Page 40, after line 8, insert the following:

SEC. 9. PROHIBITION ON THE PAYMENT OF PENALTY AMOUNTS TO NON-PROFIT ORGANIZATIONS.

Section 1017 of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5497) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following:

“(e) PROHIBITION ON THE PAYMENT OF PENALTY AMOUNTS TO NON-PROFIT ORGANIZATIONS.—

“(1) IN GENERAL.—The Director may not—

“(A) make any payment to a non-profit organization from the Civil Penalty Fund; or

“(B) enter into any settlement agreement, after the date of enactment of this subsection, under which payments are to be made to a non-profit organization.

“(2) USE OF FUNDS FOR DIRECT-TO-CONSUMER FINANCIAL LITERACY PROGRAMS.—Any amounts
that would have been paid to a non-profit organization, but for the application of paragraph (1), shall be used by the Director for direct-to-consumer financial literacy programs.

“(3) NON-PROFIT ORGANIZATION DEFINED.—In this subsection, the term ‘non-profit organization’ means an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code.”.

Page 40, line 9, strike “SEC. 9” and insert “SEC. 10”.