

HIGHLIGHTS OF WALL STREET REFORM & CONSUMER PROTECTION ACT

Consumer Protections with Authority and Independence: Creates a new independent watchdog, housed at the Federal Reserve, with the authority to ensure American consumers get the clear, accurate information they need to shop for mortgages, credit cards, and other financial products, and protect them from hidden fees, abusive terms, and deceptive practices.

Ends “Too Big to Fail” Bailouts: Ends the possibility that taxpayers will be asked to write a check to bail out financial firms that threaten the economy by:

- creating a safe way to liquidate failed financial firms;
- imposing tough new capital and leverage requirements that make it undesirable to get too big;
- updating the Federal Reserve’s authority to allow system-wide support but no longer prop up individual firms; and
- establishing rigorous standards and supervision to protect the economy and American consumers, investors, and businesses.

Protects Investors: Provides tough new rules for transparency and accountability for credit rating agencies to protect investors and businesses.

Advance Warning System: Creates a council to identify and address systemic risks posed by large, complex companies, products, and activities before they threaten the stability of the economy.

Transparency & Accountability for Complex Financial Products: Eliminates loopholes that allow risky and abusive practices to go on unnoticed and unregulated—including loopholes for over-the-counter derivatives, asset-backed securities, hedge funds, mortgage brokers, and payday lenders.

Executive Compensation and Corporate Governance: Provides shareholders with a say on pay and corporate affairs with a non-binding vote on executive compensation and golden parachutes.

Enforces Regulations on the Books: Strengthens oversight and empowers regulators to aggressively pursue financial fraud, conflicts of interest, and manipulation of the system that benefits special interests at the expense of American families and businesses.

Free Credit Score Access: Allows consumers free access to their credit score if their score negatively affects them in a financial transaction or a hiring decision.