with other stakeholders, is assessing the situation and its impact on the industry.

NHTSA State Pilot Registration Recall Notification Program

NHTSA announced a grant program that will give states funding to help drivers learn about and repair safety recalls on their vehicles. Up to six states will receive part of \$1.5M. after what DOT said was a successful pilot in Maryland. Closing date for applications was Sept. 15.

Schumer's Clean Cars for America Plan

Status: No change since the last report. Bill introduction of the plan is still a possibility.

To review, Senator Chuck Schumer (D-NY), Minority Leader, announced his Clean Cars for America Plan (not a bill as yet, a concept plan). The Plan would give consumers a cash voucher to trade-in their gas-powered cars and buy U.S.-assembled plug-in electric, plug-in hybrid, or hydrogen fuel cell cars; establish a new grant program for access to charging infrastructure; and, provide incentives for manufacturers to build new factories or re-tool existing factories to assemble zero-emission vehicles or manufacture charging components. The Plan is supported by the Sierra Club, the NRDC, the League of Conservation Votes various labor unions, Ford and General Motors. Schumer said the Plan would result in 63 million fewer carbon-emitting cars and would create tens of thousands of good-paying jobs.

Auto Caucuses

Status: No change since the last report. Activities this year unclear.

Congresswoman Kaptur (D-OH) and Congressman Kelly (R-PA) are co-chairs of the House Auto Caucus. Senator Portman (R-OH) and Senator Brown (D-OH) are co-chairs of the Senate Auto Caucus. No events to date and none planned as well.

Bill Tracking

Note: Status updated when bill advances beyond introduction. Summary included when it become available.

S.3612, **Small Business Expense Protection Act of 2020**

Sponsor: [Sen. Cornyn, John \[R-TX\]](#) (Introduced 05/05/2020) Cosponsors: (23)
Committee: Finance. This bill amends the Coronavirus Aid, Relief, and Economic Security Act to provide that tax deductions for ordinary business expenses and other tax incidents shall not be affected by the exclusion from gross income of amounts related to loan forgiveness received in response to COVID-19 (i.e., coronavirus disease 2019).

H.R.6776, **JOBS Credit Act of 2020**

Sponsor: [Rep. Murphy, Stephanie N. \[D-FL-7\]](#) (Introduced 05/08/2020) Cosponsors: (25) Committees: Ways and Means; Small Business

H.R.5322, **Ensuring Diversity in Community Banking Act of 2019**

Sponsor: [Rep. Meeks, Gregory W. \[D-NY-5\]](#) (Introduced 12/05/2019) Cosponsors: (7)
Committees: Financial Services; Small Business. This bill establishes and revises provisions related to minority depository institutions, community development financial institutions, and impact banks. The bill (1) expands the definition of minority depository institutions to include women-owned banks, and (2) establishes impact banks as depository institutions with total assets less than \$10 billion and where at least 50% of loans are extended to low-income borrowers. The bill establishes a program allowing minority depository institutions and impact banks to receive deposits from certain Department of the Treasury accounts through designated custodial entities. It also establishes the Minority Bank Deposit Program to ensure the use of minority banks and minority credit unions to the maximum extent possible to serve the financial needs of federal departments and agencies. Federal banking agencies must issue rules allowing new minority depository institutions and impact banks three years to meet capital requirements. **Status:** passed the House on 9/21/2020

S.2637, **Mind Your Own Business Act of 2019**

Sponsor: [Sen. Wyden, Ron \[D-OR\]](#) (Introduced 10/17/2019) Cosponsors: (0)
Committee: Finance

S.2833, **Veterans and Consumers Fair Credit Act**

Sponsor: [Sen. Merkley, Jeff \[D-OR\]](#) (Introduced 11/12/2019) Cosponsors: (7)
Committee: Banking, Housing, and Urban Affairs. This bill applies certain military consumer credit protections to all consumers. Specifically, the bill caps the interest rate on extensions of consumer credit at 36%.

H.R. 3614, **Restricting Use of Credit Checks for Employment Decisions Act**

Sponsor: [Rep. Lawson, Al, Jr. \[D-FL-5\]](#) (Introduced 07/02/2019) Cosponsors: (5)
Committee: Financial Services. Bans the use of credit information for most employment

decisions, except when required by law or for a national security clearance. **Status:** reported on 11/21/2019.

H.R. 3618, Free Credit Scores for Consumers Act of 2019

Sponsor: Rep. Beatty, Joyce [D-OH-3] (Introduced 07/05/2019) Cosponsors: (1) Committee: Financial Services. Requires consumer reporting agencies to give consumers free copies of their credit scores that are used by creditors. **Status:** reported on 11/21/2019.

H.R. 3622, Restoring Unfairly Impaired Credit and Protecting Consumers Act

Sponsor: Rep. Tlaib, Rashida [D-MI-13] (Introduced 07/05/2019) Cosponsors: (0) Committee: Financial Services. Shortens the time period in which adverse information would stay on a consumer report from seven years to four years. **Status:** reported on 12/23/2019.

H.R. 3642, Improving Credit Reporting for All Consumers Act

Sponsor: Rep. Adams, Alma S. [D-NC-12] (Introduced 07/09/2019) Cosponsors: (0) Committee: Financial Services. Improves the process for consumers to resolve inaccuracies on their credit reports, including by creating a new right to appeal credit reporting decisions, and direct the Consumer Financial Protection Bureau (CFPB) to develop minimum standards for the credit reporting agencies. **Status:** reported on 12/23/2019.

H.R. 3629, Clarity in Credit Score Formation Act of 2019

Introduced by Congressman Stephen Lynch (D-MA-8) on July 9. The bill, with 1 cosponsor, would establish oversight on the development of credit scoring models by the Bureau. **Status:** reported on 11/21/2019.

S.187, CFPB-IG Act

Sponsor: Sen. Portman, Rob [OH] (Introduced 01/17/2019) Cosponsors: (9) Committee: Banking, Housing, and Urban Affairs. Repeals the authority of the Federal Reserve Board to appoint the Inspector General of the Consumer Financial Protection Bureau (CFPB). The CFPB Inspector General shall be appointed by the President, by and with the advice and consent of the Senate.

S.453, Consumer Financial Protection Bureau Accountability Act

Sponsor: Sen. Perdue, David [R-GA] (Introduced 02/12/2019) Cosponsors: (18) Committee: Banking, Housing, and Urban Affairs. This bill changes the source of funding for the Consumer Financial Protection Bureau (CFPB) from Federal Reserve System transfers to annual appropriations. Under current law, the transfers from the Federal Reserve System permit the CFPB to be funded outside of the annual appropriations process.

S.121, Automotive Jobs Act of 2019

Sponsor: Sen. Jones, Doug [D-AL] (Introduced 01/15/2019) Cosponsors: (2) Committee: Finance. This bill directs the U.S. International Trade Commission (USITC) to report on the status of the U.S. automotive industry. The bill suspends the Department of Commerce's investigation initiated on May 23, 2018, regarding the effects on national security of importing automobiles and automotive parts until the USITC submits its report to the President and Congress and the President subsequently determines whether to reopen the investigation.

H.R.1710, Automotive Jobs Act of 2019

Sponsor: Rep. Sewell, Terri (D- AL-

7](Introduced03/13/2019) Cosponsors: (1) Committees: Ways and Means and Energy and Commerce. This bill directs the U.S. International Trade Commission (USITC) to report on the status of the U.S. automotive industry. The bill suspends the Department of Commerce's investigation initiated on May 23, 2018, regarding the effects on national security of importing automobiles and automotive parts until the USITC submits its report to the President and Congress and the President subsequently determines whether to reopen the investigation.

S.1205, Protections in Consumer Lending Act

Sponsor: Sen. Gillibrand, Kirsten E. [D-

NY] (Introduced04/11/2019) Cosponsors: (3) Committee: Banking, Housing, and Urban Affairs.

This bill requires creditors to collect specified demographic information regarding applicants for certain credit transactions (e.g., automobile loans, credit cards, and payday loans) and the outcomes of these applications. The creditor must report this information to the Consumer Financial Protection Bureau (CFPB).

The CFPB must use this information to determine whether a creditor is engaging in discriminatory practices and may take enforcement action.

S.1230, Protecting Consumers from Unreasonable Credit Rates Act of 2019

Sponsor: Sen. Durbin, Richard J. [D-IL] (Introduced 04/29/2019) Cosponsors: (3)

Committee: Banking, Housing, and Urban Affairs. To amend the Truth in Lending Act to establish a national usury rate for consumer credit transactions.

S.869, Independent Agency Regulatory Analysis Act

Sponsor: Sen. Portman, Rob [R-OH] (Introduced 03/26/2019) Cosponsors: (4)

Committees: Homeland Security and Governmental Affairs. To amend the Truth in Lending Act to establish a national usury rate for consumer credit transactions.

S. 1335, Repeal CFPB Act

Sponsor: Sen. Cruz, Ted [R-TX] (Introduced 05/06/2019) Cosponsors: (8) Committee: Banking, Housing, and Urban Affairs. Repeals the Consumer Financial Protection Act of 2010, which established the Consumer Financial Protection Bureau.

H.R.2904, Financial Protection for Our Military Families Act

Sponsor: Rep. Barr, Andy [R-KY-6] (Introduced 05/22/2019) Cosponsors: (0)

Committees: Financial Services, Armed Services. Extends the supervisory authority of the Consumer Financial Protection Bureau to credit protections applicable to certain active duty members of the armed forces and their dependents.

H.R.442, Financial Protection for Our Military Families Act

Sponsor: Rep. Barr, Andy [R-KY-6] (Introduced 01/10/2019) Cosponsors: (0)

Committees: Financial Services, Armed Services. Extends the supervisory authority of the Consumer Financial Protection Bureau to credit protections applicable to certain active duty members of the armed forces and their dependents.

H.R.5393, Affordable American-made Automobile Act

Sponsor: Rep. Speier, Jackie [D-CA-14] (Introduced 12/11/2019) Cosponsors: (31)

Committee: Ways and Means. Expands the tax credit for electric drive motor vehicles to include new and used battery electric motor vehicles. It reinstates and extends through 2030 the tax credit for alternative fuel vehicle refueling property and eliminates the limitation on such credit. The bill also makes the refueling credit applicable to electric vehicle charging stations. The bill allows the use of private activity bonds to finance a qualified battery electric motor vehicle manufacturing facility or a qualified electric vehicle battery manufacturing facility.