

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Banking and Insurance Committee

BILL: SM 1778

INTRODUCER: Senator Richter

SUBJECT: Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

DATE: January 23, 2012

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------|----------------|-----------|--------------------|
| 1. | Johnson | Burgess | BI | Pre-meeting |
| 2. | _____ | _____ | _____ | _____ |
| 3. | _____ | _____ | _____ | _____ |
| 4. | _____ | _____ | _____ | _____ |
| 5. | _____ | _____ | _____ | _____ |
| 6. | _____ | _____ | _____ | _____ |

I. Summary:

This Senate Memorial urges the United States Congress to repeal the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Copies of the memorial are to be provided to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the presiding officers of each Legislature of the United States, and each member of the Florida delegation to the United States Congress.

II. Present Situation:

In 2007, U.S. financial conditions deteriorated, leading to the near collapse of the U.S. financial system in September 2008. Some major financial institutions, insurers, government-sponsored enterprises, and investment banks either failed or required significant federal support to continue operating.

Congress reacted to the crisis by enacting the most comprehensive financial reform since the 1930s. On July 21, 2010, the President signed the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) into law. This act will provide sweeping changes to the current system of regulating consumer financial products and services. The provisions of this act are intended to strengthen oversight of insured depository institutions and nonbank financial companies and to consolidate consumer protection responsibilities that had been fragmented across multiple agencies. The Dodd-Frank Act also authorized the creation of new offices and agencies to implement the reforms.

The private and public sector costs of implementing these reforms have been widely debated. In 2011, the federal General Accounting Office issued a report¹ that estimates the costs to implement the federal act. The amount of new funding the agencies reported as associated with implementing the Dodd-Frank Act varied significantly across 11 agencies.² For example, new funding resources related to Dodd-Frank responsibilities during the years 2011-2012 ranged from a low of \$0 for Federal Trade Commission (FTC) to a high of around \$329 million for the Consumer Financial Protection Bureau (CFPB). As of January 9, 2012, 3,514 pages of Dodd-Frank Act-related regulatory proposals have been initiated and 2,683 pages of final regulations and guidance documents have been adopted.³

III. Effect of Proposed Changes:

This Senate Memorial urges the United States Congress to repeal the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Copies of the memorial are to be provided to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the presiding officers of each legislature of the United States, and each member of the Florida delegation to the United States Congress.

The memorial is not subject to approval or veto by the Governor. The presiding officers of each house sign the memorial.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

¹ General Accounting Office, Dodd Frank Act, Eleven Agencies' Estimates of Resources for Implementing Regulatory Reform, GAO-11-808T, Jul 14, 2011.

² The GAO selected these agencies because the Dodd-Frank Act assigned them new responsibilities or created the agency. These agencies are: Commodity Futures Trading Commission (CFTC), Bureau of Consumer Financial Protection (also known as the Consumer Financial Protection Bureau, or CFPB), Federal Deposit Insurance Corporation (FDIC), Federal Housing Financing Agency (FHFA), Board of Governors of the Federal Reserve System (Federal Reserve), Federal Trade Commission (FTC), Financial Stability Oversight Council (FSOC), Office of the Comptroller of the Currency (OCC), Office of Financial Research (OFR), Securities and Exchange Commission (SEC), and Department of the Treasury (Treasury).

³ American Bankers Association website. (<http://regreformtracker.aba.com/2011/08/abas-keating-urges-regulatory-relief-in.html>) Last visited on January 23, 2012.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.