

# WALL STREET REFORM & CONSUMER PROTECTION

After years without accountability for Wall Street and the Big Banks, Congress is working to bring our economy back by creating legislation that will rein in big banks and their bonuses, put an end to bailouts, and create a consumer financial protection agency to protect and empower consumers to make the best decisions on their homes, credit cards and their own financial future. This legislation is the Wall Street Reform & Consumer Protection Act.

The Wall Street Reform & Consumer Protection Act will create a new Consumer Financial Protection Agency to protect families and small business by ensuring that bank loans, mortgages, and credit cards are fair, affordable, understandable and transparent. In addition, this bill will put an end to predatory lending practices and will end costly taxpayer bailouts.

The Wall Street Reform & Consumer Protection Act will:

- Create a new Consumer Financial Protection Agency to protect families and small businesses by ensuring that bank loans, mortgages, and credit cards are fair, affordable, understandable, and transparent. We currently have rules that keep companies from selling us toasters that burn down our homes. We should have similar rules that bar the financial industry from offering mortgage loans to people who can't afford repayment.
- End predatory lending practices that occurred during the subprime lending frenzy.
- Shut down "too big to fail" financial firms before risky and irresponsible behavior threatens to bring down the entire economy.
- End costly taxpayer bailouts with new procedures to unwind failing companies that pose the greatest risk – paid for by the financial industry and not the taxpayers.
- Toughen new rules on the riskiest financial practices that gambled with your money and caused the financial crash, like the credit default swaps that devastated AIG, and common sense regulation of derivatives and other complex financial products. Includes a strong "Volcker rule" that generally restricts large financial firms with commercial banking operations from trading in speculative investments.
- Toughen enforcement and oversight with:
  - More enforcement power and funding for the Securities and Exchange Commission, including requiring registration of hedge funds and private equity funds

- Enhanced oversight and transparency for credit rating agencies, whose seal of approval gave way to excessively risky practices that led to a financial collapse
- Rein in egregious executive compensation and retirement plans by allowing a ‘say on pay’ for shareholders, requiring independent directors on compensation committees, and limiting bank executive risky pay practices that jeopardize banks’ safety and soundness.
- Create new protections for grocers, retailers and other small businesses facing out-of-control swipe fees that banks and other credit and debit card issuers charge these businesses for debit or prepaid-card purchases. As a result, merchants stand to save billions
- Audit the Federal Reserve's emergency lending programs from the financial crisis and limits the Fed's emergency lending authority.

[Wall Street Reform and Consumer Protection Act \(Full Text\)](#)

[Wall Street Reform and Consumer Protection Act \(Summary\)](#)

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