

HR 6789

Rectifying UDAAP Act

Congress: 118 (2023–2025, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Dec 14, 2023

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Dec 14, 2023)

Official Text: <https://www.congress.gov/bill/118th-congress/house-bill/6789>

Sponsor

Name: Rep. Barr, Andy [R-KY-6]

Party: Republican • **State:** KY • **Chamber:** House

Cosponsors (21 total)

Cosponsor	Party / State	Role	Date Joined
Rep. De La Cruz, Monica [R-TX-15]	R · TX		Dec 14, 2023
Rep. Fitzgerald, Scott [R-WI-5]	R · WI		Dec 14, 2023
Rep. Kim, Young [R-CA-40]	R · CA		Dec 14, 2023
Rep. Loudermilk, Barry [R-GA-11]	R · GA		Dec 14, 2023
Rep. Luetkemeyer, Blaine [R-MO-3]	R · MO		Dec 14, 2023
Rep. Meuser, Daniel [R-PA-9]	R · PA		Dec 14, 2023
Rep. Mooney, Alexander X. [R-WV-2]	R · WV		Dec 14, 2023
Rep. Norman, Ralph [R-SC-5]	R · SC		Dec 14, 2023
Rep. Posey, Bill [R-FL-8]	R · FL		Dec 14, 2023
Rep. Rose, John W. [R-TN-6]	R · TN		Dec 14, 2023
Rep. Sessions, Pete [R-TX-17]	R · TX		Dec 14, 2023
Rep. Steil, Bryan [R-WI-1]	R · WI		Dec 14, 2023
Rep. Timmons, William R. IV [R-SC-4]	R · SC		Dec 14, 2023
Rep. Williams, Roger [R-TX-25]	R · TX		Dec 14, 2023
Rep. Lawler, Michael [R-NY-17]	R · NY		Dec 19, 2023
Rep. Donalds, Byron [R-FL-19]	R · FL		Jan 10, 2024
Rep. Emmer, Tom [R-MN-6]	R · MN		Jan 10, 2024
Rep. Garbarino, Andrew R. [R-NY-2]	R · NY		Jan 10, 2024
Rep. Flood, Mike [R-NE-1]	R · NE		Jan 18, 2024
Rep. Houchin, Erin [R-IN-9]	R · IN		Feb 5, 2024
Rep. Wagner, Ann [R-MO-2]	R · MO		Feb 5, 2024

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Dec 14, 2023

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Summary (as of Dec 14, 2023)

Rectifying Undefined Descriptions of Abusive Acts and Practices Act or the Rectifying UDAAP Act

This bill restricts the Consumer Financial Protection Bureau's (CFPB's) authority to deem a financial practice *abusive* for purposes of enforcement activities. Currently, under the Dodd-Frank Wall Street Reform and Consumer Protection Act, the CFPB may take enforcement action against a financial product or service provider in connection with any transaction with a consumer for a consumer financial product or service that is unfair, deceptive, or abusive.

Specifically, the bill prohibits the CFPB from including discrimination as an abusive practice. Further, the bill revises what an abusive practice is, including by additionally requiring the act or practice to intentionally interfere with the ability of a consumer to understand a term or condition.

The bill also establishes additional criteria for abusive actions. For example, conduct is considered abusive if (1) it causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers, (2) the substantial injury is not outweighed by countervailing benefits to consumers or to competition, or (3) the conduct is otherwise prohibited under federal consumer financial law.

The bill also eliminates the CFPB's ability to seek monetary relief for unfair, deceptive, or abusive acts or practices if the provider establishes a good faith effort to comply with requirements.

The bill establishes rulemaking requirements, including requiring a cost-benefit analysis for a rule relating to unfair, deceptive, or abusive acts or practices.

Finally, the bill establishes the right for providers to cure violations if they self-report and limits the CFPB's use of alternative claims in court.

Actions Timeline

- **Dec 14, 2023:** Introduced in House
- **Dec 14, 2023:** Referred to the House Committee on Financial Services.