

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: In the nature of a substitute.

**IN THE SENATE OF THE UNITED STATES—115th Cong., 2d Sess.**

**S. 2155**

To promote economic growth, provide tailored regulatory relief, and enhance consumer protections, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended  
to be proposed by Mr. CRAPO (for himself, Mr. DONNELLY, Ms. HEITKAMP, Mr. TESTER, and Mr. WARNER)

Viz:

1 Strike all after the enacting clause and insert the fol-  
2 lowing:

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Economic Growth, Regulatory Relief, and Consumer  
6 Protection Act”.

7 (b) TABLE OF CONTENTS.—The table of contents for  
8 this Act is as follows:

Sec. 1. Short title; table of contents.  
Sec. 2. Definitions.

TITLE I—IMPROVING CONSUMER ACCESS TO MORTGAGE CREDIT

Sec. 101. Minimum standards for residential mortgage loans.

## 2

- Sec. 102. Safeguarding access to habitat for humanity homes.
- Sec. 103. Exemption from appraisals of real property located in rural areas.
- Sec. 104. Home Mortgage Disclosure Act adjustment and study.
- Sec. 105. Credit union residential loans.
- Sec. 106. Eliminating barriers to jobs for loan originators.
- Sec. 107. Protecting access to manufactured homes.
- Sec. 108. Escrow requirements relating to certain consumer credit transactions.
- Sec. 109. No wait for lower mortgage rates.

TITLE II—REGULATORY RELIEF AND PROTECTING CONSUMER  
ACCESS TO CREDIT

- Sec. 201. Capital simplification for qualifying community banks.
- Sec. 202. Limited exception for reciprocal deposits.
- Sec. 203. Community bank relief.
- Sec. 204. Removing naming restrictions.
- Sec. 205. Short form call reports.
- Sec. 206. Option for Federal savings associations to operate as covered savings associations.
- Sec. 207. Small bank holding company policy statement.
- Sec. 208. Application of the Expedited Funds Availability Act.
- Sec. 209. Small public housing agencies.
- Sec. 210. Examination cycle.
- Sec. 211. International insurance capital standards accountability.
- Sec. 212. Budget transparency for the NCUA.
- Sec. 213. Making online banking initiation legal and easy.
- Sec. 214. Promoting construction and development.
- Sec. 215. Reducing identity fraud.
- Sec. 216. Treasury report on risks of cyber threats.
- Sec. 217. Discretionary surplus funds.

TITLE III—PROTECTIONS FOR VETERANS, CONSUMERS, AND  
HOMEOWNERS

- Sec. 301. Protecting consumers' credit.
- Sec. 302. Protecting veterans' credit.
- Sec. 303. Immunity from suit for disclosure of financial exploitation of senior citizens.
- Sec. 304. Restoration of the Protecting Tenants at Foreclosure Act of 2009.
- Sec. 305. Remediating lead and asbestos hazards.
- Sec. 306. Family self-sufficiency program.
- Sec. 307. Property Assessed Clean Energy financing.
- Sec. 308. GAO report on consumer reporting agencies.
- Sec. 309. Protecting veterans from predatory lending.
- Sec. 310. Credit score competition.
- Sec. 311. GAO report on Puerto Rico foreclosures.
- Sec. 312. Report on children's lead-based paint hazard prevention and abatement.
- Sec. 313. Foreclosure relief and extension for servicemembers.

TITLE IV—TAILORING REGULATIONS FOR CERTAIN BANK  
HOLDING COMPANIES

- Sec. 401. Enhanced supervision and prudential standards for certain bank holding companies.
- Sec. 402. Supplementary leverage ratio for custodial banks.

## 3

Sec. 403. Treatment of certain municipal obligations.

## TITLE V—ENCOURAGING CAPITAL FORMATION

Sec. 501. National securities exchange regulatory parity.

Sec. 502. SEC study on algorithmic trading.

Sec. 503. Annual review of government-business forum on capital formation.

Sec. 504. Supporting America’s innovators.

Sec. 505. Securities and Exchange Commission overpayment credit.

Sec. 506. U.S. territories investor protection.

Sec. 507. Encouraging employee ownership.

Sec. 508. Improving access to capital.

Sec. 509. Parity for closed-end companies regarding offering and proxy rules.

## TITLE VI—PROTECTIONS FOR STUDENT BORROWERS

Sec. 601. Protections in the event of death or bankruptcy.

Sec. 602. Rehabilitation of private education loans.

Sec. 603. Best practices for higher education financial literacy.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) APPROPRIATE FEDERAL BANKING AGENCY;  
4 COMPANY; DEPOSITORY INSTITUTION; DEPOSITORY  
5 INSTITUTION HOLDING COMPANY.—The terms “ap-  
6 propriate Federal banking agency”, “company”,  
7 “depository institution”, and “depository institution  
8 holding company” have the meanings given those  
9 terms in section 3 of the Federal Deposit Insurance  
10 Act (12 U.S.C. 1813).

11 (2) BANK HOLDING COMPANY.—The term  
12 “bank holding company” has the meaning given the  
13 term in section 2 of the Bank Holding Company Act  
14 of 1956 (12 U.S.C. 1841).

1 **TITLE I—IMPROVING CON-**  
2 **SUMER ACCESS TO MORT-**  
3 **GAGE CREDIT**

4 **SEC. 101. MINIMUM STANDARDS FOR RESIDENTIAL MORT-**  
5 **GAGE LOANS.**

6 Section 129C(b)(2) of the Truth in Lending Act (15  
7 U.S.C. 1639c(b)(2)) is amended by adding at the end the  
8 following:

9 “(F) SAFE HARBOR.—

10 “(i) DEFINITIONS.—In this subpara-  
11 graph—

12 “(I) the term ‘covered institution’  
13 means an insured depository institu-  
14 tion or an insured credit union that,  
15 together with its affiliates, has less  
16 than \$10,000,000,000 in total consoli-  
17 dated assets;

18 “(II) the term ‘insured credit  
19 union’ has the meaning given the  
20 term in section 101 of the Federal  
21 Credit Union Act (12 U.S.C. 1752);

22 “(III) the term ‘insured deposi-  
23 tory institution’ has the meaning  
24 given the term in section 3 of the

1 Federal Deposit Insurance Act (12  
2 U.S.C. 1813);

3 “(IV) the term ‘interest-only’  
4 means that, under the terms of the  
5 legal obligation, one or more of the  
6 periodic payments may be applied  
7 solely to accrued interest and not to  
8 loan principal; and

9 “(V) the term ‘negative amortiza-  
10 tion’ means payment of periodic pay-  
11 ments that will result in an increase  
12 in the principal balance under the  
13 terms of the legal obligation.

14 “(ii) SAFE HARBOR.—In this sec-  
15 tion—

16 “(I) the term ‘qualified mort-  
17 gage’ includes any residential mort-  
18 gage loan—

19 “(aa) that is originated and  
20 retained in portfolio by a covered  
21 institution;

22 “(bb) that is in compliance  
23 with the limitations with respect  
24 to prepayment penalties de-

1                   scribed in subsections (c)(1) and

2                   (c)(3);

3 “(cc) that is in compliance  
4 with the requirements of clause  
5 (vii) of subparagraph (A);

“(dd) that does not have negative amortization or interest-only features; and

9 “(ee) for which the covered  
10 institution considers and docu-  
11 ments the debt, income, and fi-  
12 nancial resources of the con-  
13 sumer in accordance with clause  
14 (iv); and

15 “(II) a residential mortgage loan  
16 described in subclause (I) shall be  
17 deemed to meet the requirements of  
18 subsection (a).

“(iii) EXCEPTION FOR CERTAIN  
TRANSFERS.—A residential mortgage loan  
described in clause (ii)(I) shall not qualify  
for the safe harbor under clause (ii) if the  
legal title to the residential mortgage loan  
is sold, assigned, or otherwise transferred  
to another person unless the residential

1 mortgage loan is sold, assigned, or other-  
2 wise transferred—

3 “(I) to another person by reason  
4 of the bankruptcy or failure of a cov-  
5 ered institution;

6 “(II) to a covered institution so  
7 long as the loan is retained in port-  
8 folio by the covered institution to  
9 which the loan is sold, assigned, or  
10 otherwise transferred;

11 “(III) pursuant to a merger of a  
12 covered institution with another per-  
13 son or the acquisition of a covered in-  
14 stitution by another person or of an-  
15 other person by a covered institution,  
16 so long as the loan is retained in port-  
17 folio by the person to whom the loan  
18 is sold, assigned, or otherwise trans-  
19 ferred; or

20 “(IV) to a wholly owned sub-  
21 sidiary of a covered institution, pro-  
22 vided that, after the sale, assignment,  
23 or transfer, the residential mortgage  
24 loan is considered to be an asset of

1 the covered institution for regulatory  
2 accounting purposes.

3 “(iv) CONSIDERATION AND DOCU-  
4 MENTATION REQUIREMENTS.—The consid-  
5 eration and documentation requirements  
6 described in clause (ii)(I)(ee) shall—

7 “(I) not be construed to require  
8 compliance with, or documentation in  
9 accordance with, appendix Q to part  
10 1026 of title 12, Code of Federal Reg-  
11 ulations, or any successor regulation;  
12 and

13 “(II) be construed to permit mul-  
14 tiple methods of documentation.”.

15 **SEC. 102. SAFEGUARDING ACCESS TO HABITAT FOR HU-**  
16 **MANITY HOMES.**

17 Section 129E(i)(2) of the Truth in Lending Act (15  
18 U.S.C. 1639e(i)(2)) is amended—

19 (1) by redesignating subparagraphs (A) and  
20 (B) as clauses (i) and (ii), respectively, and adjust-  
21 ing the margins accordingly;

22 (2) in the matter preceding clause (i), as so re-  
23 designated, by striking “For purposes of” and in-  
24 serting the following:

25 “(A) IN GENERAL.—For purposes of”; and

1 (3) by adding at the end the following:

2 “(B) RULE OF CONSTRUCTION RELATED  
3 TO APPRAISAL DONATIONS.—If a fee appraiser  
4 voluntarily donates appraisal services to an or-  
5 ganization eligible to receive tax-deductible  
6 charitable contributions, such voluntary dona-  
7 tion shall be considered customary and reason-  
8 able for the purposes of paragraph (1).”.

9 **SEC. 103. EXEMPTION FROM APPRAISALS OF REAL PROP-**  
10 **ERTY LOCATED IN RURAL AREAS.**

11 Title XI of the Financial Institutions Reform, Recov-  
12 ery, and Enforcement Act of 1989 (12 U.S.C. 3331 et  
13 seq.) is amended by adding at the end the following:

14 **“SEC. 1127. EXEMPTION FROM APPRAISALS OF REAL ES-**  
15 **TATE LOCATED IN RURAL AREAS.**

16 “(a) DEFINITIONS.—In this section—

17 “(1) the term ‘mortgage originator’ has the  
18 meaning given the term in section 103 of the Truth  
19 in Lending Act (15 U.S.C. 1602); and

20 “(2) the term ‘transaction value’ means the  
21 amount of a loan or extension of credit, including a  
22 loan or extension of credit that is part of a pool of  
23 loans or extensions of credit.

24 “(b) APPRAISAL NOT REQUIRED.—Except as pro-  
25 vided in subsection (d), notwithstanding any other provi-

1 sion of law, an appraisal in connection with a federally  
2 related transaction involving real property or an interest  
3 in real property is not required if—

4 “(1) the real property or interest in real prop-  
5 erty is located in a rural area, as described in sec-  
6 tion 1026.35(b)(2)(iv)(A) of title 12, Code of Fed-  
7 eral Regulations;

8 “(2) not later than 3 days after the date on  
9 which the Closing Disclosure Form, made in accord-  
10 ance with the final rule of the Bureau of Consumer  
11 Financial Protection entitled ‘Integrated Mortgage  
12 Disclosures Under the Real Estate Settlement Pro-  
13 cedures Act (Regulation X) and the Truth in Lend-  
14 ing Act (Regulation Z)’ (78 Fed. Reg. 79730 (De-  
15 cember 31, 2013)), relating to the federally related  
16 transaction is given to the consumer, the mortgage  
17 originator or its agent, directly or indirectly—

18 “(A) has contacted not fewer than 3 State  
19 certified appraisers or State licensed appraisers,  
20 as applicable, on the mortgage originator’s ap-  
21 proved appraiser list in the market area in ac-  
22 cordance with part 226 of title 12, Code of  
23 Federal Regulations; and

24 “(B) has documented that no State cer-  
25 tified appraiser or State licensed appraiser, as

1 applicable, was available within 5 business days  
2 beyond customary and reasonable fee and time-  
3 liness standards for comparable appraisal as-  
4 signments, as documented by the mortgage  
5 originator or its agent;

6 “(3) the transaction value is less than  
7 \$400,000; and

8 “(4) the mortgage originator is subject to over-  
9 sight by a Federal financial institutions regulatory  
10 agency.

11 “(c) SALE, ASSIGNMENT, OR TRANSFER.—A mort-  
12 gage originator that makes a loan without an appraisal  
13 under the terms of subsection (b) shall not sell, assign,  
14 or otherwise transfer legal title to the loan unless—

15 “(1) the loan is sold, assigned, or otherwise  
16 transferred to another person by reason of the bank-  
17 ruptcy or failure of the mortgage originator;

18 “(2) the loan is sold, assigned, or otherwise  
19 transferred to another person regulated by a Federal  
20 financial institutions regulatory agency, so long as  
21 the loan is retained in portfolio by the person;

22 “(3) the sale, assignment, or transfer is pursu-  
23 ant to a merger of the mortgage originator with an-  
24 other person or the acquisition of the mortgage

1       originator by another person or of another person by  
2       the mortgage originator; or

3               “(4) the sale, loan, or transfer is to a wholly  
4       owned subsidiary of the mortgage originator, pro-  
5       vided that, after the sale, assignment, or transfer,  
6       the loan is considered to be an asset of the mortgage  
7       originator for regulatory accounting purposes.

8       “(d) EXCEPTION.—Subsection (b) shall not apply  
9       if—

10              “(1) a Federal financial institutions regulatory  
11       agency requires an appraisal under section  
12       225.63(c), 323.3(c), 34.43(c), or 722.3(e) of title  
13       12, Code of Federal Regulations; or

14              “(2) the loan is a high-cost mortgage, as de-  
15       fined in section 103 of the Truth in Lending Act (15  
16       U.S.C. 1602).

17       “(e) ANTI-EVASION.—Each Federal financial institu-  
18       tions regulatory agency shall ensure that any mortgage  
19       originator that the Federal financial institutions regu-  
20       latory agency oversees that makes a significant amount  
21       of loans under subsection (b) is complying with the re-  
22       quirements of subsection (b)(2) with respect to each  
23       loan.”.

1 **SEC. 104. HOME MORTGAGE DISCLOSURE ACT ADJUST-**  
2 **MENT AND STUDY.**

3 (a) IN GENERAL.—Section 304 of the Home Mort-  
4 gage Disclosure Act of 1975 (12 U.S.C. 2803) is amend-  
5 ed—

6 (1) by redesignating subsection (i) as paragraph  
7 (3) and adjusting the margins accordingly;

8 (2) by inserting before paragraph (3), as so re-  
9 designated, the following:

10 “(i) EXEMPTIONS.—

11 “(1) CLOSED-END MORTGAGE LOANS.—With  
12 respect to an insured depository institution or in-  
13 sured credit union, the requirements of paragraphs  
14 (5) and (6) of subsection (b) shall not apply with re-  
15 spect to closed-end mortgage loans if the insured de-  
16 pository institution or insured credit union origi-  
17 nated fewer than 500 closed-end mortgage loans in  
18 each of the 2 preceding calendar years.

19 “(2) OPEN-END LINES OF CREDIT.—With re-  
20 spect to an insured depository institution or insured  
21 credit union, the requirements of paragraphs (5) and  
22 (6) of subsection (b) shall not apply with respect to  
23 open-end lines of credit if the insured depository in-  
24 stitution or insured credit union originated fewer  
25 than 500 open-end lines of credit in each of the 2  
26 preceding calendar years.

1           “(3)     REQUIRED     COMPLIANCE.—Notwith-  
2     standing paragraphs (1) and (2), an insured deposi-  
3     tory institution shall comply with paragraphs (5)  
4     and (6) of subsection (b) if the insured depository  
5     institution has received a rating of ‘needs to improve  
6     record of meeting community credit needs’ during  
7     each of its 2 most recent examinations or a rating  
8     of ‘substantial noncompliance in meeting community  
9     credit needs’ on its most recent examination under  
10    section 807(b)(2) of the Community Reinvestment  
11    Act of 1977 (12 U.S.C. 2906(b)(2)).”; and

12           (3) by adding at the end the following:

13           “(o) DEFINITIONS.—In this section—

14           “(1) the term ‘insured credit union’ has the  
15     meaning given the term in section 101 of the Fed-  
16     eral Credit Union Act (12 U.S.C. 1752); and

17           “(2) the term ‘insured depository institution’  
18     has the meaning given the term in section 3 of the  
19     Federal Deposit Insurance Act (12 U.S.C. 1813).”.

20           (b) LOOKBACK STUDY.—

21           (1) STUDY.—Not earlier than 2 years after the  
22     date of enactment of this Act, the Comptroller Gen-  
23     eral of the United States shall conduct a study to  
24     evaluate the impact of the amendments made by  
25     subsection (a) on the amount of data available under

1 the Home Mortgage Disclosure Act of 1975 (12  
2 U.S.C. 2801 et seq.) at the national and local level.

3 (2) REPORT.—Not later than 3 years after the  
4 date of enactment of this Act, the Comptroller Gen-  
5 eral of the United States shall submit to the Com-  
6 mittee on Banking, Housing, and Urban Affairs of  
7 the Senate and the Committee on Financial Services  
8 of the House of Representatives a report that in-  
9 cludes the findings and conclusions of the Comp-  
10 troller General with respect to the study required  
11 under paragraph (1).

12 (c) TECHNICAL CORRECTION.—Section 304(i)(3) of  
13 the Home Mortgage Disclosure Act of 1975, as so redesign-  
14 nated by subsection (a)(1), is amended by striking “sec-  
15 tion 303(2)(A)” and inserting “section 303(3)(A)”.

16 **SEC. 105. CREDIT UNION RESIDENTIAL LOANS.**

17 (a) REMOVAL FROM MEMBER BUSINESS LOAN LIM-  
18 ITATION.—Section 107A(c)(1)(B)(i) of the Federal Credit  
19 Union Act (12 U.S.C. 1757a(c)(1)(B)(i)) is amended by  
20 striking “that is the primary residence of a member”.

21 (b) RULE OF CONSTRUCTION.—Nothing in this sec-  
22 tion or the amendment made by this section shall preclude  
23 the National Credit Union Administration from treating  
24 an extension of credit that is fully secured by a lien on  
25 a 1- to 4-family dwelling that is not the primary residence

1 of a member as a member business loan for purposes other  
2 than the member business loan limitation requirements  
3 under section 107A of the Federal Credit Union Act (12  
4 U.S.C. 1757a).

5 **SEC. 106. ELIMINATING BARRIERS TO JOBS FOR LOAN**  
6 **ORIGINATORS.**

7 (a) IN GENERAL.—The S.A.F.E. Mortgage Licensing  
8 Act of 2008 (12 U.S.C. 5101 et seq.) is amended by add-  
9 ing at the end the following:

10 **“SEC. 1518. EMPLOYMENT TRANSITION OF LOAN ORIGINA-**  
11 **TORS.**

12 “(a) DEFINITIONS.—In this section:

13 “(1) APPLICATION STATE.—The term ‘applica-  
14 tion State’ means a State in which a registered loan  
15 originator or a State-licensed loan originator seeks  
16 to be licensed.

17 “(2) STATE-LICENSED MORTGAGE COMPANY.—  
18 The term ‘State-licensed mortgage company’ means  
19 an entity that is licensed or registered under the law  
20 of any State to engage in residential mortgage loan  
21 origination and processing activities.

22 “(b) TEMPORARY AUTHORITY TO ORIGINATE LOANS  
23 FOR LOAN ORIGINATORS MOVING FROM A DEPOSITORY  
24 INSTITUTION TO A NON-DEPOSITORY INSTITUTION.—

1           “(1) IN GENERAL.—Upon becoming employed  
2           by a State-licensed mortgage company, an individual  
3           who is a registered loan originator shall be deemed  
4           to have temporary authority to act as a loan origi-  
5           nator in an application State for the period de-  
6           scribed in paragraph (2) if the individual—

7                   “(A) has not had—

8                           “(i) an application for a loan origi-  
9                           nator license denied; or

10                           “(ii) a loan originator license revoked  
11                           or suspended in any governmental jurisdic-  
12                           tion;

13                   “(B) has not been subject to, or served  
14           with, a cease and desist order—

15                           “(i) in any governmental jurisdiction;  
16                           or

17                           “(ii) under section 1514(c);

18                   “(C) has not been convicted of a mis-  
19           demeanor or felony that would preclude licen-  
20           sure under the law of the application State;

21                   “(D) has submitted an application to be a  
22           State-licensed loan originator in the application  
23           State; and

24                   “(E) was registered in the Nationwide  
25           Mortgage Licensing System and Registry as a

1 loan originator during the 1-year period pre-  
2 ceding the date on which the information re-  
3 quired under section 1505(a) is submitted.

4 “(2) PERIOD.—The period described in this  
5 paragraph shall begin on the date on which an indi-  
6 vidual described in paragraph (1) submits the infor-  
7 mation required under section 1505(a) and shall end  
8 on the earliest of the date—

9 “(A) on which the individual withdraws the  
10 application to be a State-licensed loan origi-  
11 nator in the application State;

12 “(B) on which the application State denies,  
13 or issues a notice of intent to deny, the applica-  
14 tion;

15 “(C) on which the application State grants  
16 a State license; or

17 “(D) that is 120 days after the date on  
18 which the individual submits the application, if  
19 the application is listed on the Nationwide  
20 Mortgage Licensing System and Registry as in-  
21 complete.

22 “(c) TEMPORARY AUTHORITY TO ORIGINATE LOANS  
23 FOR STATE-LICENSED LOAN ORIGINATORS MOVING  
24 INTERSTATE.—

1           “(1) IN GENERAL.—A State-licensed loan origi-  
2           nator shall be deemed to have temporary authority  
3           to act as a loan originator in an application State  
4           for the period described in paragraph (2) if the  
5           State-licensed loan originator—

6                   “(A) meets the requirements of subpara-  
7                   graphs (A), (B), (C), and (D) of subsection  
8                   (b)(1);

9                   “(B) is employed by a State-licensed mort-  
10                  gage company in the application State; and

11                  “(C) was licensed in a State that is not the  
12                  application State during the 30-day period pre-  
13                  ceding the date on which the information re-  
14                  quired under section 1505(a) was submitted in  
15                  connection with the application submitted to the  
16                  application State.

17           “(2) PERIOD.—The period described in this  
18           paragraph shall begin on the date on which the  
19           State-licensed loan originator submits the informa-  
20           tion required under section 1505(a) in connection  
21           with the application submitted to the application  
22           State and end on the earliest of the date—

23                   “(A) on which the State-licensed loan  
24                   originator withdraws the application to be a

1 State-licensed loan originator in the application  
2 State;

3 “(B) on which the application State denies,  
4 or issues a notice of intent to deny, the applica-  
5 tion;

6 “(C) on which the application State grants  
7 a State license; or

8 “(D) that is 120 days after the date on  
9 which the State-licensed loan originator submits  
10 the application, if the application is listed on  
11 the Nationwide Mortgage Licensing System and  
12 Registry as incomplete.

13 “(d) APPLICABILITY.—

14 “(1) EMPLOYER OF LOAN ORIGINATORS.—Any  
15 person employing an individual who is deemed to  
16 have temporary authority to act as a loan originator  
17 in an application State under this section shall be  
18 subject to the requirements of this title and to appli-  
19 cable State law to the same extent as if that indi-  
20 vidual was a State-licensed loan originator licensed  
21 by the application State.

22 “(2) ENGAGING IN MORTGAGE LOAN ACTIVI-  
23 TIES.—Any individual who is deemed to have tem-  
24 porary authority to act as a loan originator in an ap-  
25 plication State under this section and who engages

1 in residential mortgage loan origination activities  
2 shall be subject to the requirements of this title and  
3 to applicable State law to the same extent as if that  
4 individual was a State-licensed loan originator li-  
5 censed by the application State.”.

6 (b) TABLE OF CONTENTS AMENDMENT.—Section  
7 1(b) of the Housing and Economic Recovery Act of 2008  
8 (42 U.S.C. 4501 note) is amended by inserting after the  
9 item relating to section 1517 the following:

“Sec. 1518. Employment transition of loan originators.”.

10 (c) CIVIL LIABILITY.—Section 1513 of the S.A.F.E.  
11 Mortgage Licensing Act of 2008 (12 U.S.C. 5112) is  
12 amended by striking “persons who are loan originators or  
13 are applying for licensing or registration as loan origina-  
14 tors.” and inserting “persons who—

15 “(1) have applied, are applying, or are licensed  
16 or registered through the Nationwide Mortgage Li-  
17 censing System and Registry; and

18 “(2) work in an industry with respect to which  
19 persons were licensed or registered through the Na-  
20 tionwide Mortgage Licensing System and Registry  
21 on the date of enactment of the Economic Growth,  
22 Regulatory Relief, and Consumer Protection Act.”.

23 (d) EFFECTIVE DATE.—This section and the amend-  
24 ments made by this section shall take effect on the date  
25 that is 18 months after the date of enactment of this Act.

1 **SEC. 107. PROTECTING ACCESS TO MANUFACTURED**  
2 **HOMES.**

3 Section 103 of the Truth in Lending Act (15 U.S.C.  
4 1602) is amended—

5 (1) by redesignating the second subsection (cc)  
6 (relating to definitions relating to mortgage origina-  
7 tion and residential mortgage loans) and subsection  
8 (dd) as subsections (dd) and (ee), respectively; and

9 (2) in paragraph (2) of subsection (dd), as so  
10 redesignated, by striking subparagraph (C) and in-  
11 serting the following:

12 “(C) does not include any person who is—

13 “(i) not otherwise described in sub-  
14 paragraph (A) or (B) and who performs  
15 purely administrative or clerical tasks on  
16 behalf of a person who is described in any  
17 such subparagraph; or

18 “(ii) a retailer of manufactured or  
19 modular homes or an employee of the re-  
20 tailer if the retailer or employee, as appli-  
21 cable—

22 “(I) does not receive compensa-  
23 tion or gain for engaging in activities  
24 described in subparagraph (A) that is  
25 in excess of any compensation or gain

1 received in a comparable cash trans-  
2 action;

3 “(II) discloses to the consumer—

4 “(aa) in writing any cor-  
5 porate affiliation with any cred-  
6 itor; and

7 “(bb) if the retailer has a  
8 corporate affiliation with any  
9 creditor, at least 1 unaffiliated  
10 creditor; and

11 “(III) does not directly negotiate  
12 with the consumer or lender on loan  
13 terms (including rates, fees, and other  
14 costs).”.

15 **SEC. 108. ESCROW REQUIREMENTS RELATING TO CERTAIN**  
16 **CONSUMER CREDIT TRANSACTIONS.**

17 Section 129D of the Truth in Lending Act (15 U.S.C.  
18 1639d) is amended—

19 (1) in subsection (c)—

20 (A) by redesignating paragraphs (1)  
21 through (4) as subparagraphs (A) through (D),  
22 respectively, and adjusting the margins accord-  
23 ingly;

1 (B) in the matter preceding subparagraph  
2 (A), as so redesignated, by striking “The  
3 Board” and inserting the following:

4 “(1) IN GENERAL.—The Bureau”;

5 (C) in paragraph (1), as so redesignated,  
6 by striking “the Board” each place that term  
7 appears and inserting “the Bureau”; and

8 (D) by adding at the end the following:

9 “(2) TREATMENT OF LOANS HELD BY SMALLER  
10 INSTITUTIONS.—The Bureau shall, by regulation,  
11 exempt from the requirements of subsection (a) any  
12 loan made by an insured depository institution or an  
13 insured credit union secured by a first lien on the  
14 principal dwelling of a consumer if—

15 “(A) the insured depository institution or  
16 insured credit union has assets of  
17 \$10,000,000,000 or less;

18 “(B) during the preceding calendar year,  
19 the insured depository institution or insured  
20 credit union and its affiliates originated 1,000  
21 or fewer loans secured by a first lien on a prin-  
22 cipal dwelling; and

23 “(C) the transaction satisfies the criteria  
24 in sections 1026.35(b)(2)(iii)(A),  
25 1026.35(b)(2)(iii)(D), and 1026.35(b)(2)(v) of

1 title 12, Code of Federal Regulations, or any  
2 successor regulation.”; and

3 (2) in subsection (i), by adding at the end the  
4 following:

5 “(3) INSURED CREDIT UNION.—The term ‘in-  
6 sured credit union’ has the meaning given the term  
7 in section 101 of the Federal Credit Union Act (12  
8 U.S.C. 1752).

9 “(4) INSURED DEPOSITORY INSTITUTION.—The  
10 term ‘insured depository institution’ has the mean-  
11 ing given the term in section 3 of the Federal De-  
12 posit Insurance Act (12 U.S.C. 1813).”.

13 **SEC. 109. NO WAIT FOR LOWER MORTGAGE RATES.**

14 (a) IN GENERAL.—Section 129(b) of the Truth in  
15 Lending Act (15 U.S.C. 1639(b)) is amended—

16 (1) by redesignating paragraph (3) as para-  
17 graph (4); and

18 (2) by inserting after paragraph (2) the fol-  
19 lowing:

20 “(3) NO WAIT FOR LOWER RATE.—If a creditor  
21 extends to a consumer a second offer of credit with  
22 a lower annual percentage rate, the transaction may  
23 be consummated without regard to the period speci-  
24 fied in paragraph (1) with respect to the second  
25 offer.”.

1       (b) SENSE OF CONGRESS.—It is the sense of Con-  
2 gress that, whereas the Bureau of Consumer Financial  
3 Protection issued a final rule entitled “Integrated Mort-  
4 gage Disclosures Under the Real Estate Settlement Proce-  
5 dures Act (Regulation X) and the Truth in Lending Act  
6 (Regulation Z)” (78 Fed. Reg. 79730 (December 31,  
7 2013)) (in this subsection referred to as the “TRID  
8 Rule”) to combine the disclosures a consumer receives in  
9 connection with applying for and closing on a mortgage  
10 loan, the Bureau of Consumer Financial Protection should  
11 endeavor to provide clearer, authoritative guidance on—  
12           (1) the applicability of the TRID Rule to mort-  
13 gage assumption transactions;  
14           (2) the applicability of the TRID Rule to con-  
15 struction-to-permanent home loans, and the condi-  
16 tions under which those loans can be properly origi-  
17 nated; and  
18           (3) the extent to which lenders can rely on  
19 model disclosures published by the Bureau of Con-  
20 sumer Financial Protection without liability if recent  
21 changes to regulations are not reflected in the sam-  
22 ple TRID Rule forms published by the Bureau of  
23 Consumer Financial Protection.

1 **TITLE II—REGULATORY RELIEF**  
2 **AND PROTECTING CONSUMER**  
3 **ACCESS TO CREDIT**

4 **SEC. 201. CAPITAL SIMPLIFICATION FOR QUALIFYING COM-**  
5 **MUNITY BANKS.**

6 (a) DEFINITIONS.—In this section:

7 (1) COMMUNITY BANK LEVERAGE RATIO.—The  
8 term “Community Bank Leverage Ratio” means the  
9 ratio of the tangible equity capital of a qualifying  
10 community bank, as reported on the qualifying com-  
11 munity bank’s applicable regulatory filing with the  
12 qualifying community bank’s appropriate Federal  
13 banking agency, to the average total consolidated as-  
14 sets of the qualifying community bank, as reported  
15 on the qualifying community bank’s applicable regu-  
16 latory filing with the qualifying community bank’s  
17 appropriate Federal banking agency.

18 (2) GENERALLY APPLICABLE LEVERAGE CAP-  
19 ITAL REQUIREMENTS; GENERALLY APPLICABLE  
20 RISK-BASED CAPITAL REQUIREMENTS.—The terms  
21 “generally applicable leverage capital requirements”  
22 and “generally applicable risk-based capital require-  
23 ments” have the meanings given those terms in sec-  
24 tion 171(a) of the Financial Stability Act of 2010  
25 (12 U.S.C. 5371(a)).

1 (3) QUALIFYING COMMUNITY BANK.—

2 (A) ASSET THRESHOLD.—The term  
3 “qualifying community bank” means a deposi-  
4 tory institution or depository institution holding  
5 company with total consolidated assets of less  
6 than \$10,000,000,000.

7 (B) RISK PROFILE.—The appropriate Fed-  
8 eral banking agencies may determine that a de-  
9 pository institution or depository institution  
10 holding company (or a class of depository insti-  
11 tutions or depository institution holding compa-  
12 nies) described in subparagraph (A) is not a  
13 qualifying community bank based on the deposi-  
14 tory institution’s or depository institution hold-  
15 ing company’s risk profile, which shall be based  
16 on consideration of—

- 17 (i) off-balance sheet exposures;  
18 (ii) trading assets and liabilities;  
19 (iii) total notional derivatives expo-  
20 sures; and  
21 (iv) such other factors as the appro-  
22 priate Federal banking agencies determine  
23 appropriate.

24 (b) COMMUNITY BANK LEVERAGE RATIO.—The ap-  
25 propriate Federal banking agencies shall, through notice

1 and comment rule making under section 553 of title 5,  
2 United States Code—

3 (1) develop a Community Bank Leverage Ratio  
4 of not less than 8 percent and not more than 10  
5 percent for qualifying community banks; and

6 (2) establish procedures for treatment of a  
7 qualifying community bank that has a Community  
8 Bank Leverage Ratio that falls below the percentage  
9 developed under paragraph (1) after exceeding the  
10 percentage developed under paragraph (1).

11 (c) CAPITAL COMPLIANCE.—

12 (1) IN GENERAL.—Any qualifying community  
13 bank that exceeds the Community Bank Leverage  
14 Ratio developed under subsection (b)(1) shall be  
15 considered to have met—

16 (A) the generally applicable leverage cap-  
17 ital requirements and the generally applicable  
18 risk-based capital requirements;

19 (B) in the case of a qualifying community  
20 bank that is a depository institution, the capital  
21 ratio requirements that are required in order to  
22 be considered well capitalized under section 38  
23 of the Federal Deposit Insurance Act (12  
24 U.S.C. 1831o) and any regulation implementing  
25 that section; and

1 (C) any other capital or leverage require-  
2 ments to which the qualifying community bank  
3 is subject.

4 (2) EXISTING AUTHORITIES.—Nothing in para-  
5 graph (1) shall limit the authority of the appropriate  
6 Federal banking agencies as in effect on the date of  
7 enactment of this Act.

8 (d) CONSULTATION.—The appropriate Federal bank-  
9 ing agencies shall—

10 (1) consult with the applicable State bank su-  
11 pervisors in carrying out this section; and

12 (2) notify the applicable State bank supervisor  
13 of any qualifying community bank that it supervises  
14 that exceeds, or does not exceed after previously ex-  
15 ceeding, the Community Bank Leverage ratio devel-  
16 oped under subsection (b)(1).

17 **SEC. 202. LIMITED EXCEPTION FOR RECIPROCAL DEPOS-**  
18 **ITS.**

19 (a) IN GENERAL.—Section 29 of the Federal Deposit  
20 Insurance Act (12 U.S.C. 1831f) is amended by adding  
21 at the end the following:

22 “(i) LIMITED EXCEPTION FOR RECIPROCAL DEPOS-  
23 ITS.—

24 “(1) IN GENERAL.—Reciprocal deposits of an  
25 agent institution shall not be considered to be funds

1       obtained, directly or indirectly, by or through a de-  
2       posit broker to the extent that the total amount of  
3       such reciprocal deposits does not exceed the lesser  
4       of—

5               “(A) \$5,000,000,000; or

6               “(B) an amount equal to 20 percent of the  
7       total liabilities of the agent institution.

8       “(2) DEFINITIONS.—In this subsection:

9               “(A) AGENT INSTITUTION.—The term  
10       ‘agent institution’ means an insured depository  
11       institution that places a covered deposit  
12       through a deposit placement network at other  
13       insured depository institutions in amounts that  
14       are less than or equal to the standard max-  
15       imum deposit insurance amount, specifying the  
16       interest rate to be paid for such amounts, if the  
17       insured depository institution—

18               “(i)(I) when most recently examined  
19       under section 10(d) was found to have a  
20       composite condition of outstanding or  
21       good; and

22               “(II) is well capitalized;

23               “(ii) has obtained a waiver pursuant  
24       to subsection (c); or

1                   “(iii) does not receive an amount of  
2                   reciprocal deposits that causes the total  
3                   amount of reciprocal deposits held by the  
4                   agent institution to be greater than the av-  
5                   erage of the total amount of reciprocal de-  
6                   posits held by the agent institution on the  
7                   last day of each of the 4 calendar quarters  
8                   preceding the calendar quarter in which  
9                   the agent institution was found not to have  
10                  a composite condition of outstanding or  
11                  good or was determined to be not well cap-  
12                  italized.

13                  “(B) COVERED DEPOSIT.—The term ‘cov-  
14                  ered deposit’ means a deposit that—

15                         “(i) is submitted for placement  
16                         through a deposit placement network by an  
17                         agent institution; and

18                         “(ii) does not consist of funds that  
19                         were obtained for the agent institution, di-  
20                         rectly or indirectly, by or through a deposit  
21                         broker before submission for placement  
22                         through a deposit placement network.

23                  “(C) DEPOSIT PLACEMENT NETWORK.—  
24                  The term ‘deposit placement network’ means a  
25                  network in which an insured depository institu-

1           tion participates, together with other insured  
2           depository institutions, for the processing and  
3           receipt of reciprocal deposits.

4           “(D) NETWORK MEMBER BANK.—The  
5           term ‘network member bank’ means an insured  
6           depository institution that is a member of a de-  
7           posit placement network.

8           “(E) RECIPROCAL DEPOSITS.—The term  
9           ‘reciprocal deposits’ means deposits received by  
10          an agent institution through a deposit place-  
11          ment network with the same maturity (if any)  
12          and in the same aggregate amount as covered  
13          deposits placed by the agent institution in other  
14          network member banks.

15          “(F) WELL CAPITALIZED.—The term ‘well  
16          capitalized’ has the meaning given the term in  
17          section 38(b)(1).”.

18          (b) INTEREST RATE RESTRICTION.—Section 29 of  
19          the Federal Deposit Insurance Act (12 U.S.C. 1831f) is  
20          amended by striking subsection (e) and inserting the fol-  
21          lowing:

22          “(e) RESTRICTION ON INTEREST RATE PAID.—

23                 “(1) DEFINITIONS.—In this subsection—

24                         “(A) the terms ‘agent institution’, ‘recip-  
25                         rocal deposits’, and ‘well capitalized’ have the

1 meanings given those terms in subsection (i);  
2 and

3 “(B) the term ‘covered insured depository  
4 institution’ means an insured depository institu-  
5 tion that—

6 “(i) under subsection (c) or (d), ac-  
7 cepts funds obtained, directly or indirectly,  
8 by or through a deposit broker; or

9 “(ii) while acting as an agent institu-  
10 tion under subsection (i), accepts recip-  
11 rocal deposits while not well capitalized.

12 “(2) PROHIBITION.—A covered insured deposi-  
13 tory institution may not pay a rate of interest on  
14 funds or reciprocal deposits described in paragraph  
15 (1) that, at the time that the funds or reciprocal de-  
16 posits are accepted, significantly exceeds the limit  
17 set forth in paragraph (3).

18 “(3) LIMIT ON INTEREST RATES.—The limit on  
19 the rate of interest referred to in paragraph (2) shall  
20 be—

21 “(A) the rate paid on deposits of similar  
22 maturity in the normal market area of the cov-  
23 ered insured depository institution for deposits  
24 accepted in the normal market area of the cov-  
25 ered insured depository institution; or

1                   “(B) the national rate paid on deposits of  
2                   comparable maturity, as established by the Cor-  
3                   poration, for deposits accepted outside the nor-  
4                   mal market area of the covered insured deposi-  
5                   tory institution.”.

6   **SEC. 203. COMMUNITY BANK RELIEF.**

7           Section 13(h)(1) of the Bank Holding Company Act  
8   of 1956 (12 U.S.C. 1851(h)(1)) is amended—

9                   (1) in subparagraph (D), by redesignating  
10                  clauses (i) and (ii) as subclauses (I) and (II), respec-  
11                  tively, and adjusting the margins accordingly;

12                  (2) by redesignating subparagraphs (A) through  
13                  (D) as clauses (i) through (iv), respectively, and ad-  
14                  justing the margins accordingly;

15                  (3) in the matter preceding clause (i), as so re-  
16                  designated, in the second sentence, by striking “in-  
17                  stitution that functions solely in a trust or fiduciary  
18                  capacity, if—” and inserting the following: “institu-  
19                  tion—

20                         “(A) that functions solely in a trust or fi-  
21                         duciary capacity, if—”;

22                  (4) in clause (iv)(II), as so redesignated, by  
23                  striking the period at the end and inserting “; or”;  
24                  and

25                  (5) by adding at the end the following:

1 “(B) that does not have and is not con-  
2 trolled by a company that has—

3 “(i) more than \$10,000,000,000 in  
4 total consolidated assets; and

5 “(ii) total trading assets and trading  
6 liabilities, as reported on the most recent  
7 applicable regulatory filing filed by the in-  
8 stitution, that are more than 5 percent of  
9 total consolidated assets.”.

**10 SEC. 204. REMOVING NAMING RESTRICTIONS.**

Section 13 of the Bank Holding Company Act of 1956 (12 U.S.C. 1851) is amended—

(1) in subsection (d)(1)(G)(vi), by inserting before the semicolon the following: “, except that the hedge fund or private equity fund may share the same name or a variation of the same name as a banking entity that is an investment adviser to the hedge fund or private equity fund, if—

19 “(I) such investment adviser is  
20 not an insured depository institution,  
21 a company that controls an insured  
22 depository institution, or a company  
23 that is treated as a bank holding com-  
24 pany for purposes of section 8 of the

1 International Banking Act of 1978  
2 (12 U.S.C. 3106);

3 “(II) such investment adviser  
4 does not share the same name or a  
5 variation of the same name as an in-  
6 sured depository institution, any com-  
7 pany that controls an insured deposi-  
8 tory institution, or any company that  
9 is treated as a bank holding company  
10 for purposes of section 8 of the Inter-  
11 national Banking Act of 1978 (12  
12 U.S.C. 3106); and

13 “(III) such name does not con-  
14 tain the word ‘bank’”; and

15 (2) in subsection (h)(5)(C), by inserting before  
16 the period the following: “, except as permitted  
17 under subsection (d)(1)(G)(vi)”.

18 **SEC. 205. SHORT FORM CALL REPORTS.**

19 Section 7(a) of the Federal Deposit Insurance Act  
20 (12 U.S.C. 1817(a)) is amended by adding at the end the  
21 following:

22 “(12) SHORT FORM REPORTING.—

23 “(A) IN GENERAL.—The appropriate Fed-  
24 eral banking agencies shall issue regulations  
25 that allow for a reduced reporting requirement

1 for a covered depository institution when the in-  
2 stitution makes the first and third report of  
3 condition for a year, as required under para-  
4 graph (3).

5 “(B) DEFINITION.—In this paragraph, the  
6 term ‘covered depository institution’ means an  
7 insured depository institution that—

8 “(i) has less than \$5,000,000,000 in  
9 total consolidated assets; and

10 “(ii) satisfies such other criteria as  
11 the appropriate Federal banking agencies  
12 determine appropriate.”.

13 **SEC. 206. OPTION FOR FEDERAL SAVINGS ASSOCIATIONS**  
14 **TO OPERATE AS COVERED SAVINGS ASSOCIA-**  
15 **TIONS.**

16 The Home Owners’ Loan Act (12 U.S.C. 1461 et  
17 seq.) is amended by inserting after section 5 (12 U.S.C.  
18 1464) the following:

19 **“SEC. 5A. ELECTION TO OPERATE AS A COVERED SAVINGS**  
20 **ASSOCIATION.**

21 “(a) DEFINITION.—In this section, the term ‘covered  
22 savings association’ means a Federal savings association  
23 that makes an election that is approved under subsection  
24 (b).

25 “(b) ELECTION.—

1           “(1) IN GENERAL.—In accordance with the  
2           rules issued under subsection (f), a Federal savings  
3           association with total consolidated assets equal to or  
4           less than \$20,000,000,000, as reported by the asso-  
5           ciation to the Comptroller as of December 31, 2017,  
6           may elect to operate as a covered savings association  
7           by submitting a notice to the Comptroller of that  
8           election.

9           “(2) APPROVAL.—A Federal savings association  
10          shall be deemed to be approved to operate as a cov-  
11          ered savings association beginning on the date that  
12          is 60 days after the date on which the Comptroller  
13          receives the notice submitted under paragraph (1),  
14          unless the Comptroller notifies the Federal savings  
15          association that the Federal savings association is  
16          not eligible.

17          “(c) RIGHTS AND DUTIES.—Notwithstanding any  
18          other provision of law, and except as otherwise provided  
19          in this section, a covered savings association shall—

20               “(1) have the same rights and privileges as a  
21               national bank that has the main office of the na-  
22               tional bank situated in the same location as the  
23               home office of the covered savings association; and

24               “(2) be subject to the same duties, restrictions,  
25               penalties, liabilities, conditions, and limitations that

1 would apply to a national bank described in para-  
2 graph (1).

3 “(d) TREATMENT OF COVERED SAVINGS ASSOCIA-  
4 TIONS.—A covered savings association shall be treated as  
5 a Federal savings association for the purposes—

6 “(1) of governance of the covered savings asso-  
7 ciation, including incorporation, bylaws, boards of  
8 directors, shareholders, and distribution of divi-  
9 dends;

10 “(2) of consolidation, merger, dissolution, con-  
11 version (including conversion to a stock bank or to  
12 another charter), conservatorship, and receivership;  
13 and

14 “(3) determined by regulation of the Comp-  
15 troller.

16 “(e) EXISTING BRANCHES.—A covered savings asso-  
17 ciation may continue to operate any branch or agency that  
18 the covered savings association operated on the date on  
19 which an election under subsection (b) is approved.

20 “(f) RULE MAKING.—The Comptroller shall issue  
21 rules to carry out this section—

22 “(1) that establish streamlined standards and  
23 procedures that clearly identify required documenta-  
24 tion and timelines for an election under subsection  
25 (b);

1           “(2) that require a Federal savings association  
2           that makes an election under subsection (b) to iden-  
3           tify specific assets and subsidiaries that—

4                   “(A) do not conform to the requirements  
5                   for assets and subsidiaries of a national bank;  
6                   and

7                   “(B) are held by the Federal savings asso-  
8                   ciation on the date on which the Federal sav-  
9                   ings association submits a notice of the election;  
10           “(3) that establish—

11                   “(A) a transition process for bringing the  
12                   assets and subsidiaries described in paragraph  
13                   (2) into conformance with the requirements for  
14                   a national bank; and

15                   “(B) procedures for allowing the Federal  
16                   savings association to submit to the Comptroller  
17                   an application to continue to hold assets and  
18                   subsidiaries described in paragraph (2) after  
19                   electing to operate as a covered savings associa-  
20                   tion;

21           “(4) that establish standards and procedures to  
22           allow a covered savings association to—

23                   “(A) terminate an election under sub-  
24                   section (b) after an appropriate period of time;  
25                   and

1                   “(B) make a subsequent election under  
2                   subsection (b) after terminating an election  
3                   under subparagraph (A);

4                   “(5) that clarify requirements for the treatment  
5                   of covered savings associations, including the provi-  
6                   sions of law that apply to covered savings associa-  
7                   tions; and

8                   “(6) as the Comptroller determines necessary in  
9                   the interests of safety and soundness.

10                  “(g) GRANDFATHERED COVERED SAVINGS ASSOCIA-  
11                  TIONS.—Subject to the rules issued under subsection (f),  
12                  a covered savings association may continue to operate as  
13                  a covered savings association if, after the date on which  
14                  the election is made under subsection (b), the covered sav-  
15                  ings association has total consolidated assets greater than  
16                  \$20,000,000,000.”.

17                  **SEC. 207. SMALL BANK HOLDING COMPANY POLICY STATE-**  
18                  **MENT.**

19                  (a) DEFINITIONS.—In this section:

20                         (1) BOARD.—The term “Board” means the  
21                         Board of Governors of the Federal Reserve System.

22                         (2) SAVINGS AND LOAN HOLDING COMPANY.—  
23                         The term “savings and loan holding company” has  
24                         the meaning given the term in section 10(a) of the  
25                         Home Owners’ Loan Act (12 U.S.C. 1467a(a)).

1 (b) CHANGES REQUIRED TO SMALL BANK HOLDING  
2 COMPANY POLICY STATEMENT ON ASSESSMENT OF FI-  
3 NANCIAL AND MANAGERIAL FACTORS.—Not later than  
4 180 days after the date of enactment of this Act, the  
5 Board shall revise appendix C to part 225 of title 12, Code  
6 of Federal Regulations (commonly known as the “Small  
7 Bank Holding Company and Savings and Loan Holding  
8 Company Policy Statement”), to raise the consolidated  
9 asset threshold under that appendix from \$1,000,000,000  
10 to \$3,000,000,000 for any bank holding company or sav-  
11 ings and loan holding company that—

12 (1) is not engaged in significant nonbanking ac-  
13 tivities either directly or through a nonbank sub-  
14 sidiary;

15 (2) does not conduct significant off-balance  
16 sheet activities (including securitization and asset  
17 management or administration) either directly or  
18 through a nonbank subsidiary; and

19 (3) does not have a material amount of debt or  
20 equity securities outstanding (other than trust pre-  
21 ferred securities) that are registered with the Securi-  
22 ties and Exchange Commission.

23 (c) EXCLUSIONS.—The Board may exclude any bank  
24 holding company or savings and loan holding company, re-  
25 gardless of asset size, from the revision under subsection

1 (b) if the Board determines that such action is warranted  
2 for supervisory purposes.

3 (d) CONFORMING AMENDMENT.—Section 171(b)(5)  
4 of the Financial Stability Act of 2010 (12 U.S.C.  
5 5371(b)(5)) is amended by striking subparagraph (C) and  
6 inserting the following:

7 “(C) any bank holding company or savings  
8 and loan holding company that is subject to the  
9 application of appendix C to part 225 of title  
10 12, Code of Federal Regulations (commonly  
11 known as the ‘Small Bank Holding Company  
12 and Savings and Loan Holding Company Policy  
13 Statement’).”.

14 **SEC. 208. APPLICATION OF THE EXPEDITED FUNDS AVAIL-**  
15 **ABILITY ACT.**

16 (a) IN GENERAL.—The Expedited Funds Availability  
17 Act (12 U.S.C. 4001 et seq.) is amended—

18 (1) in section 602 (12 U.S.C. 4001)—

19 (A) in paragraph (20), by inserting “, lo-  
20 cated in the United States,” after “ATM”;

21 (B) in paragraph (21), by inserting  
22 “American Samoa, the Commonwealth of the  
23 Northern Mariana Islands, Guam,” after  
24 “Puerto Rico,”; and

1 (C) in paragraph (23), by inserting “Amer-  
2 ican Samoa, the Commonwealth of the North-  
3 ern Mariana Islands, Guam,” after “Puerto  
4 Rico,”; and

5 (2) in section 603(d)(2)(A) (12 U.S.C.  
6 4002(d)(2)(A)), by inserting “American Samoa, the  
7 Commonwealth of the Northern Mariana Islands,  
8 Guam,” after “Puerto Rico,”.

9 (b) EFFECTIVE DATE.—The amendments made by  
10 this section shall take effect on the date that is 30 days  
11 after the date of enactment of this Act.

12 **SEC. 209. SMALL PUBLIC HOUSING AGENCIES.**

13 (a) SMALL PUBLIC HOUSING AGENCIES.—Title I of  
14 the United States Housing Act of 1937 (42 U.S.C. 1437  
15 et seq.) is amended by adding at the end the following:

16 **“SEC. 38. SMALL PUBLIC HOUSING AGENCIES.**

17 **“(a) DEFINITIONS.—In this section:**

18 **“(1) HOUSING VOUCHER PROGRAM.—The term**  
19 **‘housing voucher program’ means a program for ten-**  
20 **ant-based assistance under section 8.**

21 **“(2) SMALL PUBLIC HOUSING AGENCY.—The**  
22 **term ‘small public housing agency’ means a public**  
23 **housing agency—**

24 **“(A) for which the sum of the number of**  
25 **public housing dwelling units administered by**

1 the agency and the number of vouchers under  
2 section 8(o) administered by the agency is 550  
3 or fewer; and

4 “(B) that predominantly operates in a  
5 rural area, as described in section  
6 1026.35(b)(2)(iv)(A) of title 12, Code of Fed-  
7 eral Regulations.

8 “(3) TROUBLED SMALL PUBLIC HOUSING AGEN-  
9 CY.—The term ‘troubled small public housing agen-  
10 cy’ means a small public housing agency designated  
11 by the Secretary as a troubled small public housing  
12 agency under subsection (c)(3).

13 “(b) APPLICABILITY.—Except as otherwise provided  
14 in this section, a small public housing agency shall be sub-  
15 ject to the same requirements as a public housing agency.

16 “(c) PROGRAM INSPECTIONS AND EVALUATIONS.—

17 “(1) PUBLIC HOUSING PROJECTS.—

18 “(A) FREQUENCY OF INSPECTIONS BY  
19 SECRETARY.—The Secretary shall carry out an  
20 inspection of the physical condition of a small  
21 public housing agency’s public housing projects  
22 not more frequently than once every 3 years,  
23 unless the agency has been designated by the  
24 Secretary as a troubled small public housing  
25 agency based on deficiencies in the physical

1 condition of its public housing projects. Nothing  
2 contained in this subparagraph relieves the Sec-  
3 retary from conducting lead safety inspections  
4 or assessments in accordance with procedures  
5 established by the Secretary under section 302  
6 of the Lead-Based Paint Poisoning Prevention  
7 Act (42 U.S.C. 4822).

8 “(B) STANDARDS.—The Secretary shall  
9 apply to small public housing agencies the same  
10 standards for the acceptable condition of public  
11 housing projects that apply to projects assisted  
12 under section 8.

13 “(2) HOUSING VOUCHER PROGRAM.—Except as  
14 required by section 8(o)(8)(F), a small public hous-  
15 ing agency administering assistance under section  
16 8(o) shall make periodic physical inspections of each  
17 assisted dwelling unit not less frequently than once  
18 every 3 years to determine whether the unit is main-  
19 tained in accordance with the requirements under  
20 section 8(o)(8)(A). Nothing contained in this para-  
21 graph relieves a small public housing agency from  
22 conducting lead safety inspections or assessments in  
23 accordance with procedures established by the Sec-  
24 retary under section 302 of the Lead-Based Paint  
25 Poisoning Prevention Act (42 U.S.C. 4822).

1           “(3) TROUBLED SMALL PUBLIC HOUSING AGEN-  
2 CIES.—

3           “(A) PUBLIC HOUSING PROGRAM.—Not-  
4 withstanding any other provision of law, the  
5 Secretary may designate a small public housing  
6 agency as a troubled small public housing agen-  
7 cy with respect to the public housing program  
8 of the small public housing agency if the Sec-  
9 retary determines that the agency has failed to  
10 maintain the public housing units of the small  
11 public housing agency in a satisfactory physical  
12 condition, based upon an inspection conducted  
13 by the Secretary.

14           “(B) HOUSING VOUCHER PROGRAM.—Not-  
15 withstanding any other provision of law, the  
16 Secretary may designate a small public housing  
17 agency as a troubled small public housing agen-  
18 cy with respect to the housing voucher program  
19 of the small public housing agency if the Sec-  
20 retary determines that the agency has failed to  
21 comply with the inspection requirements under  
22 paragraph (2).

23           “(C) APPEALS.—

24           “(i) ESTABLISHMENT.—The Secretary  
25 shall establish an appeals process under

1           which a small public housing agency may  
2           dispute a designation as a troubled small  
3           public housing agency.

4           “(ii) OFFICIAL.—The appeals process  
5           established under clause (i) shall provide  
6           for a decision by an official who has not  
7           been involved, and is not subordinate to a  
8           person who has been involved, in the origi-  
9           nal determination to designate a small  
10          public housing agency as a troubled small  
11          public housing agency.

12          “(D) CORRECTIVE ACTION AGREEMENT.—

13          “(i) AGREEMENT REQUIRED.—Not  
14          later than 60 days after the date on which  
15          a small public housing agency is des-  
16          ignated as a troubled public housing agen-  
17          cy under subparagraph (A) or (B), the  
18          Secretary and the small public housing  
19          agency shall enter into a corrective action  
20          agreement under which the small public  
21          housing agency shall undertake actions to  
22          correct the deficiencies upon which the des-  
23          ignation is based.

1                   “(ii) TERMS OF AGREEMENT.—A cor-  
2                   rective action agreement entered into  
3                   under clause (i) shall—

4                   “(I) have a term of 1 year, and  
5                   shall be renewable at the option of the  
6                   Secretary;

7                   “(II) provide, where feasible, for  
8                   technical assistance to assist the pub-  
9                   lic housing agency in curing its defi-  
10                  ciencies;

11                  “(III) provide for—

12                   “(aa) reconsideration of the  
13                   designation of the small public  
14                   housing agency as a troubled  
15                   small public housing agency not  
16                   less frequently than annually;  
17                   and

18                   “(bb) termination of the  
19                   agreement when the Secretary  
20                   determines that the small public  
21                   housing agency is no longer a  
22                   troubled small public housing  
23                   agency; and

24                   “(IV) provide that in the event of  
25                   substantial noncompliance by the

1 small public housing agency under the  
2 agreement, the Secretary may—

3 “(aa) contract with another  
4 public housing agency or a pri-  
5 vate entity to manage the public  
6 housing of the troubled small  
7 public housing agency;

8 “(bb) withhold funds other-  
9 wise distributable to the troubled  
10 small public housing agency;

11 “(cc) assume possession of,  
12 and direct responsibility for,  
13 managing the public housing of  
14 the troubled small public housing  
15 agency;

16 “(dd) petition for the ap-  
17 pointment of a receiver, in ac-  
18 cordance with section  
19 6(j)(3)(A)(ii); and

20 “(ee) exercise any other  
21 remedy available to the Secretary  
22 in the event of default under the  
23 public housing annual contribu-  
24 tions contract entered into by the

1 small public housing agency  
2 under section 5.

3 “(E) EMERGENCY ACTIONS.—Nothing in  
4 this paragraph may be construed to prohibit the  
5 Secretary from taking any emergency action  
6 necessary to protect Federal financial resources  
7 or the health or safety of residents of public  
8 housing projects.

9 “(d) REDUCTION OF ADMINISTRATIVE BURDENS.—

10 “(1) EXEMPTION.—Notwithstanding any other  
11 provision of law, a small public housing agency shall  
12 be exempt from any environmental review require-  
13 ments with respect to a development or moderniza-  
14 tion project having a total cost of not more than  
15 \$100,000.

16 “(2) STREAMLINED PROCEDURES.—The Sec-  
17 retary shall, by rule, establish streamlined proce-  
18 dures for environmental reviews of small public  
19 housing agency development and modernization  
20 projects having a total cost of more than  
21 \$100,000.”.

22 (b) ENERGY CONSERVATION.—Section 9(e)(2) of the  
23 United States Housing Act of 1937 (42 U.S.C.  
24 1437g(e)(2)) is amended by adding at the end the fol-  
25 lowing:

1                   “(D) FREEZE OF CONSUMPTION LEV-  
2                   ELS.—

3                   “(i) IN GENERAL.—A small public  
4                   housing agency, as defined in section  
5                   38(a), may elect to be paid for its utility  
6                   and waste management costs under the  
7                   formula for a period, at the discretion of  
8                   the small public housing agency, of not  
9                   more than 20 years based on the small  
10                  public housing agency’s average annual  
11                  consumption during the 3-year period pre-  
12                  ceding the year in which the election is  
13                  made (in this subparagraph referred to as  
14                  the ‘consumption base level’).

15                  “(ii) INITIAL ADJUSTMENT IN CON-  
16                  SUMPTION BASE LEVEL.—The Secretary  
17                  shall make an initial one-time adjustment  
18                  in the consumption base level to account  
19                  for differences in the heating degree day  
20                  average over the most recent 20-year pe-  
21                  riod compared to the average in the con-  
22                  sumption base level.

23                  “(iii) ADJUSTMENTS IN CONSUMPTION  
24                  BASE LEVEL.—The Secretary shall make  
25                  adjustments in the consumption base level

1 to account for an increase or reduction in  
2 units, a change in fuel source, a change in  
3 resident controlled electricity consumption,  
4 or for other reasons.

5 “(iv) SAVINGS.—All cost savings re-  
6 sulting from an election made by a small  
7 public housing agency under this subpara-  
8 graph—

9 “(I) shall accrue to the small  
10 public housing agency; and

11 “(II) may be used for any public  
12 housing purpose at the discretion of  
13 the small public housing agency.

14 “(v) THIRD PARTIES.—A small public  
15 housing agency making an election under  
16 this subparagraph—

17 “(I) may use, but shall not be re-  
18 quired to use, the services of a third  
19 party in its energy conservation pro-  
20 gram; and

21 “(II) shall have the sole discre-  
22 tion to determine the source, and  
23 terms and conditions, of any financing  
24 used for its energy conservation pro-  
25 gram.”.

1       (c) REPORTING BY AGENCIES OPERATING IN CON-  
2 SORTIA.—Not later than 180 days after the date of enact-  
3 ment of this Act, the Secretary of Housing and Urban  
4 Development shall develop and deploy all electronic infor-  
5 mation systems necessary to accommodate full consoli-  
6 dated reporting by public housing agencies, as defined in  
7 section 3(b)(6) of the United States Housing Act of 1937  
8 (42 U.S.C. 1437a(b)(6)), electing to operate in consortia  
9 under section 13(a) of such Act (42 U.S.C. 1437k(a)).

10       (d) EFFECTIVE DATE.—The amendments made by  
11 subsections (a) and (b) shall take effect on the date that  
12 is 60 days after the date of enactment of this Act.

13       (e) SHARED WAITING LISTS.—Not later than 1 year  
14 after the date of enactment of this Act, the Secretary of  
15 Housing and Urban Development shall make available to  
16 interested public housing agencies and owners of multi-  
17 family properties receiving assistance from the Depart-  
18 ment of Housing and Urban Development 1 or more soft-  
19 ware programs that will facilitate the voluntary use of a  
20 shared waiting list by multiple public housing agencies or  
21 owners receiving assistance, and shall publish on the  
22 website of the Department of Housing and Urban Devel-  
23 opment procedural guidance for implementing shared  
24 waiting lists that includes information on how to obtain  
25 the software.

1   **SEC. 210. EXAMINATION CYCLE.**

2       Section 10(d) of the Federal Deposit Insurance Act  
3   (12 U.S.C. 1820(d)) is amended—

4           (1)   in paragraph (4)(A), by striking  
5       “\$1,000,000,000” and inserting “\$3,000,000,000”;  
6       and

7           (2)   in paragraph (10), by striking  
8       “\$1,000,000,000” and inserting “\$3,000,000,000”.

9   **SEC. 211. INTERNATIONAL INSURANCE CAPITAL STAND-**  
10           **ARDS ACCOUNTABILITY.**

11       (a) FINDINGS.—Congress finds that—

12           (1) the Secretary of the Treasury, Board of  
13       Governors of the Federal Reserve System, and Di-  
14       rector of the Federal Insurance Office shall support  
15       increasing transparency at any global insurance or  
16       international standard-setting regulatory or super-  
17       visory forum in which they participate, including  
18       supporting and advocating for greater public ob-  
19       server access to working groups and committee  
20       meetings of the International Association of Insur-  
21       ance Supervisors; and

22           (2) to the extent that the Secretary of the  
23       Treasury, the Board of Governors of the Federal  
24       Reserve System, and the Director of the Federal In-  
25       surance Office take a position or reasonably intend  
26       to take a position with respect to an insurance pro-

1       posal by a global insurance regulatory or supervisory  
2       forum, the Secretary of the Treasury, the Board of  
3       Governors of the Federal Reserve System, and the  
4       Director of the Federal Insurance Office shall  
5       achieve consensus positions with State insurance  
6       regulators through the National Association of In-  
7       surance Commissioners, when they are United  
8       States participants in negotiations on insurance  
9       issues before the International Association of Insur-  
10      ance Supervisors, Financial Stability Board, or any  
11      other international forum of financial regulators or  
12      supervisors that considers such issues.

13      (b) INSURANCE POLICY ADVISORY COMMITTEE.—

14           (1) ESTABLISHMENT.—There is established the  
15      Insurance Policy Advisory Committee on Inter-  
16      national Capital Standards and Other Insurance  
17      Issues at the Board of Governors of the Federal Re-  
18      serve System.

19           (2) MEMBERSHIP.—The Committee shall be  
20      composed of not more than 21 members, all of  
21      whom represent a diverse set of expert perspectives  
22      from the various sectors of the United States insur-  
23      ance industry, including life insurance, property and  
24      casualty insurance and reinsurance, agents and bro-  
25      kers, academics, consumer advocates, or experts on

1 issues facing underserved insurance communities  
2 and consumers.

3 (c) REPORTS.—

4 (1) REPORTS AND TESTIMONY BY SECRETARY  
5 OF THE TREASURY AND CHAIRMAN OF THE FED-  
6 ERAL RESERVE.—

7 (A) IN GENERAL.—The Secretary of the  
8 Treasury and the Chairman of the Board of  
9 Governors of the Federal Reserve System, or  
10 their designee, shall submit to the Committee  
11 on Banking, Housing, and Urban Affairs of the  
12 Senate, and the Committee on Financial Serv-  
13 ices of the House of Representatives, an annual  
14 report and provide annual testimony to the  
15 Committee on Banking, Housing, and Urban  
16 Affairs of the Senate, and the Committee on  
17 Financial Services of the House of Representa-  
18 tives on the efforts of the Secretary and the  
19 Chairman with the National Association of In-  
20 surance Commissioners with respect to global  
21 insurance regulatory or supervisory forums, in-  
22 cluding—

23 (i) a description of the insurance reg-  
24 ulatory or supervisory standard-setting  
25 issues under discussion at international

1 standard-setting bodies, including the Fi-  
2 nancial Stability Board and the Inter-  
3 national Association of Insurance Super-  
4 visors;

5 (ii) a description of the effects that  
6 proposals discussed at international insur-  
7 ance regulatory or supervisory forums of  
8 insurance could have on consumer and in-  
9 surance markets in the United States;

10 (iii) a description of any position  
11 taken by the Secretary of the Treasury,  
12 the Board of Governors of the Federal Re-  
13 serve System, and the Director of the Fed-  
14 eral Insurance Office in international in-  
15 surance discussions; and

16 (iv) a description of the efforts by the  
17 Secretary of the Treasury, the Board of  
18 Governors of the Federal Reserve System,  
19 and the Director of the Federal Insurance  
20 Office to increase transparency at the Fi-  
21 nancial Stability Board with respect to in-  
22 surance proposals and the International  
23 Association of Insurance Supervisors, in-  
24 cluding efforts to provide additional public  
25 access to working groups and committees

1 of the International Association of Insur-  
2 ance Supervisors.

3 (B) TERMINATION.—This paragraph shall  
4 terminate on December 31, 2024.

5 (2) REPORTS AND TESTIMONY BY NATIONAL  
6 ASSOCIATION OF INSURANCE COMMISSIONERS.—The  
7 National Association of Insurance Commissioners  
8 may provide testimony to Congress on the issues de-  
9 scribed in paragraph (1)(A).

10 (3) JOINT REPORT BY THE CHAIRMAN OF THE  
11 FEDERAL RESERVE AND THE DIRECTOR OF THE  
12 FEDERAL INSURANCE OFFICE.—

13 (A) IN GENERAL.—The Secretary of the  
14 Treasury, the Chairman of the Board of Gov-  
15 ernors of the Federal Reserve System, and the  
16 Director of the Federal Insurance Office shall,  
17 in consultation with the National Association of  
18 Insurance Commissioners, complete a study on,  
19 and submit to Congress a report on the results  
20 of the study, the impact on consumers and mar-  
21 kets in the United States before supporting or  
22 consenting to the adoption of any final inter-  
23 national insurance capital standard.

24 (B) NOTICE AND COMMENT.—

1 (i) NOTICE.—The Secretary of the  
2 Treasury, the Chairman of the Board of  
3 Governors of the Federal Reserve System,  
4 and the Director of the Federal Insurance  
5 Office shall provide public notice before the  
6 date on which drafting a report required  
7 under subparagraph (A) is commenced and  
8 after the date on which the draft of the re-  
9 port is completed.

10 (ii) OPPORTUNITY FOR COMMENT.—  
11 There shall be an opportunity for public  
12 comment for a period beginning on the  
13 date on which the report is submitted  
14 under subparagraph (A) and ending on the  
15 date that is 60 days after the date on  
16 which the report is submitted.

17 (C) REVIEW BY COMPTROLLER GEN-  
18 ERAL.—The Secretary of the Treasury, Chair-  
19 man of the Board of Governors of the Federal  
20 Reserve System, and the Director of the Fed-  
21 eral Insurance Office shall submit to the Comp-  
22 troller General of the United States the report  
23 described in subparagraph (A) for review.

24 (4) REPORT ON INCREASE IN TRANS-  
25 PARENCY.—Not later than 180 days after the date

1 of enactment of this Act, the Chairman of the Board  
2 of Governors of the Federal Reserve System and the  
3 Secretary of the Treasury, or their designees, shall  
4 submit to Congress a report and provide testimony  
5 to Congress on the efforts of the Chairman and the  
6 Secretary to increase transparency at meetings of  
7 the International Association of Insurance Super-  
8 visors.

9 **SEC. 212. BUDGET TRANSPARENCY FOR THE NCUA.**

10 Section 209(b) of the Federal Credit Union Act (12  
11 U.S.C. 1789(b)) is amended—

12 (1) by redesignating paragraphs (1) and (2) as  
13 paragraphs (2) and (3), respectively;

14 (2) by inserting before paragraph (2), as so re-  
15 designated, the following:

16 “(1) on an annual basis and prior to the sub-  
17 mission of the detailed business-type budget required  
18 under paragraph (2)—

19 “(A) make publicly available and publish in  
20 the Federal Register a draft of the detailed  
21 business-type budget; and

22 “(B) hold a public hearing, with public no-  
23 tice provided of the hearing, during which the  
24 public may submit comments on the draft of  
25 the detailed business-type budget;”; and

1 (3) in paragraph (2), as so redesignated—

2 (A) by inserting “detailed” after “submit  
3 a”; and

4 (B) by inserting “, which shall address any  
5 comment submitted by the public under para-  
6 graph (1)(B)” after “Control Act”.

7 **SEC. 213. MAKING ONLINE BANKING INITIATION LEGAL**  
8 **AND EASY.**

9 (a) DEFINITIONS.—In this section:

10 (1) AFFILIATE.—The term “affiliate” has the  
11 meaning given the term in section 2 of the Bank  
12 Holding Company Act of 1956 (12 U.S.C. 1841).

13 (2) DRIVER’S LICENSE.—The term “driver’s li-  
14 cense” means a license issued by a State to an indi-  
15 vidual that authorizes the individual to operate a  
16 motor vehicle on public streets, roads, or highways.

17 (3) FEDERAL BANK SECRECY LAWS.—The term  
18 “Federal bank secrecy laws” means—

19 (A) section 21 of the Federal Deposit In-  
20 surance Act (12 U.S.C. 1829b);

21 (B) section 123 of Public Law 91–508 (12  
22 U.S.C. 1953); and

23 (C) subchapter II of chapter 53 of title 31,  
24 United States Code.

1           (4) FINANCIAL INSTITUTION.—The term “fi-  
2       nancial institution” means—

3                   (A) an insured depository institution;

4                   (B) an insured credit union; or

5                   (C) any affiliate of an insured depository  
6       institution or insured credit union.

7           (5) FINANCIAL PRODUCT OR SERVICE.—The  
8       term “financial product or service” has the meaning  
9       given the term in section 1002 of the Consumer Fi-  
10      nancial Protection Act of 2010 (12 U.S.C. 5481).

11          (6) INSURED CREDIT UNION.—The term “in-  
12      sured credit union” has the meaning given the term  
13      in section 101 of the Federal Credit Union Act (12  
14      U.S.C. 1752).

15          (7) INSURED DEPOSITORY INSTITUTION.—The  
16      term “insured depository institution” has the mean-  
17      ing given the term in section 3 of the Federal De-  
18      posit Insurance Act (12 U.S.C. 1813).

19          (8) ONLINE SERVICE.—The term “online serv-  
20      ice” means any Internet-based service, such as a  
21      website or mobile application.

22          (9) PERSONAL IDENTIFICATION CARD.—The  
23      term “personal identification card” means an identi-  
24      fication document issued by a State or local govern-

1       ment to an individual solely for the purpose of iden-  
2       tification of that individual.

3           (10) PERSONAL INFORMATION.—The term  
4       “personal information” means the information dis-  
5       played on or electronically encoded on a driver’s li-  
6       cense or personal identification card that is reason-  
7       ably necessary to fulfill the purpose and uses per-  
8       mitted by subsection (b).

9           (11) SCAN.—The term “scan” means the act of  
10      using a device or software to decipher, in an elec-  
11      tronically readable format, personal information dis-  
12      played on or electronically encoded on a driver’s li-  
13      cense or personal identification card.

14          (12) STATE.—The term “State” means any  
15      State of the United States, the District of Columbia,  
16      the Commonwealth of Puerto Rico, and any other  
17      commonwealth, possession, or territory of the United  
18      States.

19      (b) USE OF A DRIVER’S LICENSE OR PERSONAL  
20      IDENTIFICATION CARD.—

21          (1) IN GENERAL.—When an individual initiates  
22      a request through an online service to open an ac-  
23      count with a financial institution or obtain a finan-  
24      cial product or service from a financial institution,  
25      the financial institution may record personal infor-

1       mation from a scan of the driver's license or per-  
2       sonal identification card of the individual, or make  
3       a copy or receive an image of the driver's license or  
4       personal identification card of the individual, and  
5       store or retain such information in any electronic  
6       format for the purposes described in paragraph (2).

7           (2) USES OF INFORMATION.—Except as re-  
8       quired to comply with Federal bank secrecy laws, a  
9       financial institution may only use the information  
10      obtained under paragraph (1)—

11           (A) to verify the authenticity of the driv-  
12      er's license or personal identification card;

13           (B) to verify the identity of the individual;  
14      and

15           (C) to comply with a legal requirement to  
16      record, retain, or transmit the personal infor-  
17      mation in connection with opening an account  
18      or obtaining a financial product or service.

19           (3) DELETION OF IMAGE.—A financial institu-  
20      tion that makes a copy or receives an image of a  
21      driver's license or personal identification card of an  
22      individual in accordance with paragraphs (1) and (2)  
23      shall, after using the image for the purposes de-  
24      scribed in paragraph (2), permanently delete—

1 (A) any image of the driver's license or  
2 personal identification card, as applicable; and

3 (B) any copy of any such image.

4 (4) DISCLOSURE OF PERSONAL INFORMA-  
5 TION.—Nothing in this section shall be construed to  
6 amend, modify, or otherwise affect any State or  
7 Federal law that governs a financial institution's  
8 disclosure and security of personal information that  
9 is not publicly available.

10 (c) RELATION TO STATE LAW.—The provisions of  
11 this section shall preempt and supersede any State law  
12 that conflicts with a provision of this section, but only to  
13 the extent of such conflict.

14 **SEC. 214. PROMOTING CONSTRUCTION AND DEVELOP-**  
15 **MENT.**

16 The Federal Deposit Insurance Act (12 U.S.C. 1811  
17 et seq.) is amended by adding at the end the following  
18 new section:

19 **“SEC. 51. CAPITAL REQUIREMENTS FOR CERTAIN ACQUISI-**  
20 **TION, DEVELOPMENT, OR CONSTRUCTION**  
21 **LOANS.**

22 “(a) IN GENERAL.—The appropriate Federal bank-  
23 ing agencies may only require a depository institution to  
24 assign a heightened risk weight to a high volatility com-  
25 mercial real estate (HVCRE) exposure (as such term is

1 defined under section 324.2 of title 12, Code of Federal  
2 Regulations, as of October 11, 2017, or if a successor reg-  
3 ulation is in effect as of the date of the enactment of this  
4 section, such term or any successor term contained in such  
5 successor regulation) under any risk-based capital require-  
6 ment if such exposure is an HVCRE ADC loan.

7 “(b) HVCRE ADC LOAN DEFINED.—For purposes  
8 of this section and with respect to a depository institution,  
9 the term ‘HVCRE ADC loan’—

10 “(1) means a credit facility secured by land or  
11 improved real property that, prior to being reclassi-  
12 fied by the depository institution as a non-HVCRE  
13 ADC loan pursuant to subsection (d)—

14 “(A) primarily finances, has financed, or  
15 refinances the acquisition, development, or con-  
16 struction of real property;

17 “(B) has the purpose of providing financ-  
18 ing to acquire, develop, or improve such real  
19 property into income-producing real property;  
20 and

21 “(C) is dependent upon future income or  
22 sales proceeds from, or refinancing of, such real  
23 property for the repayment of such credit facil-  
24 ity;

1           “(2) does not include a credit facility financ-  
2           ing—

3                   “(A) the acquisition, development, or con-  
4           struction of properties that are—

5                           “(i) one- to four-family residential  
6                   properties;

7                           “(ii) real property that would qualify  
8                   as an investment in community develop-  
9                   ment; or

10                           “(iii) agricultural land;

11                   “(B) the acquisition or refinance of exist-  
12           ing income-producing real property secured by  
13           a mortgage on such property, if the cash flow  
14           being generated by the real property is suffi-  
15           cient to support the debt service and expenses  
16           of the real property, in accordance with the in-  
17           stitution’s applicable loan underwriting criteria  
18           for permanent financings;

19                   “(C) improvements to existing income-pro-  
20           ducing improved real property secured by a  
21           mortgage on such property, if the cash flow  
22           being generated by the real property is suffi-  
23           cient to support the debt service and expenses  
24           of the real property, in accordance with the in-

1           stitution’s applicable loan underwriting criteria  
2           for permanent financings; or

3           “(D) commercial real property projects in  
4           which—

5           “(i) the loan-to-value ratio is less than  
6           or equal to the applicable maximum super-  
7           visory loan-to-value ratio as determined by  
8           the appropriate Federal banking agency;

9           “(ii) the borrower has contributed  
10          capital of at least 15 percent of the real  
11          property’s appraised, ‘as completed’ value  
12          to the project in the form of—

13           “(I) cash;

14           “(II) unencumbered readily mar-  
15          ketable assets;

16           “(III) paid development expenses  
17          out-of-pocket; or

18           “(IV) contributed real property  
19          or improvements; and

20          “(iii) the borrower contributed the  
21          minimum amount of capital described  
22          under clause (ii) before the depository in-  
23          stitution advances funds (other than the  
24          advance of a nominal sum made in order  
25          to secure the depository institution’s lien

1                   against the real property) under the credit  
2                   facility, and such minimum amount of cap-  
3                   ital contributed by the borrower is contrac-  
4                   tually required to remain in the project  
5                   until the credit facility has been reclassi-  
6                   fied by the depository institution as a non-  
7                   HVCRE ADC loan under subsection (d);

8                   “(3) does not include any loan made prior to  
9                   January 1, 2015; and

10                  “(4) does not include a credit facility reclassi-  
11                  fied as a non-HVCRE ADC loan under subsection  
12                  (d).

13                  “(c) VALUE OF CONTRIBUTED REAL PROPERTY.—  
14                  For purposes of this section, the value of any real property  
15                  contributed by a borrower as a capital contribution shall  
16                  be the appraised value of the property as determined  
17                  under standards prescribed pursuant to section 1110 of  
18                  the Financial Institutions Reform, Recovery, and Enforce-  
19                  ment Act of 1989 (12 U.S.C. 3339), in connection with  
20                  the extension of the credit facility or loan to such bor-  
21                  rower.

22                  “(d) RECLASSIFICATION AS A NON-HVRCE ADC  
23                  LOAN.—For purposes of this section and with respect to  
24                  a credit facility and a depository institution, upon—

1           “(1) the substantial completion of the develop-  
2           ment or construction of the real property being fi-  
3           nanced by the credit facility; and

4           “(2) cash flow being generated by the real prop-  
5           erty being sufficient to support the debt service and  
6           expenses of the real property,

7           in accordance with the institution’s applicable loan under-  
8           writing criteria for permanent financings, the credit facil-  
9           ity may be reclassified by the depository institution as a  
10          Non-HVCRE ADC loan.

11          “(e) EXISTING AUTHORITIES.—Nothing in this sec-  
12          tion shall limit the supervisory, regulatory, or enforcement  
13          authority of an appropriate Federal banking agency to  
14          further the safe and sound operation of an institution  
15          under the supervision of the appropriate Federal banking  
16          agency.”.

17          **SEC. 215. REDUCING IDENTITY FRAUD.**

18          (a) PURPOSE.—The purpose of this section is to re-  
19          duce the prevalence of synthetic identity fraud, which  
20          disproportionally affects vulnerable populations, such as  
21          minors and recent immigrants, by facilitating the valida-  
22          tion by permitted entities of fraud protection data, pursu-  
23          ant to electronically received consumer consent, through  
24          use of a database maintained by the Commissioner.

25          (b) DEFINITIONS.—In this section:

1           (1) COMMISSIONER.—The term “Commis-  
2           sioner” means the Commissioner of the Social Secu-  
3           rity Administration.

4           (2) FINANCIAL INSTITUTION.—The term “fi-  
5           nancial institution” has the meaning given the term  
6           in section 509 of the Gramm-Leach-Bliley Act (15  
7           U.S.C. 6809).

8           (3) FRAUD PROTECTION DATA.—The term  
9           “fraud protection data” means a combination of the  
10          following information with respect to an individual:

11                (A) The name of the individual (including  
12                the first name and any family forename or sur-  
13                name of the individual).

14                (B) The social security number of the indi-  
15                vidual.

16                (C) The date of birth (including the  
17                month, day, and year) of the individual.

18          (4) PERMITTED ENTITY.—The term “permitted  
19          entity” means a financial institution or a service  
20          provider, subsidiary, affiliate, agent, subcontractor,  
21          or assignee of a financial institution.

22          (c) EFFICIENCY.—

23                (1) RELIANCE ON EXISTING METHODS.—The  
24          Commissioner shall evaluate the feasibility of mak-  
25          ing modifications to any database that is in exist-

1       ence as of the date of enactment of this Act or a  
2       similar resource such that the database or re-  
3       source—

4               (A) is reasonably designed to effectuate the  
5       purpose of this section; and

6               (B) meets the requirements of subsection  
7       (d).

8       (2) EXECUTION.—The Commissioner shall  
9       make the modifications necessary to any database  
10      that is in existence as of the date of enactment of  
11      this Act or similar resource, or develop a database  
12      or similar resource, to effectuate the requirements  
13      described in paragraph (1).

14      (d) PROTECTION OF VULNERABLE CONSUMERS.—  
15      The database or similar resource described in subsection  
16      (c) shall—

17              (1) compare fraud protection data provided in  
18      an inquiry by a permitted entity against such infor-  
19      mation maintained by the Commissioner in order to  
20      confirm (or not confirm) the validity of the informa-  
21      tion provided;

22              (2) be scalable and accommodate reasonably an-  
23      ticipated volumes of verification requests from per-  
24      mitted entities with commercially reasonable uptime  
25      and availability; and

1 (3) allow permitted entities to submit—

2 (A) 1 or more individual requests electroni-  
3 cally for real-time machine-to-machine (or simi-  
4 lar functionality) accurate responses; and

5 (B) multiple requests electronically, such  
6 as those provided in a batch format, for accu-  
7 rate electronic responses within a reasonable pe-  
8 riod of time from submission, not to exceed 24  
9 hours.

10 (e) CERTIFICATION REQUIRED.—Before providing  
11 confirmation of fraud protection data to a permitted enti-  
12 ty, the Commissioner shall ensure that the Commissioner  
13 has a certification from the permitted entity that is dated  
14 not more than 2 years before the date on which that con-  
15 firmation is provided that includes the following declara-  
16 tions:

17 (1) The entity is a permitted entity.

18 (2) The entity is in compliance with this sec-  
19 tion.

20 (3) The entity is, and will remain, in compli-  
21 ance with its privacy and data security requirements,  
22 as described in title V of the Gramm-Leach-Bliley  
23 Act (15 U.S.C. 6801 et seq.), with respect to infor-  
24 mation the entity receives from the Commissioner  
25 pursuant to this section.

1           (4) The entity will retain sufficient records to  
2       demonstrate its compliance with its certification and  
3       this section for a period of not less than 2 years.

4       (f) CONSUMER CONSENT.—

5           (1) IN GENERAL.—Notwithstanding any other  
6       provision of law or regulation, a permitted entity  
7       may submit a request to the database or similar re-  
8       source described in subsection (c) only—

9           (A) pursuant to the written, including elec-  
10       tronic, consent received by a permitted entity  
11       from the individual who is the subject of the re-  
12       quest; and

13          (B) in connection with a credit transaction  
14       or any circumstance described in section 604 of  
15       the Fair Credit Reporting Act (15 U.S.C.  
16       1681b).

17       (2) ELECTRONIC CONSENT REQUIREMENTS.—

18       For a permitted entity to use the consent of an indi-  
19       vidual received electronically pursuant to paragraph  
20       (1)(A), the permitted entity must obtain the individ-  
21       ual's electronic signature, as defined in section 106  
22       of the Electronic Signatures in Global and National  
23       Commerce Act (15 U.S.C. 7006).

24       (3) EFFECTUATING ELECTRONIC CONSENT.—

25       No provision of law or requirement, including section

1       552a of title 5, United States Code, shall prevent  
2       the use of electronic consent for purposes of this  
3       subsection or for use in any other consent based  
4       verification under the discretion of the Commis-  
5       sioner.

6       (g) COMPLIANCE AND ENFORCEMENT.—

7           (1) AUDITS AND MONITORING.—The Commis-  
8       sioner may—

9           (A) conduct audits and monitoring to—

10               (i) ensure proper use by permitted en-  
11               tities of the database or similar resource  
12               described in subsection (c); and

13               (ii) deter fraud and misuse by per-  
14               mitted entities with respect to the database  
15               or similar resource described in subsection  
16               (c); and

17           (B) terminate services for any permitted  
18       entity that prevents or refuses to allow the  
19       Commissioner to carry out the activities de-  
20       scribed in subparagraph (A).

21       (2) ENFORCEMENT.—

22           (A) IN GENERAL.—Notwithstanding any  
23       other provision of law, including the matter pre-  
24       ceding paragraph (1) of section 505(a) of the  
25       Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)),

1 any violation of this section and any certifi-  
2 cation made under this section shall be enforced  
3 in accordance with paragraphs (1) through (7)  
4 of such section 505(a) by the agencies described  
5 in those paragraphs.

6 (B) RELEVANT INFORMATION.—Upon dis-  
7 covery by the Commissioner, pursuant to an  
8 audit described in paragraph (1), of any viola-  
9 tion of this section or any certification made  
10 under this section, the Commissioner shall for-  
11 ward any relevant information pertaining to  
12 that violation to the appropriate agency de-  
13 scribed in subparagraph (A) for evaluation by  
14 the agency for purposes of enforcing this sec-  
15 tion.

16 (h) RECOVERY OF COSTS.—

17 (1) IN GENERAL.—

18 (A) IN GENERAL.—Amounts obligated to  
19 carry out this section shall be fully recovered  
20 from the users of the database or verification  
21 system by way of advances, reimbursements,  
22 user fees, or other recoveries as determined by  
23 the Commissioner. The funds recovered under  
24 this paragraph shall be deposited as an offset-  
25 ting collection to the account providing appro-

1            priations for the Social Security Administration,  
2            to be used for the administration of this section  
3            without fiscal year limitation.

4            (B) PRICES FIXED BY COMMISSIONER.—

5            The Commissioner shall establish the amount to  
6            be paid by the users under this paragraph, in-  
7            cluding the costs of any services or work per-  
8            formed, such as any appropriate upgrades,  
9            maintenance, and associated direct and indirect  
10          administrative costs, in support of carrying out  
11          the purposes described in this section, by reim-  
12          bursement or in advance as determined by the  
13          Commissioner. The amount of such prices shall  
14          be periodically adjusted by the Commissioner to  
15          ensure that amounts collected are sufficient to  
16          fully offset the cost of the administration of this  
17          section.

18          (2) INITIAL DEVELOPMENT.—The Commis-  
19          sioner shall not begin development of a verification  
20          system to carry out this section until the Commis-  
21          sioner determines that amounts equal to at least 50  
22          percent of program start-up costs have been col-  
23          lected under paragraph (1).

1           (3) EXISTING RESOURCES.—The Commissioner  
2           may use funds designated for information technology  
3           modernization to carry out this section.

4           (4) ANNUAL REPORT.—The Commissioner shall  
5           annually submit to the Committee on Ways and  
6           Means of the House of Representatives and the  
7           Committee on Finance of the Senate a report on the  
8           amount of indirect costs to the Social Security Ad-  
9           ministration arising as a result of the implementa-  
10          tion of this section.

11 **SEC. 216. TREASURY REPORT ON RISKS OF CYBER**  
12 **THREATS.**

13          Not later than 1 year after the date of enactment  
14 of this Act, the Secretary of the Treasury shall submit  
15 to the Committee on Banking, Housing, and Urban Af-  
16 fairs of the Senate and the Committee on Financial Serv-  
17 ices of the House of Representatives a report on the risks  
18 of cyber threats to financial institutions and capital mar-  
19 kets in the United States, including—

20           (1) an assessment of the material risks of cyber  
21           threats to financial institutions and capital markets  
22           in the United States;

23           (2) the impact and potential effects of material  
24           cyber attacks on financial institutions and capital  
25           markets in the United States;

1           (3) an analysis of how the appropriate Federal  
2           banking agencies and the Securities and Exchange  
3           Commission are addressing the material risks of  
4           cyber threats described in paragraph (1), includ-  
5           ing—

6                   (A) how the appropriate Federal banking  
7                   agencies and the Securities and Exchange Com-  
8                   mission are assessing those threats;

9                   (B) how the appropriate Federal banking  
10                  agencies and the Securities and Exchange Com-  
11                  mission are assessing the cyber vulnerabilities  
12                  and preparedness of financial institutions;

13                  (C) coordination amongst the appropriate  
14                  Federal banking agencies and the Securities  
15                  and Exchange Commission, and their coordina-  
16                  tion with other government agencies (including  
17                  with respect to regulations, examinations, lexi-  
18                  con, duplication, and other regulatory tools);  
19                  and

20                  (D) areas for improvement; and

21           (4) a recommendation of whether any appro-  
22           priate Federal banking agency or the Securities and  
23           Exchange Commission needs additional legal au-  
24           thorities or resources to adequately assess and ad-  
25           dress the material risks of cyber threats described in

1 paragraph (1), given the analysis required by para-  
2 graph (3).

3 **SEC. 217. DISCRETIONARY SURPLUS FUNDS.**

4 Section 7(a)(3)(A) of the Federal Reserve Act (12  
5 U.S.C. 289(a)(3)(A)) is amended by striking  
6 “\$7,500,000,000” and inserting “\$6,825,000,000”.

7 **TITLE III—PROTECTIONS FOR**  
8 **VETERANS, CONSUMERS, AND**  
9 **HOMEOWNERS**

10 **SEC. 301. PROTECTING CONSUMERS’ CREDIT.**

11 (a) IN GENERAL.—Section 605A of the Fair Credit  
12 Reporting Act (15 U.S.C. 1681c–1) is amended—

13 (1) in subsection (a)(1)(A), by striking “90  
14 days” and inserting “1 year”; and

15 (2) by adding at the end the following:

16 “(i) NATIONAL SECURITY FREEZE.—

17 “(1) DEFINITIONS.—For purposes of this sub-  
18 section:

19 “(A) The term ‘consumer reporting agen-  
20 cy’ means a consumer reporting agency de-  
21 scribed in section 603(p).

22 “(B) The term ‘proper identification’ has  
23 the meaning of such term as used under section  
24 610.

1           “(C) The term ‘security freeze’ means a  
2           restriction that prohibits a consumer reporting  
3           agency from disclosing the contents of a con-  
4           sumer report that is subject to such security  
5           freeze to any person requesting the consumer  
6           report.

7           “(2) PLACEMENT OF SECURITY FREEZE.—

8           “(A) IN GENERAL.—Upon receiving a di-  
9           rect request from a consumer that a consumer  
10          reporting agency place a security freeze, and  
11          upon receiving proper identification from the  
12          consumer, the consumer reporting agency shall,  
13          free of charge, place the security freeze not  
14          later than—

15               “(i) in the case of a request that is by  
16               toll-free telephone or secure electronic  
17               means, 1 business day after receiving the  
18               request directly from the consumer; or

19               “(ii) in the case of a request that is  
20               by mail, 3 business days after receiving the  
21               request directly from the consumer.

22           “(B) CONFIRMATION AND ADDITIONAL IN-  
23          FORMATION.—Not later than 5 business days  
24          after placing a security freeze under subpara-  
25          graph (A), a consumer reporting agency shall—

1 “(i) send confirmation of the place-  
2 ment to the consumer; and

3 “(ii) inform the consumer of—

4 “(I) the process by which the  
5 consumer may remove the security  
6 freeze, including a mechanism to au-  
7 thenticate the consumer; and

8 “(II) the consumer’s right de-  
9 scribed in section 615(d)(1)(D).

10 “(C) NOTICE TO THIRD PARTIES.—A con-  
11 sumer reporting agency may advise a third  
12 party that a security freeze has been placed  
13 with respect to a consumer under subparagraph  
14 (A).

15 “(3) REMOVAL OF SECURITY FREEZE.—

16 “(A) IN GENERAL.—A consumer reporting  
17 agency shall remove a security freeze placed on  
18 the consumer report of a consumer only in the  
19 following cases:

20 “(i) Upon the direct request of the  
21 consumer.

22 “(ii) The security freeze was placed  
23 due to a material misrepresentation of fact  
24 by the consumer.

1           “(B) NOTICE IF REMOVAL NOT BY RE-  
2           QUEST.—If a consumer reporting agency re-  
3           moves a security freeze under subparagraph  
4           (A)(ii), the consumer reporting agency shall no-  
5           tify the consumer in writing prior to removing  
6           the security freeze.

7           “(C) REMOVAL OF SECURITY FREEZE BY  
8           CONSUMER REQUEST.—Except as provided in  
9           subparagraph (A)(ii), a security freeze shall re-  
10          main in place until the consumer directly re-  
11          quests that the security freeze be removed.  
12          Upon receiving a direct request from a con-  
13          sumer that a consumer reporting agency re-  
14          move a security freeze, and upon receiving  
15          proper identification from the consumer, the  
16          consumer reporting agency shall, free of charge,  
17          remove the security freeze not later than—

18                 “(i) in the case of a request that is by  
19                 toll-free telephone or secure electronic  
20                 means, 1 hour after receiving the request  
21                 for removal; or

22                 “(ii) in the case of a request that is  
23                 by mail, 3 business days after receiving the  
24                 request for removal.

1           “(D) THIRD-PARTY REQUESTS.—If a third  
2           party requests access to a consumer report of  
3           a consumer with respect to which a security  
4           freeze is in effect, where such request is in con-  
5           nection with an application for credit, and the  
6           consumer does not allow such consumer report  
7           to be accessed, the third party may treat the  
8           application as incomplete.

9           “(E) TEMPORARY REMOVAL OF SECURITY  
10          FREEZE.—Upon receiving a direct request from  
11          a consumer under subparagraph (A)(i), if the  
12          consumer requests a temporary removal of a se-  
13          curity freeze, the consumer reporting agency  
14          shall, in accordance with subparagraph (C), re-  
15          move the security freeze for the period of time  
16          specified by the consumer.

17          “(4) EXCEPTIONS.—A security freeze shall not  
18          apply to the making of a consumer report for use of  
19          the following:

20                 “(A) A person or entity, or a subsidiary,  
21                 affiliate, or agent of that person or entity, or an  
22                 assignee of a financial obligation owed by the  
23                 consumer to that person or entity, or a prospec-  
24                 tive assignee of a financial obligation owed by  
25                 the consumer to that person or entity in con-

1       junction with the proposed purchase of the fi-  
2       nancial obligation, with which the consumer has  
3       or had prior to assignment an account or con-  
4       tract including a demand deposit account, or to  
5       whom the consumer issued a negotiable instru-  
6       ment, for the purposes of reviewing the account  
7       or collecting the financial obligation owed for  
8       the account, contract, or negotiable instrument.  
9       For purposes of this subparagraph, ‘reviewing  
10      the account’ includes activities related to ac-  
11      count maintenance, monitoring, credit line in-  
12      creases, and account upgrades and enhance-  
13      ments.

14               “(B) Any Federal, State, or local agency,  
15      law enforcement agency, trial court, or private  
16      collection agency acting pursuant to a court  
17      order, warrant, or subpoena.

18               “(C) A child support agency acting pursu-  
19      ant to part D of title IV of the Social Security  
20      Act (42 U.S.C. 651 et seq.).

21               “(D) A Federal agency or a State or its  
22      agents or assigns acting to investigate fraud or  
23      acting to investigate or collect delinquent taxes  
24      or unpaid court orders or to fulfill any of its  
25      other statutory responsibilities, provided such

1 responsibilities are consistent with a permissible  
2 purpose under section 604.

3 “(E) By a person using credit information  
4 for the purposes described under section 604(c).

5 “(F) Any person or entity administering a  
6 credit file monitoring subscription or similar  
7 service to which the consumer has subscribed.

8 “(G) Any person or entity for the purpose  
9 of providing a consumer with a copy of the con-  
10 sumer’s consumer report or credit score, upon  
11 the request of the consumer.

12 “(H) Any person using the information in  
13 connection with the underwriting of insurance.

14 “(I) Any person using the information for  
15 employment, tenant, or background screening  
16 purposes.

17 “(J) Any person using the information for  
18 assessing, verifying, or authenticating a con-  
19 sumer’s identity for purposes other than the  
20 granting of credit, or for investigating or pre-  
21 venting actual or potential fraud.

22 “(5) NOTICE OF RIGHTS.—At any time a con-  
23 sumer is required to receive a summary of rights re-  
24 quired under section 609, the following notice shall  
25 be included:

1           “‘CONSUMERS HAVE THE RIGHT TO OBTAIN A  
2   SECURITY FREEZE

3           “‘You have a right to place a “security freeze” on  
4 your credit report, which will prohibit a consumer report-  
5 ing agency from releasing information in your credit re-  
6 port without your express authorization. The security  
7 freeze is designed to prevent credit, loans, and services  
8 from being approved in your name without your consent.  
9 However, you should be aware that using a security freeze  
10 to take control over who gets access to the personal and  
11 financial information in your credit report may delay,  
12 interfere with, or prohibit the timely approval of any sub-  
13 sequent request or application you make regarding a new  
14 loan, credit, mortgage, or any other account involving the  
15 extension of credit.

16          “‘As an alternative to a security freeze, you have the  
17 right to place an initial or extended fraud alert on your  
18 credit file at no cost. An initial fraud alert is a 1-year  
19 alert that is placed on a consumer’s credit file. Upon see-  
20 ing a fraud alert display on a consumer’s credit file, a  
21 business is required to take steps to verify the consumer’s  
22 identity before extending new credit. If you are a victim  
23 of identity theft, you are entitled to an extended fraud  
24 alert, which is a fraud alert lasting 7 years.

1       “‘A security freeze does not apply to a person or enti-  
2   ty, or its affiliates, or collection agencies acting on behalf  
3   of the person or entity, with which you have an existing  
4   account that requests information in your credit report for  
5   the purposes of reviewing or collecting the account. Re-  
6   viewing the account includes activities related to account  
7   maintenance, monitoring, credit line increases, and ac-  
8   count upgrades and enhancements.’.

9           “(6) WEBPAGE.—

10           “(A) CONSUMER REPORTING AGENCIES.—

11           A consumer reporting agency shall establish a  
12           webpage that—

13                   “(i) allows a consumer to request a  
14                   security freeze;

15                   “(ii) allows a consumer to request an  
16                   initial fraud alert;

17                   “(iii) allows a consumer to request an  
18                   extended fraud alert;

19                   “(iv) allows a consumer to request an  
20                   active duty fraud alert;

21                   “(v) allows a consumer to opt-out of  
22                   the use of information in a consumer re-  
23                   port to send the consumer a solicitation of  
24                   credit or insurance, in accordance with sec-  
25                   tion 615(d); and

1 “(vi) shall not be the only mechanism  
2 by which a consumer may request a secu-  
3 rity freeze.

4 “(B) FTC.—The Federal Trade Commis-  
5 sion shall establish a single webpage that in-  
6 cludes a link to each webpage established under  
7 subparagraph (A) within the Federal Trade  
8 Commission’s website [www.Identitytheft.gov](http://www.Identitytheft.gov), or  
9 a successor website.

10 “(j) NATIONAL PROTECTION FOR FILES AND CREDIT  
11 RECORDS OF PROTECTED CONSUMERS.—

12 “(1) DEFINITIONS.—As used in this subsection:

13 “(A) The term ‘consumer reporting agen-  
14 cy’ means a consumer reporting agency de-  
15 scribed in section 603(p).

16 “(B) The term ‘protected consumer’ means  
17 an individual who is—

18 “(i) under the age of 16 years at the  
19 time a request for the placement of a secu-  
20 rity freeze is made; or

21 “(ii) an incapacitated person or a pro-  
22 tected person for whom a guardian or con-  
23 servator has been appointed.

24 “(C) The term ‘protected consumer’s rep-  
25 resentative’ means a person who provides to a

1 consumer reporting agency sufficient proof of  
2 authority to act on behalf of a protected con-  
3 sumer.

4 “(D) The term ‘record’ means a compila-  
5 tion of information that—

6 “(i) identifies a protected consumer;

7 “(ii) is created by a consumer report-  
8 ing agency solely for the purpose of com-  
9 plying with this subsection; and

10 “(iii) may not be created or used to  
11 consider the protected consumer’s credit  
12 worthiness, credit standing, credit capacity,  
13 character, general reputation, personal  
14 characteristics, or mode of living.

15 “(E) The term ‘security freeze’ means a  
16 restriction that prohibits a consumer reporting  
17 agency from disclosing the contents of a con-  
18 sumer report that is the subject of such security  
19 freeze or, in the case of a protected consumer  
20 for whom the consumer reporting agency does  
21 not have a file, a record that is subject to such  
22 security freeze to any person requesting the  
23 consumer report for the purpose of opening a  
24 new account involving the extension of credit.

1           “(F) The term ‘sufficient proof of author-  
2           ity’ means documentation that shows a pro-  
3           tected consumer’s representative has authority  
4           to act on behalf of a protected consumer and  
5           includes—

6                   “(i) an order issued by a court of law;

7                   “(ii) a lawfully executed and valid  
8           power of attorney;

9                   “(iii) a document issued by a Federal,  
10          State, or local government agency in the  
11          United States showing proof of parentage,  
12          including a birth certificate; or

13                  “(iv) with respect to a protected con-  
14          sumer who has been placed in a foster care  
15          setting, a written communication from a  
16          county welfare department or its agent or  
17          designee, or a county probation depart-  
18          ment or its agent or designee, certifying  
19          that the protected consumer is in a foster  
20          care setting under its jurisdiction.

21           “(G) The term ‘sufficient proof of identi-  
22          fication’ means information or documentation  
23          that identifies a protected consumer and a pro-  
24          tected consumer’s representative and includes—

1 “(i) a social security number or a  
2 copy of a social security card issued by the  
3 Social Security Administration;

4 “(ii) a certified or official copy of a  
5 birth certificate issued by the entity au-  
6 thorized to issue the birth certificate; or

7 “(iii) a copy of a driver’s license, an  
8 identification card issued by the motor ve-  
9 hicle administration, or any other govern-  
10 ment issued identification.

11 “(2) PLACEMENT OF SECURITY FREEZE FOR A  
12 PROTECTED CONSUMER.—

13 “(A) IN GENERAL.—Upon receiving a di-  
14 rect request from a protected consumer’s rep-  
15 resentative that a consumer reporting agency  
16 place a security freeze, and upon receiving suffi-  
17 cient proof of identification and sufficient proof  
18 of authority, the consumer reporting agency  
19 shall, free of charge, place the security freeze  
20 not later than—

21 “(i) in the case of a request that is by  
22 toll-free telephone or secure electronic  
23 means, 1 business day after receiving the  
24 request directly from the protected con-  
25 sumer’s representative; or

1                   “(ii) in the case of a request that is  
2                   by mail, 3 business days after receiving the  
3                   request directly from the protected con-  
4                   sumer’s representative.

5                   “(B) CONFIRMATION AND ADDITIONAL IN-  
6                   FORMATION.—Not later than 5 business days  
7                   after placing a security freeze under subpara-  
8                   graph (A), a consumer reporting agency shall—

9                   “(i) send confirmation of the place-  
10                  ment to the protected consumer’s rep-  
11                  resentative; and

12                  “(ii) inform the protected consumer’s  
13                  representative of the process by which the  
14                  protected consumer may remove the secu-  
15                  rity freeze, including a mechanism to au-  
16                  thenticate the protected consumer’s rep-  
17                  resentative.

18                  “(C) CREATION OF FILE.—If a consumer  
19                  reporting agency does not have a file pertaining  
20                  to a protected consumer when the consumer re-  
21                  porting agency receives a direct request under  
22                  subparagraph (A), the consumer reporting  
23                  agency shall create a record for the protected  
24                  consumer.

1           “(3) PROHIBITION ON RELEASE OF RECORD OR  
2           FILE OF PROTECTED CONSUMER.—After a security  
3           freeze has been placed under paragraph (2)(A), and  
4           unless the security freeze is removed in accordance  
5           with this subsection, a consumer reporting agency  
6           may not release the protected consumer’s consumer  
7           report, any information derived from the protected  
8           consumer’s consumer report, or any record created  
9           for the protected consumer.

10           “(4) REMOVAL OF A PROTECTED CONSUMER  
11           SECURITY FREEZE.—

12           “(A) IN GENERAL.—A consumer reporting  
13           agency shall remove a security freeze placed on  
14           the consumer report of a protected consumer  
15           only in the following cases:

16                   “(i) Upon the direct request of the  
17                   protected consumer’s representative.

18                   “(ii) Upon the direct request of the  
19                   protected consumer, if the protected con-  
20                   sumer is not under the age of 16 years at  
21                   the time of the request.

22                   “(iii) The security freeze was placed  
23                   due to a material misrepresentation of fact  
24                   by the protected consumer’s representative.

1           “(B) NOTICE IF REMOVAL NOT BY RE-  
2           QUEST.—If a consumer reporting agency re-  
3           moves a security freeze under subparagraph  
4           (A)(iii), the consumer reporting agency shall  
5           notify the protected consumer’s representative  
6           in writing prior to removing the security freeze.

7           “(C) REMOVAL OF FREEZE BY RE-  
8           QUEST.—Except as provided in subparagraph  
9           (A)(iii), a security freeze shall remain in place  
10          until a protected consumer’s representative or  
11          protected consumer described in subparagraph  
12          (A)(ii) directly requests that the security freeze  
13          be removed. Upon receiving a direct request  
14          from the protected consumer’s representative or  
15          protected consumer described in subparagraph  
16          (A)(ii) that a consumer reporting agency re-  
17          move a security freeze, and upon receiving suf-  
18          ficient proof of identification and sufficient  
19          proof of authority, the consumer reporting  
20          agency shall, free of charge, remove the security  
21          freeze not later than—

22                 “(i) in the case of a request that is by  
23                 toll-free telephone or secure electronic  
24                 means, 1 hour after receiving the request  
25                 for removal; or

1 “(ii) in the case of a request that is  
2 by mail, 3 business days after receiving the  
3 request for removal.

4 “(D) TEMPORARY REMOVAL OF SECURITY  
5 FREEZE.—Upon receiving a direct request from  
6 a protected consumer or a protected consumer’s  
7 representative under subparagraph (A)(i), if the  
8 protected consumer or protected consumer’s  
9 representative requests a temporary removal of  
10 a security freeze, the consumer reporting agen-  
11 cy shall, in accordance with subparagraph (C),  
12 remove the security freeze for the period of time  
13 specified by the protected consumer or pro-  
14 tected consumer’s representative.”.

15 (b) CONFORMING AMENDMENT.—Section 625(b)(1)  
16 of the Fair Credit Reporting Act (15 U.S.C. 1681t(b)(1))  
17 is amended—

18 (1) in subparagraph (H), by striking “or” at  
19 the end; and

20 (2) by adding at the end the following:

21 “(J) subsections (i) and (j) of section  
22 605A relating to security freezes; or”.

23 (c) EFFECTIVE DATE.—The amendments made by  
24 this section shall take effect on the date that is 120 days  
25 after the date of enactment of this Act.

1 **SEC. 302. PROTECTING VETERANS' CREDIT.**

2 (a) PURPOSES.—The purposes of this section are—

3 (1) to rectify problematic reporting of medical  
4 debt included in a consumer report of a veteran due  
5 to inappropriate or delayed payment for hospital  
6 care, medical services, or extended care services pro-  
7 vided in a non-Department of Veterans Affairs facil-  
8 ity under the laws administered by the Secretary of  
9 Veterans Affairs; and

10 (2) to clarify the process of debt collection for  
11 such medical debt.

12 (b) AMENDMENTS TO FAIR CREDIT REPORTING  
13 ACT.—

14 (1) VETERAN'S MEDICAL DEBT DEFINED.—Sec-  
15 tion 603 of the Fair Credit Reporting Act (15  
16 U.S.C. 1681a) is amended by adding at the end the  
17 following:

18 “(z) VETERAN.—The term ‘veteran’ has the meaning  
19 given the term in section 101 of title 38, United States  
20 Code.

21 “(aa) VETERAN'S MEDICAL DEBT.—The term ‘vet-  
22 eran's medical debt’—

23 “(1) means a medical collection debt of a vet-  
24 eran owed to a non-Department of Veterans Affairs  
25 health care provider that was submitted to the De-

1       partment for payment for health care authorized by  
2       the Department of Veterans Affairs; and

3               “(2) includes medical collection debt that the  
4       Department of Veterans Affairs has wrongfully  
5       charged a veteran.”.

6               (2) EXCLUSION FOR VETERAN’S MEDICAL  
7       DEBT.—Section 605(a) of the Fair Credit Reporting  
8       Act (15 U.S.C. 1681c(a)) is amended by adding at  
9       the end the following:

10              “(7) With respect to a consumer reporting  
11       agency described in section 603(p), any information  
12       related to a veteran’s medical debt if the date on  
13       which the hospital care, medical services, or ex-  
14       tended care services was rendered relating to the  
15       debt antedates the report by less than 1 year if the  
16       consumer reporting agency has actual knowledge  
17       that the information is related to a veteran’s medical  
18       debt and the consumer reporting agency is in com-  
19       pliance with its obligation under section 302(c)(5) of  
20       the Economic Growth, Regulatory Relief, and Con-  
21       sumer Protection Act.

22              “(8) With respect to a consumer reporting  
23       agency described in section 603(p), any information  
24       related to a fully paid or settled veteran’s medical  
25       debt that had been characterized as delinquent,

1 charged off, or in collection if the consumer report-  
2 ing agency has actual knowledge that the informa-  
3 tion is related to a veteran's medical debt and the  
4 consumer reporting agency is in compliance with its  
5 obligation under section 302(c)(5) of the Economic  
6 Growth, Regulatory Relief, and Consumer Protection  
7 Act.”.

8 (3) REMOVAL OF VETERAN'S MEDICAL DEBT  
9 FROM CONSUMER REPORT.—Section 611 of the Fair  
10 Credit Reporting Act (15 U.S.C. 1681i) is amend-  
11 ed—

12 (A) in subsection (a)(1)(A), by inserting  
13 “and except as provided in subsection (g)” after  
14 “subsection (f)”; and

15 (B) by adding at the end the following:

16 “(g) DISPUTE PROCESS FOR VETERAN'S MEDICAL  
17 DEBT.—

18 “(1) IN GENERAL.—With respect to a veteran's  
19 medical debt, the veteran may submit a notice de-  
20 scribed in paragraph (2), proof of liability of the De-  
21 partment of Veterans Affairs for payment of that  
22 debt, or documentation that the Department of Vet-  
23 erans Affairs is in the process of making payment  
24 for authorized hospital care, medical services, or ex-  
25 tended care services rendered to a consumer report-

1       ing agency or a reseller to dispute the inclusion of  
2       that debt on a consumer report of the veteran.

3               “(2) NOTIFICATION TO VETERAN.—The De-  
4       partment of Veterans Affairs shall submit to a vet-  
5       eran a notice that the Department of Veterans Af-  
6       fairs has assumed liability for part or all of a vet-  
7       eran’s medical debt.

8               “(3) DELETION OF INFORMATION FROM  
9       FILE.—If a consumer reporting agency receives no-  
10      tice, proof of liability, or documentation under para-  
11      graph (1), the consumer reporting agency shall de-  
12      lete all information relating to the veteran’s medical  
13      debt from the file of the veteran and notify the fur-  
14      nisher and the veteran of that deletion.”.

15      (c) VERIFICATION OF VETERAN’S MEDICAL DEBT.—

16              (1) DEFINITIONS.—For purposes of this sub-  
17      section—

18                  (A) the term “consumer reporting agency”  
19              means a consumer reporting agency described  
20              in section 603(p) of the Fair Credit Reporting  
21              Act (15 U.S.C. 1681a(p)); and

22                  (B) the terms “veteran” and “veteran’s  
23              medical debt” have the meanings given those  
24              terms in section 603 of the Fair Credit Report-

1           ing Act (15 U.S.C. 1681a), as added by sub-  
2           section (b)(1).

3           (2) ESTABLISHMENT.—Not later than 1 year  
4           after the date of enactment of this Act, the Sec-  
5           retary of Veterans Affairs shall establish a database  
6           to allow consumer reporting agencies to verify  
7           whether a debt furnished to a consumer reporting  
8           agency is a veteran's medical debt.

9           (3) DATABASE FEATURES.—The Secretary of  
10          Veterans Affairs shall ensure that the database es-  
11          tablished under paragraph (2), to the extent per-  
12          mitted by law, provides consumer reporting agencies  
13          with—

14                (A) sufficiently detailed and specific infor-  
15                mation to verify whether a debt being furnished  
16                to the consumer reporting agency is a veteran's  
17                medical debt;

18                (B) access to verification information in a  
19                secure electronic format;

20                (C) timely access to verification informa-  
21                tion; and

22                (D) any other features that would promote  
23                the efficient, timely, and secure delivery of in-  
24                formation that consumer reporting agencies

1           could use to verify whether a debt is a veteran's  
2           medical debt.

3           (4) STAKEHOLDER INPUT.—Prior to estab-  
4           lishing the database for verification under paragraph  
5           (2), the Secretary of Veterans Affairs shall publish  
6           in the Federal Register a notice and request for  
7           comment that solicits input from consumer reporting  
8           agencies and other stakeholders.

9           (5) VERIFICATION.—Provided the database es-  
10          tablished under paragraph (2) is fully functional and  
11          the data available to consumer reporting agencies, a  
12          consumer reporting agency shall use the database as  
13          a means to identify a veteran's medical debt pursu-  
14          ant to paragraphs (7) and (8) of section 605(a) of  
15          the Fair Credit Reporting Act (15 U.S.C. 1681c(a)),  
16          as added by subsection (b)(2).

17          (d) CREDIT MONITORING.—

18               (1) IN GENERAL.—Section 605A of the Fair  
19          Credit Reporting Act (15 U.S.C. 1681c–1), as  
20          amended by section 301(a), is amended by adding at  
21          the end the following:

22          “(k) CREDIT MONITORING.—

23               “(1) DEFINITIONS.—In this subsection:

1           “(A) The term ‘active duty military con-  
2           sumer’ includes a member of the National  
3           Guard.

4           “(B) The term ‘National Guard’ has the  
5           meaning given the term in section 101(c) of  
6           title 10, United States Code.

7           “(2) CREDIT MONITORING.—A consumer re-  
8           porting agency described in section 603(p) shall pro-  
9           vide a free electronic credit monitoring service that,  
10          at a minimum, notifies a consumer of material addi-  
11          tions or modifications to the file of the consumer at  
12          the consumer reporting agency to any consumer who  
13          provides to the consumer reporting agency—

14               “(A) appropriate proof that the consumer  
15               is an active duty military consumer; and

16               “(B) contact information of the consumer.

17           “(3) RULEMAKING.—Not later than 1 year  
18          after the date of enactment of this subsection, the  
19          Federal Trade Commission shall promulgate regula-  
20          tions regarding the requirements of this subsection,  
21          which shall at a minimum include—

22               “(A) a definition of an electronic credit  
23               monitoring service and material additions or  
24               modifications to the file of a consumer; and

25               “(B) what constitutes appropriate proof.

1 “(4) APPLICABILITY.—

2 “(A) Sections 616 and 617 shall not apply  
3 to any violation of this subsection.

4 “(B) This section shall be enforced exclu-  
5 sively under section 621 by the Federal agen-  
6 cies and Federal and State officials identified in  
7 that section.”.

8 (2) CONFORMING AMENDMENT.—Section  
9 625(b)(1) of the Fair Credit Reporting Act (15  
10 U.S.C. 1681t(b)(1)), as amended by section 301(b),  
11 is amended by adding at the end the following:

12 “(K) subsection (k) of section 605A, relat-  
13 ing to credit monitoring for active duty military  
14 consumers, as defined in that subsection;”.

15 (e) EFFECTIVE DATE.—The amendments made by  
16 this section shall take effect on the date that is 1 year  
17 after the date of enactment of this Act.

18 **SEC. 303. IMMUNITY FROM SUIT FOR DISCLOSURE OF FI-**  
19 **NANCIAL EXPLOITATION OF SENIOR CITI-**  
20 **ZENS.**

21 (a) IMMUNITY.—

22 (1) DEFINITIONS.—In this section—

23 (A) the term “Bank Secrecy Act officer”  
24 means an individual responsible for ensuring  
25 compliance with the requirements mandated by

1 subchapter II of chapter 53 of title 31, United  
2 States Code (commonly known as the “Bank  
3 Secrecy Act”);

4 (B) the term “broker-dealer” means a  
5 broker and a dealer, as those terms are defined  
6 in section 3(a) of the Securities Exchange Act  
7 of 1934 (15 U.S.C. 78c(a));

8 (C) the term “covered agency” means—

9 (i) a State financial regulatory agen-  
10 cy, including a State securities or law en-  
11 forcement authority and a State insurance  
12 regulator;

13 (ii) each of the Federal agencies rep-  
14 resented in the membership of the Finan-  
15 cial Institutions Examination Council es-  
16 tablished under section 1004 of the Fed-  
17 eral Financial Institutions Examination  
18 Council Act of 1978 (12 U.S.C. 3303);

19 (iii) a securities association registered  
20 under section 15A of the Securities Ex-  
21 change Act of 1934 (15 U.S.C. 78o–3);

22 (iv) the Securities and Exchange  
23 Commission;

24 (v) a law enforcement agency; or

1 (vi) a State or local agency respon-  
2 sible for administering adult protective  
3 service laws;

4 (D) the term “covered financial institu-  
5 tion” means—

- 6 (i) a credit union;  
7 (ii) a depository institution;  
8 (iii) an investment adviser;  
9 (iv) a broker-dealer;  
10 (v) an insurance company;  
11 (vi) an insurance agency; or  
12 (vii) a transfer agent;

13 (E) the term “credit union” has the mean-  
14 ing given the term in section 2 of the Dodd-  
15 Frank Wall Street Reform and Consumer Pro-  
16 tection Act (12 U.S.C. 5301);

17 (F) the term “depository institution” has  
18 the meaning given the term in section 3(c) of  
19 the Federal Deposit Insurance Act (12 U.S.C.  
20 1813(c));

21 (G) the term “exploitation” means the  
22 fraudulent or otherwise illegal, unauthorized, or  
23 improper act or process of an individual, includ-  
24 ing a caregiver or a fiduciary, that—

1                   (i) uses the resources of a senior cit-  
2                   izen for monetary or personal benefit, prof-  
3                   it, or gain; or

4                   (ii) results in depriving a senior cit-  
5                   izen of rightful access to or use of benefits,  
6                   resources, belongings, or assets;

7                   (H) the term “insurance agency” means  
8                   any business entity that sells, solicits, or nego-  
9                   tiates insurance coverage;

10                  (I) the term “insurance company” has the  
11                  meaning given the term in section 2(a) of the  
12                  Investment Company Act of 1940 (15 U.S.C.  
13                  80a–2(a));

14                  (J) the term “insurance producer” means  
15                  an individual who is required under State law  
16                  to be licensed in order to sell, solicit, or nego-  
17                  tiate insurance coverage;

18                  (K) the term “investment adviser” has the  
19                  meaning given the term in section 202(a) of the  
20                  Investment Advisers Act of 1940 (15 U.S.C.  
21                  80b–2(a));

22                  (L) the term “investment adviser rep-  
23                  resentative” means an individual who—

24                         (i) is employed by, or associated with,  
25                         an investment adviser; and

1 (ii) does not perform solely clerical or  
2 ministerial acts;

3 (M) the term “registered representative”  
4 means an individual who represents a broker-  
5 dealer in effecting or attempting to effect a  
6 purchase or sale of securities;

7 (N) the term “senior citizen” means an in-  
8 dividual who is not younger than 65 years of  
9 age;

10 (O) the term “State” means each of the  
11 several States, the District of Columbia, and  
12 any territory or possession of the United States;

13 (P) the term “State insurance regulator”  
14 has the meaning given the term in section 315  
15 of the Gramm-Leach-Bliley Act (15 U.S.C.  
16 6735);

17 (Q) the term “State securities or law en-  
18 forcement authority” has the meaning given the  
19 term in section 24(f)(4) of the Securities Ex-  
20 change Act of 1934 (15 U.S.C. 78x(f)(4)); and

21 (R) the term “transfer agent” has the  
22 meaning given the term in section 3(a) of the  
23 Securities Exchange Act of 1934 (15 U.S.C.  
24 78c(a)).

25 (2) IMMUNITY FROM SUIT.—

1 (A) IMMUNITY FOR INDIVIDUALS.—An in-  
2 dividual who has received the training described  
3 in subsection (b) shall not be liable, including in  
4 any civil or administrative proceeding, for dis-  
5 closing the suspected exploitation of a senior  
6 citizen to a covered agency if the individual, at  
7 the time of the disclosure—

8 (i) served as a supervisor or in a com-  
9 pliance or legal function (including as a  
10 Bank Secrecy Act officer) for, or, in the  
11 case of a registered representative, invest-  
12 ment adviser representative, or insurance  
13 producer, was affiliated or associated with,  
14 a covered financial institution; and

15 (ii) made the disclosure—

16 (I) in good faith; and

17 (II) with reasonable care.

18 (B) IMMUNITY FOR COVERED FINANCIAL  
19 INSTITUTIONS.—A covered financial institution  
20 shall not be liable, including in any civil or ad-  
21 ministrative proceeding, for a disclosure made  
22 by an individual described in subparagraph (A)  
23 if—

24 (i) the individual was employed by, or,  
25 in the case of a registered representative,

1 insurance producer, or investment adviser  
2 representative, affiliated or associated  
3 with, the covered financial institution at  
4 the time of the disclosure; and

5 (ii) before the time of the disclosure,  
6 each individual described in subsection  
7 (b)(1) received the training described in  
8 subsection (b).

9 (C) RULE OF CONSTRUCTION.—Nothing in  
10 subparagraph (A) or (B) shall be construed to  
11 limit the liability of an individual or a covered  
12 financial institution in a civil action for any act,  
13 omission, or fraud that is not a disclosure de-  
14 scribed in subparagraph (A).

15 (b) TRAINING.—

16 (1) IN GENERAL.—A covered financial institu-  
17 tion or a third party selected by a covered financial  
18 institution may provide the training described in  
19 paragraph (2)(A) to each officer or employee of, or  
20 registered representative, insurance producer, or in-  
21 vestment adviser representative affiliated or associ-  
22 ated with, the covered financial institution who—

23 (A) is described in subsection (a)(2)(A)(i);

1 (B) may come into contact with a senior  
2 citizen as a regular part of the professional du-  
3 ties of the individual; or

4 (C) may review or approve the financial  
5 documents, records, or transactions of a senior  
6 citizen in connection with providing financial  
7 services to a senior citizen.

8 (2) CONTENT.—

9 (A) IN GENERAL.—The content of the  
10 training that a covered financial institution or  
11 a third party selected by the covered financial  
12 institution may provide under paragraph (1)  
13 shall—

14 (i) be maintained by the covered fi-  
15 nancial institution and made available to a  
16 covered agency with examination authority  
17 over the covered financial institution, upon  
18 request, except that a covered financial in-  
19 stitution shall not be required to maintain  
20 or make available such content with re-  
21 spect to any individual who is no longer  
22 employed by, or affiliated or associated  
23 with, the covered financial institution;

24 (ii) instruct any individual attending  
25 the training on how to identify and report

1 the suspected exploitation of a senior cit-  
2 izen internally and, as appropriate, to gov-  
3 ernment officials or law enforcement au-  
4 thorities, including common signs that in-  
5 dicate the financial exploitation of a senior  
6 citizen;

7 (iii) discuss the need to protect the  
8 privacy and respect the integrity of each  
9 individual customer of the covered financial  
10 institution; and

11 (iv) be appropriate to the job respon-  
12 sibilities of the individual attending the  
13 training.

14 (B) TIMING.—The training under para-  
15 graph (1) shall be provided—

16 (i) as soon as reasonably practicable;  
17 and

18 (ii) with respect to an individual who  
19 begins employment, or becomes affiliated  
20 or associated, with a covered financial in-  
21 stitution after the date of enactment of  
22 this Act, not later than 1 year after the  
23 date on which the individual becomes em-  
24 ployed by, or affiliated or associated with,  
25 the covered financial institution in a posi-

1                   tion described in subparagraph (A), (B), or  
2                   (C) of paragraph (1).

3                   (C) RECORDS.—A covered financial insti-  
4                   tution shall—

5                   (i) maintain a record of each indi-  
6                   vidual who—

7                   (I) is employed by, or affiliated  
8                   or associated with, the covered finan-  
9                   cial institution in a position described  
10                  in subparagraph (A), (B), or (C) of  
11                  paragraph (1); and

12                  (II) has completed the training  
13                  under paragraph (1), regardless of  
14                  whether the training was—

15                  (aa) provided by the covered  
16                  financial institution or a third  
17                  party selected by the covered fi-  
18                  nancial institution;

19                  (bb) completed before the in-  
20                  dividual was employed by, or af-  
21                  filiated or associated with, the  
22                  covered financial institution; and

23                  (cc) completed before, on, or  
24                  after the date of enactment of  
25                  this Act; and

1 (ii) upon request, provide a record de-  
2 scribed in clause (i) to a covered agency  
3 with examination authority over the cov-  
4 ered financial institution.

5 (c) RELATIONSHIP TO STATE LAW.—Nothing in this  
6 section shall be construed to preempt or limit any provi-  
7 sion of State law, except only to the extent that subsection  
8 (a) provides a greater level of protection against liability  
9 to an individual described in subsection (a)(2)(A) or to  
10 a covered financial institution described in subsection  
11 (a)(2)(B) than is provided under State law.

12 **SEC. 304. RESTORATION OF THE PROTECTING TENANTS AT**  
13 **FORECLOSURE ACT OF 2009.**

14 (a) REPEAL OF SUNSET PROVISION.—Section 704 of  
15 the Protecting Tenants at Foreclosure Act of 2009 (12  
16 U.S.C. 5201 note; 12 U.S.C. 5220 note; 42 U.S.C. 1437f  
17 note) is repealed.

18 (b) RESTORATION.—Sections 701 through 703 of the  
19 Protecting Tenants at Foreclosure Act of 2009, the provi-  
20 sions of law amended by such sections, and any regula-  
21 tions promulgated pursuant to such sections, as were in  
22 effect on December 30, 2014, are restored and revived.

23 (c) EFFECTIVE DATE.—Subsections (a) and (b) shall  
24 take effect on the date that is 30 days after the date of  
25 enactment of this Act.

1 **SEC. 305. REMEDIATING LEAD AND ASBESTOS HAZARDS.**

2 Section 109(a)(1) of the Emergency Economic Sta-  
3 bilization Act of 2008 (12 U.S.C. 5219(a)(1)) is amended,  
4 in the second sentence, by inserting “and to remediate  
5 lead and asbestos hazards in residential properties” before  
6 the period at the end.

7 **SEC. 306. FAMILY SELF-SUFFICIENCY PROGRAM.**

8 (a) IN GENERAL.—Section 23 of the United States  
9 Housing Act of 1937 (42 U.S.C. 1437u) is amended—

10 (1) in subsection (a)—

11 (A) by striking “public housing and”; and

12 (B) by striking “the certificate and vouch-  
13 er programs under section 8” and inserting  
14 “sections 8 and 9”;

15 (2) by amending subsection (b) to read as fol-  
16 lows:

17 “(b) CONTINUATION OF PRIOR REQUIRED PRO-  
18 GRAMS.—

19 “(1) IN GENERAL.—Each public housing agen-  
20 cy that was required to administer a local Family  
21 Self-Sufficiency program on the date of enactment of  
22 the Economic Growth, Regulatory Relief, and Con-  
23 sumer Protection Act shall operate such local pro-  
24 gram for, at a minimum, the number of families the  
25 agency was required to serve on the date of enact-  
26 ment of such Act, subject only to the availability

1 under appropriations Acts of sufficient amounts for  
2 housing assistance and the requirements of para-  
3 graph (2).

4 “(2) REDUCTION.—The number of families for  
5 which a public housing agency is required to operate  
6 such local program under paragraph (1) shall be de-  
7 creased by 1 for each family from any supported  
8 rental housing program administered by such agency  
9 that, after October 21, 1998, fulfills its obligations  
10 under the contract of participation.

11 “(3) EXCEPTION.—The Secretary shall not re-  
12 quire a public housing agency to carry out a manda-  
13 tory program for a period of time upon the request  
14 of the public housing agency and upon a determina-  
15 tion by the Secretary that implementation is not fea-  
16 sible because of local circumstances, which may in-  
17 clude—

18 “(A) lack of supportive services accessible  
19 to eligible families, which shall include insuffi-  
20 cient availability of resources for programs  
21 under title I of the Workforce Investment Act  
22 of 1998 (29 U.S.C. 2801 et seq.);

23 “(B) lack of funding for reasonable admin-  
24 istrative costs;

1 “(C) lack of cooperation by other units of  
2 State or local government; or

3 “(D) any other circumstances that the Sec-  
4 retary may consider appropriate.”;

5 (3) by striking subsection (i);

(4) by redesignating subsections (c), (d), (e), (f), (g), and (h) as subsections (d), (e), (f), (g), (h), and (i) respectively;

9 (5) by inserting after subsection (b), as amend-  
10 ed, the following:

11           “(c) ELIGIBILITY.—

12                   “(1) ELIGIBLE FAMILIES.—A family is eligible  
13           to participate in a local Family Self-Sufficiency pro-  
14           gram under this section if—

“(A) at least 1 household member seeks to become and remain employed in suitable employment or to increase earnings; and

18                   “(B) the household member receives direct  
19                   assistance under section 8 or resides in a unit  
20                   assisted under section 8 or 9.

21 “(2) ELIGIBLE ENTITIES.—The following enti-  
22 ties are eligible to administer a local Family Self-  
23 Sufficiency program under this section:

1           “(A) A public housing agency admin-  
2           istering housing assistance to or on behalf of an  
3           eligible family under section 8 or 9.

4           “(B) The owner or sponsor of a multi-  
5           family property receiving project-based rental  
6           assistance under section 8, in accordance with  
7           the requirements under subsection (l).”;

8           (6) in subsection (d), as so redesignated—

9           (A) in paragraph (1)—

10           (i) by striking “public housing agen-  
11           cy” the first time it appears and inserting  
12           “eligible entity”;

13           (ii) in the first sentence, by striking  
14           “each leaseholder receiving assistance  
15           under the certificate and voucher programs  
16           of the public housing agency under section  
17           8 or residing in public housing adminis-  
18           tered by the agency” and inserting “a  
19           household member of an eligible family”;  
20           and

21           (iii) by striking the third sentence and  
22           inserting the following: “Housing assist-  
23           ance may not be terminated as a con-  
24           sequence of either successful completion of  
25           the contract of participation or failure to

complete such contract. A contract of participation shall remain in effect until the participating family exits the Family Self-Sufficiency program upon successful graduation or expiration of the contract of participation, or for other good cause.”;

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A)—

(I) in the first sentence—

(aa) by striking “A local program under this section” and inserting “An eligible entity”;

(bb) by striking “provide” and inserting “coordinate”; and

(cc) by striking “to” and inserting “for”; and

(II) in the second sentence—

(aa) by striking “provided during” and inserting “coordinated for”;

(bb) by striking “under section 8 or residing in public housing” and inserting “pursuant to section 8 or 9 and for the dura-

1                   tion of the contract of participa-  
2                   tion”; and

3                   (cc) by inserting “, but are  
4                   not limited to” after “may in-  
5                   clude”;

6                   (ii) in subparagraph (D), by inserting  
7                   “or attainment of a high school equiva-  
8                   lency certificate” after “high school”;

9                   (iii) by striking subparagraph (G);

10                  (iv) by redesignating subparagraphs  
11                  (E), (F), and (J) as subparagraphs (F),  
12                  (G), and (K) respectively;

13                  (v) by inserting after subparagraph  
14                  (D) the following:

15                  “(E) education in pursuit of a post-sec-  
16                  ondary degree or certification;”;

17                  (vi) in subparagraph (H), by inserting  
18                  “financial literacy, such as training in fi-  
19                  nancial management, financial coaching,  
20                  and asset building, and” after “training  
21                  in”;

22                  (vii) in subparagraph (I), by striking  
23                  “and” at the end; and

24                  (viii) by inserting after subparagraph  
25                  (I) the following:

1                   “(J) homeownership education and assist-  
2                   ance; and”; and

3                   (C) in paragraph (3)—

4                   (i) in the first sentence, by inserting  
5                   “the first recertification of income after”  
6                   after “not later than 5 years after”; and

7                   (ii) in the second sentence—

8                   (I) by striking “public housing  
9                   agency” and inserting “eligible enti-  
10                  ty”; and

11                  (II) by striking “of the agency”;

12                  (D) by amending paragraph (4) to read as  
13                  follows:

14                  “(4) EMPLOYMENT.—The contract of participa-  
15                  tion shall require 1 household member of the partici-  
16                  pating family to seek and maintain suitable employ-  
17                  ment.”; and

18                  (E) by adding at the end the following:

19                  “(5) NONPARTICIPATION.—Assistance under  
20                  section 8 or 9 for a family that elects not to partici-  
21                  pate in a Family Self-Sufficiency program shall not  
22                  be delayed by reason of such election.”;

23                  (7) in subsection (e), as so redesignated—

24                  (A) in paragraph (1), by striking “whose  
25                  monthly adjusted income does not exceed 50

1           percent” and all that follows through the period  
2           at the end of the third sentence and inserting  
3           “shall be calculated under the rental provisions  
4           of section 3 or section 8(o), as applicable.”;

5                   (B) in paragraph (2)—

6                         (i) by striking the first sentence and  
7                         inserting the following: “For each partici-  
8                         pating family, an amount equal to any in-  
9                         crease in the amount of rent paid by the  
10                        family in accordance with the provisions of  
11                        section 3 or 8(o), as applicable, that is at-  
12                        tributable to increases in earned income by  
13                        the participating family, shall be placed in  
14                        an interest-bearing escrow account estab-  
15                        lished by the eligible entity on behalf of the  
16                        participating family. Notwithstanding any  
17                        other provision of law, an eligible entity  
18                        may use funds it controls under section 8  
19                        or 9 for purposes of making the escrow de-  
20                        posit for participating families assisted  
21                        under, or residing in units assisted under,  
22                        section 8 or 9, respectively, provided such  
23                        funds are offset by the increase in the  
24                        amount of rent paid by the participating  
25                        family.”;

1 (ii) by striking the second sentence  
2 and inserting the following: “All Family  
3 Self-Sufficiency programs administered  
4 under this section shall include an escrow  
5 account.”;

6 (iii) in the fourth sentence, by striking  
7 “subsection (c)” and inserting “subsection  
8 (d)”; and

9 (iv) in the last sentence—

10 (I) by striking “A public housing  
11 agency” and inserting “An eligible en-  
12 tity”; and

13 (II) by striking “the public hous-  
14 ing agency” and inserting “such eligi-  
15 ble entity”; and

16 (C) by amending paragraph (3) to read as  
17 follows:

18 “(3) FORFEITED ESCROW.—Any amount placed  
19 in an escrow account established by an eligible entity  
20 for a participating family as required under para-  
21 graph (2), that exists after the end of a contract of  
22 participation by a household member of a partici-  
23 pating family that does not qualify to receive the es-  
24 crow, shall be used by the eligible entity for the ben-  
25 efit of participating families in good standing.”;

1           (8) in subsection (f), as so redesignated, by  
2       striking “, unless the income of the family equals or  
3       exceeds 80 percent of the median income of the area  
4       (as determined by the Secretary with adjustments  
5       for smaller and larger families)”;

6           (9) in subsection (g), as so redesignated—

7               (A) in paragraph (1)—

8                   (i) by striking “public housing agen-  
9                   cy” and inserting “eligible entity”;

10                  (ii) by striking “the public housing  
11                  agency” and inserting “such eligible enti-  
12                  ty”; and

13                  (iii) by striking “subsection (g)” and  
14                  inserting “subsection (h)”; and

15               (B) in paragraph (2)—

16                   (i) by striking “public housing agen-  
17                   cy” and inserting “eligible entity” each  
18                   place that term appears;

19                   (ii) by striking “or the Job Opportu-  
20                   nities and Basic Skills Training Program  
21                   under part F of title IV of the Social Secu-  
22                   rity Act”;

23                   (iii) by inserting “primary, secondary,  
24                   and post-secondary” after “public and pri-  
25                   vate”; and

1 (iv) in the second sentence, by insert-  
2 ing “and tenants served by the program”  
3 after “the unit of general local govern-  
4 ment”;

5 (10) in subsection (h), as so redesignated—

6 (A) in paragraph (1)—

7 (i) by striking “public housing agen-  
8 cy” and inserting “eligible entity”;

9 (ii) by striking “participating in the”  
10 and inserting “carrying out a”; and

11 (iii) by striking “to the Secretary”;

12 (B) in paragraph (2)—

13 (i) by striking “public housing agen-  
14 cy” and inserting “eligible entity”;

15 (ii) by striking “subsection (f)” and  
16 inserting “subsection (g)”;

17 (iii) by striking “residents of the pub-  
18 lic housing” and inserting “the current  
19 and prospective participants of the pro-  
20 gram”; and

21 (iv) by striking “or the Job Opportu-  
22 nities and Basic Skills Training Program  
23 under part F of title IV of the Social Secu-  
24 rity Act”; and

25 (C) in paragraph (3)—

1 (i) in subparagraph (C)—

2 (I) by striking “subsection  
3 (c)(2)” and inserting “subsection  
4 (d)(2)”;

5 (II) by striking “provided to”  
6 and inserting “coordinated on behalf  
7 of participating”;

8 (III) by inserting “direct” before  
9 “assistance”; and

10 (IV) by striking “the section 8  
11 and public housing programs” and in-  
12 serting “sections 8 and 9”;

13 (ii) in subparagraph (D)—

14 (I) by striking “subsection (d)”  
15 and inserting “subsection (e)”; and

16 (II) by striking “public housing  
17 agency” and inserting “eligible enti-  
18 ty”;

19 (iii) in subparagraph (E), by striking  
20 “deliver” and inserting “coordinate”;

21 (iv) in subparagraph (H), by striking  
22 “the Job Opportunities and Basic Skills  
23 Training Program under part F of title IV  
24 of the Social Security Act and”; and

1 (v) in subparagraph (I), by striking  
2 “public housing or section 8 assistance”  
3 and inserting “assistance under section 8  
4 or 9”;

5 (11) by amending subsection (i), as so redesignated,  
6 nated, to read as follows:

7 “(i) FAMILY SELF-SUFFICIENCY AWARDS.—

8 “(1) IN GENERAL.—Subject to appropriations,  
9 the Secretary shall establish a formula by which annual  
10 funds shall be awarded or as otherwise determined  
11 by the Secretary for the costs incurred by an  
12 eligible entity in administering the Family Self-Sufficiency  
13 program under this section.

14 “(2) ELIGIBILITY FOR AWARDS.—The award  
15 established under paragraph (1) shall provide funding  
16 for family self-sufficiency coordinators as follows:

17 “(A) BASE AWARD.—An eligible entity  
18 serving 25 or more participants in the Family  
19 Self-Sufficiency program under this section is  
20 eligible to receive an award equal to the costs,  
21 as determined by the Secretary, of 1 full-time  
22 family self-sufficiency coordinator position. The  
23 Secretary may, by regulation or notice, determine  
24 the policy concerning the award for an eligible  
25 entity serving fewer than 25 such partici-

1 pants, including providing prorated awards or  
2 allowing such entities to combine their pro-  
3 grams under this section for purposes of em-  
4 ploying a coordinator.

5 “(B) ADDITIONAL AWARD.—An eligible en-  
6 tity that meets performance standards set by  
7 the Secretary is eligible to receive an additional  
8 award sufficient to cover the costs of filling an  
9 additional family self-sufficiency coordinator po-  
10 sition if such entity has 75 or more partici-  
11 pating families, and an additional coordinator  
12 for each additional 50 participating families, or  
13 such other ratio as may be established by the  
14 Secretary based on the award allocation evalua-  
15 tion under subparagraph (E).

16 “(C) STATE AND REGIONAL AGENCIES.—  
17 For purposes of calculating the award under  
18 this paragraph, each administratively distinct  
19 part of a State or regional eligible entity may  
20 be treated as a separate agency.

21 “(D) DETERMINATION OF NUMBER OF CO-  
22 ORDINATORS.—In determining whether an eligi-  
23 ble entity meets a specific threshold for funding  
24 pursuant to this paragraph, the Secretary shall  
25 consider the number of participants enrolled by

1 the eligible entity in its Family Self-Sufficiency  
2 program as well as other criteria determined by  
3 the Secretary.

4 “(E) AWARD ALLOCATION EVALUATION.—  
5 The Secretary shall submit to Congress a report  
6 evaluating the award allocation under this sub-  
7 section, and make recommendations based on  
8 this evaluation and other related findings to  
9 modify such allocation, within 4 years after the  
10 date of enactment of the Economic Growth,  
11 Regulatory Relief, and Consumer Protection  
12 Act, and not less frequently than every 4 years  
13 thereafter. The report requirement under this  
14 subparagraph shall terminate after the Sec-  
15 retary has submitted 2 such reports to Con-  
16 gress.

17 “(3) RENEWALS AND ALLOCATION.—

18 “(A) IN GENERAL.—Funds allocated by  
19 the Secretary under this subsection shall be al-  
20 located in the following order of priority:

21 “(i) FIRST PRIORITY.—Renewal of the  
22 full cost of all coordinators in the previous  
23 year at each eligible entity with an existing  
24 Family Self-Sufficiency program that

1                   meets applicable performance standards  
2                   set by the Secretary.

3                   “(ii) SECOND PRIORITY.—New or in-  
4                   cremental coordinator funding authorized  
5                   under this section.

6                   “(B) GUIDANCE.—If the first priority, as  
7                   described in subparagraph (A)(i), cannot be  
8                   fully satisfied, the Secretary may prorate the  
9                   funding for each eligible entity, as long as—

10                   “(i) each eligible entity that has re-  
11                   ceived funding for at least 1 part-time co-  
12                   ordinator in the prior fiscal year is pro-  
13                   vided sufficient funding for at least 1 part-  
14                   time coordinator as part of any such pro-  
15                   ration; and

16                   “(ii) each eligible entity that has re-  
17                   ceived funding for at least 1 full-time coor-  
18                   dinator in the prior fiscal year is provided  
19                   sufficient funding for at least 1 full-time  
20                   coordinator as part of any such proration.

21                   “(4) RECAPTURE OR OFFSET.—Any awards al-  
22                   located under this subsection by the Secretary in a  
23                   fiscal year that have not been spent by the end of  
24                   the subsequent fiscal year or such other time period  
25                   as determined by the Secretary may be recaptured

1 by the Secretary and shall be available for providing  
2 additional awards pursuant to paragraph (2)(B), or  
3 may be offset as determined by the Secretary. Funds  
4 appropriated pursuant to this section shall remain  
5 available for 3 years in order to facilitate the re-use  
6 of any recaptured funds for this purpose.

7 “(5) PERFORMANCE REPORTING.—Programs  
8 under this section shall be required to report the  
9 number of families enrolled and graduated, the num-  
10 ber of established escrow accounts and positive es-  
11 crow balances, and any other information that the  
12 Secretary may require. Program performance shall  
13 be reviewed periodically as determined by the Sec-  
14 retary.

15 “(6) INCENTIVES FOR INNOVATION AND HIGH  
16 PERFORMANCE.—The Secretary may reserve up to 5  
17 percent of the amounts made available under this  
18 subsection to provide support to or reward Family  
19 Self-Sufficiency programs based on the rate of suc-  
20 cessful completion, increased earned income, or  
21 other factors as may be established by the Sec-  
22 retary.”;

23 (12) in subsection (j)—

24 (A) by striking “public housing agency”  
25 and inserting “eligible entity”;

1 (B) by striking “public housing” before  
2 “units”;

3 (C) by striking “in public housing projects  
4 administered by the agency”;

5 (D) by inserting “or coordination” after  
6 “provision”; and

7 (E) by striking the last sentence;

8 (13) in subsection (k), by striking “public hous-  
9 ing agencies” and inserting “eligible entities”;

10 (14) by striking subsection (n);

11 (15) by striking subsection (o);

12 (16) by redesignating subsections (l) and (m) as  
13 subsections (m) and (n), respectively;

14 (17) by inserting after subsection (k) the fol-  
15 lowing:

16 “(l) PROGRAMS FOR TENANTS IN PRIVATELY OWNED  
17 PROPERTIES WITH PROJECT-BASED ASSISTANCE.—

18 “(1) VOLUNTARY AVAILABILITY OF FSS PRO-  
19 GRAM.—The owner of a privately owned property  
20 may voluntarily make a Family Self-Sufficiency pro-  
21 gram available to the tenants of such property in ac-  
22 cordance with procedures established by the Sec-  
23 retary. Such procedures shall permit the owner to  
24 enter into a cooperative agreement with a local pub-  
25 lic housing agency that administers a Family Self-

1 Sufficiency program or, at the owner's option, oper-  
2 ate a Family Self-Sufficiency program on its own or  
3 in partnership with another owner. An owner, who  
4 voluntarily makes a Family Self-Sufficiency program  
5 available pursuant to this subsection, may access  
6 funding from any residual receipt accounts for the  
7 property to hire a family self-sufficiency coordinator  
8 or coordinators for their program.

9 “(2) COOPERATIVE AGREEMENT.—Any coopera-  
10 tive agreement entered into pursuant to paragraph  
11 (1) shall require the public housing agency to open  
12 its Family Self-Sufficiency program waiting list to  
13 any eligible family residing in the owner's property  
14 who resides in a unit assisted under project-based  
15 rental assistance.

16 “(3) TREATMENT OF FAMILIES ASSISTED  
17 UNDER THIS SUBSECTION.—A public housing agency  
18 that enters into a cooperative agreement pursuant to  
19 paragraph (1) may count any family participating in  
20 its Family Self-Sufficiency program as a result of  
21 such agreement as part of the calculation of the  
22 award under subsection (i).

23 “(4) ESCROW.—

24 “(A) COOPERATIVE AGREEMENT.—A coop-  
25 erative agreement entered into pursuant to

1 paragraph (1) shall provide for the calculation  
2 and tracking of the escrow for participating  
3 residents and for the owner to make available,  
4 upon request of the public housing agency, es-  
5 crow for participating residents, in accordance  
6 with paragraphs (2) and (3) of subsection (e),  
7 residing in units assisted under section 8.

8 “(B) CALCULATION AND TRACKING BY  
9 OWNER.—The owner of a privately owned prop-  
10 erty who voluntarily makes a Family Self-Suffi-  
11 ciency program available pursuant to paragraph  
12 (1) shall calculate and track the escrow for par-  
13 ticipating residents and make escrow for par-  
14 ticipating residents available in accordance with  
15 paragraphs (2) and (3) of subsection (e).

16 “(5) EXCEPTION.—This subsection shall not  
17 apply to properties assisted under section 8(o)(13).

18 “(6) SUSPENSION OF ENROLLMENT.—In any  
19 year, the Secretary may suspend the enrollment of  
20 new families in Family Self-Sufficiency programs  
21 under this subsection based on a determination that  
22 insufficient funding is available for this purpose.”;

23 (18) in subsection (m), as so redesignated—

24 (A) in paragraph (1)—

1 (i) in the first sentence, by striking  
2 “Each public housing agency” and insert-  
3 ing “Each eligible entity”;

4 (ii) in the second sentence, by striking  
5 “The report shall include” and inserting  
6 “The contents of the report shall include”;  
7 and

8 (iii) in subparagraph (D)—

9 (I) by striking “public housing  
10 agency” and inserting “eligible enti-  
11 ty”; and

12 (II) by striking “local”; and

13 (B) in paragraph (2), by inserting “and  
14 describing any additional research needs of the  
15 Secretary to evaluate the effectiveness of the  
16 program” after “under paragraph (1)”;

17 (19) in subsection (n), as so redesignated, by  
18 striking “may” and inserting “shall”; and

19 (20) by adding at the end the following:

20 “(o) DEFINITIONS.—In this section:

21 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-  
22 tity’ means an entity that meets the requirements  
23 under subsection (c)(2) to administer a Family Self-  
24 Sufficiency program under this section.

1           “(2) ELIGIBLE FAMILY.—The term ‘eligible  
2           family’ means a family that meets the requirements  
3           under subsection (c)(1) to participate in the Family  
4           Self-Sufficiency program under this section.

5           “(3) PARTICIPATING FAMILY.—The term ‘par-  
6           ticipating family’ means an eligible family that is  
7           participating in the Family Self-Sufficiency program  
8           under this section.”.

9           (b) EFFECTIVE DATE.—Not later than 360 days  
10          after the date of enactment of this Act, the Secretary of  
11          Housing and Urban Development shall issue regulations  
12          to implement this section and any amendments made by  
13          this section, and this section and any amendments made  
14          by this section shall take effect upon such issuance.

15       **SEC. 307. PROPERTY ASSESSED CLEAN ENERGY FINANC-**  
16                               **ING.**

17          Section 129C(b)(3) of the Truth in Lending Act (15  
18          U.S.C. 1639c(b)(3)) is amended by adding at the end the  
19          following:

20                               “(C) CONSIDERATION OF UNDERWRITING  
21                               REQUIREMENTS FOR PROPERTY ASSESSED  
22                               CLEAN ENERGY FINANCING.—

23                               “(i) DEFINITION.—In this subpara-  
24                               graph, the term ‘Property Assessed Clean  
25                               Energy financing’ means financing to cover

1 the costs of home improvements that re-  
2 sults in a tax assessment on the real prop-  
3 erty of the consumer.

4 “(ii) REGULATIONS.—The Bureau  
5 shall prescribe regulations that carry out  
6 the purposes of subsection (a) and apply  
7 section 130 with respect to violations  
8 under subsection (a) of this section with  
9 respect to Property Assessed Clean Energy  
10 financing, which shall account for the  
11 unique nature of Property Assessed Clean  
12 Energy financing.

13 “(iii) COLLECTION OF INFORMATION  
14 AND CONSULTATION.—In prescribing the  
15 regulations under this subparagraph, the  
16 Bureau—

17 “(I) may collect such information  
18 and data that the Bureau determines  
19 is necessary; and

20 “(II) shall consult with State and  
21 local governments and bond-issuing  
22 authorities.”.

1   **SEC. 308. GAO REPORT ON CONSUMER REPORTING AGEN-**  
2                           **CIES.**

3           (a) DEFINITIONS.—In this section, the terms “con-  
4   sumer”, “consumer report”, and “consumer reporting  
5   agency” have the meanings given those terms in section  
6   603 of the Fair Credit Reporting Act (15 U.S.C. 1681a).

7           (b) REPORT.—Not later than 1 year after the date  
8   of enactment of this Act, the Comptroller General of the  
9   United States shall submit to the Committee on Banking,  
10   Housing, and Urban Affairs of the Senate and the Com-  
11   mittee on Financial Services of the House of Representa-  
12   tives a comprehensive report that includes—

13           (1) a review of the current legal and regulatory  
14       structure for consumer reporting agencies and an  
15       analysis of any gaps in that structure, including, in  
16       particular, the rulemaking, supervisory, and enforce-  
17       ment authority of State and Federal agencies under  
18       the Fair Credit Reporting Act (15 U.S.C. 1681 et  
19       seq.), the Gramm-Leach-Bliley Act (Public Law  
20       106–102; 113 Stat. 1338), and any other relevant  
21       statutes;

22           (2) a review of the process by which consumers  
23       can appeal and expunge errors on their consumer re-  
24       ports;

25           (3) a review of the causes of consumer report-  
26       ing errors;

1           (4) a review of the responsibilities of data fur-  
2           nishers to ensure that accurate information is ini-  
3           tially reported to consumer reporting agencies and to  
4           ensure that such information continues to be accu-  
5           rate;

6           (5) a review of data security relating to con-  
7           sumer reporting agencies and their efforts to safe-  
8           guard consumer data;

9           (6) a review of who has access to, and may use,  
10          consumer reports;

11          (7) a review of who has control or ownership of  
12          a consumer's credit data;

13          (8) an analysis of—

14                (A) which Federal and State regulatory  
15                agencies supervise and enforce laws relating to  
16                how consumer reporting agencies protect con-  
17                sumer data; and

18                (B) all laws relating to data security appli-  
19                cable to consumer reporting agencies; and

20          (9) recommendations to Congress on how to im-  
21          prove the consumer reporting system, including leg-  
22          islative, regulatory, and industry-specific rec-  
23          ommendations.

1 **SEC. 309. PROTECTING VETERANS FROM PREDATORY**  
2 **LENDING.**

3 (a) PROTECTING VETERANS FROM PREDATORY  
4 LENDING.—

5 (1) IN GENERAL.—Subchapter I of chapter 37  
6 of title 38, United States Code, is amended by add-  
7 ing at the end the following new section:

8 **“§ 3709. Refinancing of housing loans**

9 “(a) FEE RECOUPMENT.—Except as provided in sub-  
10 section (d) and notwithstanding section 3703 of this title  
11 or any other provision of law, a loan to a veteran for a  
12 purpose specified in section 3710 of this title that is being  
13 refinanced may not be guaranteed or insured under this  
14 chapter unless—

15 “(1) the issuer of the refinanced loan provides  
16 the Secretary with a certification of the recoupment  
17 period for fees, closing costs, and any expenses  
18 (other than taxes, amounts held in escrow, and fees  
19 paid under this chapter) that would be incurred by  
20 the borrower in the refinancing of the loan;

21 “(2) all of the fees and incurred costs are  
22 scheduled to be recouped on or before the date that  
23 is 36 months after the date of loan issuance; and

24 “(3) the recoupment is calculated through lower  
25 regular monthly payments (other than taxes,

1 amounts held in escrow, and fees paid under this  
2 chapter) as a result of the refinanced loan.

3 “(b) NET TANGIBLE BENEFIT TEST.—Except as  
4 provided in subsection (d) and notwithstanding section  
5 3703 of this title or any other provision of law, a loan  
6 to a veteran for a purpose specified in section 3710 of  
7 this title that is refinanced may not be guaranteed or in-  
8 sured under this chapter unless—

9 “(1) the issuer of the refinanced loan provides  
10 the borrower with a net tangible benefit test;

11 “(2) in a case in which the original loan had a  
12 fixed rate mortgage interest rate and the refinanced  
13 loan will have a fixed rate mortgage interest rate,  
14 the refinanced loan has a mortgage interest rate  
15 that is not less than 50 basis points less than the  
16 previous loan;

17 “(3) in a case in which the original loan had a  
18 fixed rate mortgage interest rate and the refinanced  
19 loan will have an adjustable rate mortgage interest  
20 rate, the refinanced loan has a mortgage interest  
21 rate that is not less than 200 basis points less than  
22 the previous loan; and

23 “(4) the lower interest rate is not produced  
24 solely from discount points, unless—

25 “(A) such points are paid at closing; and

1           “(B) such points are not added to the  
2           principal loan amount, unless—

3                   “(i) for discount point amounts that  
4                   are less than or equal to one discount  
5                   point, the resulting loan balance after any  
6                   fees and expenses allows the property with  
7                   respect to which the loan was issued to  
8                   maintain a loan to value ratio of 100 per-  
9                   cent or less; and

10                   “(ii) for discount point amounts that  
11                   are greater than one discount point, the re-  
12                   sulting loan balance after any fees and ex-  
13                   penses allows the property with respect to  
14                   which the loan was issued to maintain a  
15                   loan to value ratio of 90 percent or less.

16           “(c) LOAN SEASONING.—Except as provided in sub-  
17           section (d) and notwithstanding section 3703 of this title  
18           or any other provision of law, a loan to a veteran for a  
19           purpose specified in section 3710 of this title that is refi-  
20           nanced may not be guaranteed or insured under this chap-  
21           ter until the date that is the later of—

22                   “(1) the date that is 210 days after the date on  
23                   which the first monthly payment is made on the  
24                   loan; and

1           “(2) the date on which the sixth monthly pay-  
2           ment is made on the loan.

3           “(d) CASH-OUT REFINANCES.—(1) Subsections (a)  
4 through (c) shall not apply in a case of a loan refinancing  
5 in which the amount of the principal for the new loan to  
6 be guaranteed or insured under this chapter is larger than  
7 the payoff amount of the refinanced loan.

8           “(2) Not later than 180 days after the date of the  
9 enactment of this section, the Secretary shall promulgate  
10 such rules as the Secretary considers appropriate with re-  
11 spect to refinancing described in paragraph (1) to ensure  
12 that such refinancing is in the financial interest of the  
13 borrower, including rules relating to recoupment, sea-  
14 soning, and net tangible benefits.”.

15           (2) REGULATIONS.—

16           (A) IN GENERAL.—In prescribing any reg-  
17 ulation to carry out section 3709 of title 38,  
18 United States Code, as added by paragraph (1),  
19 the Secretary of Veterans Affairs may waive the  
20 requirements of sections 551 through 559 of  
21 title 5, United States Code, if—

22           (i) the Secretary determines that ur-  
23 gent or compelling circumstances make  
24 compliance with such requirements imprac-  
25 ticable or contrary to the public interest;

1 (ii) the Secretary submits to the Com-  
2 mittee on Veterans' Affairs of the Senate  
3 and the Committee on Veterans' Affairs of  
4 the House of Representatives, and pub-  
5 lishes in the Federal Register, notice of  
6 such waiver, including a description of the  
7 determination made under clause (i); and

8 (iii) a period of 10 days elapses fol-  
9 lowing the notification under clause (ii).

10 (B) PUBLIC NOTICE AND COMMENT.—If a  
11 regulation prescribed pursuant to a waiver  
12 made under subparagraph (A) is in effect for a  
13 period exceeding 1 year, the Secretary shall  
14 provide the public an opportunity for notice and  
15 comment regarding such regulation.

16 (C) EFFECTIVE DATE.—This paragraph  
17 shall take effect on the date of the enactment  
18 of this Act.

19 (D) TERMINATION DATE.—The authorities  
20 under this paragraph shall terminate on the  
21 date that is 1 year after the date of the enact-  
22 ment of this Act.

23 (3) REPORT ON CASH-OUT REFINANCES.—

24 (A) IN GENERAL.—Not later than 1 year  
25 after the date of the enactment of this Act, the

1 Secretary shall, in consultation with the Presi-  
2 dent of the Ginnie Mae, submit to Congress a  
3 report on refinancing—

4 (i) of loans—

5 (I) made to veterans for purposes  
6 specified in section 3710 of title 38,  
7 United States Code; and

8 (II) that were guaranteed or in-  
9 sured under chapter 37 of such title;  
10 and

11 (ii) in which the amount of the prin-  
12 cipal for the new loan to be guaranteed or  
13 insured under such chapter is larger than  
14 the payoff amount of the refinanced loan.

15 (B) CONTENTS.—The report required by  
16 subparagraph (A) shall include the following:

17 (i) An assessment of whether addi-  
18 tional requirements, including a net tan-  
19 gible benefit test, fee recoupment period,  
20 and loan seasoning requirement, are nec-  
21 essary to ensure that the refinancing de-  
22 scribed in subparagraph (A) is in the fi-  
23 nancial interest of the borrower.

24 (ii) Such recommendations as the Sec-  
25 retary may have for additional legislative

1                   or administrative action to ensure that re-  
2                   financing described in subparagraph (A) is  
3                   carried out in the financial interest of the  
4                   borrower.

5                   (4) CLERICAL AMENDMENT.—The table of sec-  
6                   tions at the beginning of chapter 37 of title 38,  
7                   United States Code, is amended by inserting after  
8                   the item relating to section 3709 the following new  
9                   item:

                  “3709. Refinancing of housing loans.”.

10                  (b) LOAN SEASONING FOR GINNIE MAE MORTGAGE-  
11                  BACKED SECURITIES.—Section 306(g)(1) of the National  
12                  Housing Act (12 U.S.C. 1721(g)(1)) is amended by insert-  
13                  ing “The Association may not guarantee the timely pay-  
14                  ment of principal and interest on a security that is backed  
15                  by a mortgage insured or guaranteed under chapter 37  
16                  of title 38, United States Code, and that was refinanced  
17                  until the later of the date that is 210 days after the date  
18                  on which the first monthly payment is made on the mort-  
19                  gage being refinanced and the date on which 6 full month-  
20                  ly payments have been made on the mortgage being refi-  
21                  nanced.” after “Act of 1992.”.

22                  (c) REPORT ON LIQUIDITY OF THE DEPARTMENT OF  
23                  VETERANS AFFAIRS HOUSING LOAN PROGRAM.—

24                   (1) REPORT.—Not later than 1 year after the  
25                   date of the enactment of this Act, the Secretary of

1       Housing and Urban Development and the President  
2       of the Ginnie Mae shall submit to the appropriate  
3       committees of Congress a report on the liquidity of  
4       the housing loan program under chapter 37 of title  
5       38, United States Code, in the secondary mortgage  
6       market, which shall—

7               (A) assess the loans provided under that  
8               chapter that collateralize mortgage-backed secu-  
9               rities that are guaranteed by Ginnie Mae; and

10              (B) include recommendations for actions  
11              that Ginnie Mae should take to ensure that the  
12              liquidity of that housing loan program is main-  
13              tained.

14       (2) DEFINITIONS.—In this subsection:

15              (A) APPROPRIATE COMMITTEES OF CON-  
16              GRESS.—The term “appropriate committees of  
17              Congress” means—

18                      (i) the Committee on Veterans’ Af-  
19                      fairs and the Committee on Banking,  
20                      Housing, and Urban Affairs of the Senate;  
21                      and

22                      (ii) the Committee on Veterans’ Af-  
23                      fairs and the Committee on Financial  
24                      Services of the House of Representatives.

1 (B) GINNIE MAE.—The term “Ginnie  
2 Mae” means the Government National Mort-  
3 gage Association.

4 (d) ANNUAL REPORT ON DOCUMENT DISCLOSURE  
5 AND CONSUMER EDUCATION.—Not less frequently than  
6 once each year, the Secretary of Veterans Affairs shall  
7 issue a publicly available report that—

8 (1) examines, with respect to loans provided to  
9 veterans under chapter 37 of title 38, United States  
10 Code—

11 (A) the refinancing of fixed-rate mortgage  
12 loans to adjustable rate mortgage loans;

13 (B) whether veterans are informed of the  
14 risks and disclosures associated with that refi-  
15 nancing; and

16 (C) whether advertising materials for that  
17 refinancing are clear and do not contain mis-  
18 leading statements or assertions; and

19 (2) includes findings based on any complaints  
20 received by veterans and on an ongoing assessment  
21 of the refinancing market by the Secretary.

22 **SEC. 310. CREDIT SCORE COMPETITION.**

23 (a) USE OF CREDIT SCORES BY FANNIE MAE IN  
24 PURCHASING RESIDENTIAL MORTGAGES.—Section  
25 302(b) of the Federal National Mortgage Association

1 Charter Act (12 U.S.C. 1717(b)) is amended by adding  
2 at the end the following:

3 “(7)(A) DEFINITIONS.—In this paragraph—

4 “(i) the term ‘credit score’ means a numerical  
5 value or a categorization created by a third party de-  
6 rived from a statistical tool or modeling system used  
7 by a person who makes or arranges a loan to predict  
8 the likelihood of certain credit behaviors, including  
9 default; and

10 “(ii) the term ‘residential mortgage’ has the  
11 meaning given the term in section 302 of the Fed-  
12 eral Home Loan Mortgage Corporation Act (12  
13 U.S.C. 1451).

14 “(B) USE OF CREDIT SCORES.—The corporation  
15 may condition purchase of a residential mortgage by the  
16 corporation under this subsection on the provision of a  
17 credit score for the borrower only if—

18 “(i) the credit score is derived from any credit  
19 scoring model that has been validated and approved  
20 by the corporation under this paragraph; and

21 “(ii) the corporation provides for the use of the  
22 credit score by all of the automated underwriting  
23 systems of the corporation and any other procedures  
24 and systems used by the corporation to purchase  
25 residential mortgages that use a credit score.

1       “(C) VALIDATION AND APPROVAL PROCESS.—The  
2 corporation shall establish a validation and approval proc-  
3 ess for the use of credit score models, under which the  
4 corporation may not validate and approve a credit score  
5 model unless the credit score model—

6           “(i) satisfies minimum requirements of integ-  
7 rity, reliability, and accuracy;

8           “(ii) has a historical record of measuring and  
9 predicting default rates and other credit behaviors;

10          “(iii) is consistent with the safe and sound op-  
11 eration of the corporation;

12          “(iv) complies with any standards and criteria  
13 established by the Director of the Federal Housing  
14 Finance Agency under section 1328(1) of the Fed-  
15 eral Housing Enterprises Financial Safety and  
16 Soundness Act of 1992; and

17          “(v) satisfies any other requirements, as deter-  
18 mined by the corporation.

19       “(D) REPLACEMENT OF CREDIT SCORE MODEL.—  
20 If the corporation has validated and approved 1 or more  
21 credit score models under subparagraph (C) and the cor-  
22 poration validates and approves an additional credit score  
23 model, the corporation may determine that—

1           “(i) the additional credit score model has re-  
2           placed the credit score model or credit score models  
3           previously validated and approved; and

4           “(ii) the credit score model or credit score mod-  
5           els previously validated and approved shall no longer  
6           be considered validated and approved for the pur-  
7           poses of subparagraph (B).

8           “(E) PUBLIC DISCLOSURE.—Upon establishing the  
9           validation and approval process required under subpara-  
10          graph (C), the corporation shall make publicly available  
11          a description of the validation and approval process.

12          “(F) APPLICATION.—Not later than 30 days after  
13          the effective date of this paragraph, the corporation shall  
14          solicit applications from developers of credit scoring mod-  
15          els for the validation and approval of those models under  
16          the process required under subparagraph (C).

17          “(G) TIMEFRAME FOR DETERMINATION; NOTICE.—

18                 “(i) IN GENERAL.—The corporation shall make  
19                 a determination with respect to any application sub-  
20                 mitted under subparagraph (F), and provide notice  
21                 of that determination to the applicant, before a date  
22                 established by the corporation that is not later than  
23                 180 days after the date on which an application is  
24                 submitted to the corporation.

1           “(ii) EXTENSIONS.—The Director of the Fed-  
2       eral Housing Finance Agency may authorize not  
3       more than 2 extensions of the date established under  
4       clause (i), each of which shall not exceed 30 days,  
5       upon a written request and a showing of good cause  
6       by the corporation.

7           “(iii) STATUS NOTICE.—The corporation shall  
8       provide notice to an applicant regarding the status  
9       of an application submitted under subparagraph (F)  
10      not later than 60 days after the date on which the  
11      application was submitted to the corporation.

12          “(iv) REASONS FOR DISAPPROVAL.—If an appli-  
13      cation submitted under subparagraph (F) is dis-  
14      approved, the corporation shall provide to the appli-  
15      cant the reasons for the disapproval not later than  
16      30 days after a determination is made under this  
17      subparagraph.

18          “(H) AUTHORITY OF DIRECTOR.—If the corporation  
19      elects to use a credit score model under this paragraph,  
20      the Director of the Federal Housing Finance Agency shall  
21      require the corporation to periodically review the valida-  
22      tion and approval process required under subparagraph  
23      (C) as the Director determines necessary to ensure that  
24      the process remains appropriate and adequate and com-  
25      plies with any standards and criteria established pursuant

1 to section 1328(1) of the Federal Housing Enterprises Fi-  
2 nancial Safety and Soundness Act of 1992.

3 “(I) EXTENSION.—If, as of the effective date of this  
4 paragraph, a credit score model has not been approved  
5 under subparagraph (C), the corporation may use a credit  
6 score model that was in use before the effective date of  
7 this paragraph, if necessary to prevent substantial market  
8 disruptions, until the earlier of—

9 “(i) the date on which a credit score model is  
10 validated and approved under subparagraph (C); or

11 “(ii) the date that is 2 years after the effective  
12 date of this paragraph.”.

13 (b) USE OF CREDIT SCORES BY FREDDIE MAC IN  
14 PURCHASING RESIDENTIAL MORTGAGES.—Section 305 of  
15 the Federal Home Loan Mortgage Corporation Act (12  
16 U.S.C. 1454) is amended by adding at the end the fol-  
17 lowing:

18 “(d)(1) DEFINITION.—In this subsection, the term  
19 ‘credit score’ means a numerical value or a categorization  
20 created by a third party derived from a statistical tool or  
21 modeling system used by a person who makes or arranges  
22 a loan to predict the likelihood of certain credit behaviors,  
23 including default.

24 “(2) USE OF CREDIT SCORES.—The Corporation  
25 shall condition purchase of a residential mortgage by the

1 Corporation under this section on the provision of a credit  
2 score for the borrower only if—

3 “(A) the credit score is derived from any credit  
4 scoring model that has been validated and approved  
5 by the Corporation under this subsection; and

6 “(B) the Corporation provides for use of the  
7 credit score by all of the automated underwriting  
8 systems of the Corporation and any other procedures  
9 and systems used by the Corporation to purchase  
10 residential mortgages that uses a credit score.

11 “(3) VALIDATION AND APPROVAL PROCESS.—The  
12 Corporation shall establish a validation and approval proc-  
13 ess for the use of credit score models, under which the  
14 Corporation may not validate and approve a credit score  
15 model unless the credit score model—

16 “(A) satisfies minimum requirements of integ-  
17 rity, reliability, and accuracy;

18 “(B) has a historical record of measuring and  
19 predicting default rates and other credit behaviors;

20 “(C) is consistent with the safe and sound oper-  
21 ation of the corporation;

22 “(D) complies with any standards and criteria  
23 established by the Director of the Federal Housing  
24 Finance Agency under section 1328(1) of the Fed-

1       eral Housing Enterprises Financial Safety and  
2       Soundness Act of 1992; and

3               “(E) satisfies any other requirements, as deter-  
4       mined by the Corporation.

5       “(4) REPLACEMENT OF CREDIT SCORE MODEL.—If  
6       the Corporation has validated and approved 1 or more  
7       credit score models under paragraph (3) and if the Cor-  
8       poration validates and approves an additional credit score  
9       model, the Corporation may determine that—

10              “(A) the additional credit score model has re-  
11       placed the credit score model or credit score models  
12       previously validated and approved; and

13              “(B) the credit score model or credit score mod-  
14       els previously validated and approved shall no longer  
15       be considered validated and approved for purposes of  
16       paragraph (2).

17       “(5) PUBLIC DISCLOSURE.—Upon establishing the  
18       validation and approval process required under paragraph  
19       (3), the Corporation shall make publicly available a de-  
20       scription of the validation and approval process.

21       “(6) APPLICATION.—Not later than 30 days after the  
22       effective date of this subsection, the Corporation shall so-  
23       licit applications from developers of credit scoring models  
24       for the validation and approval of those models under the  
25       process required under paragraph (3).

1       “(7) TIMEFRAME FOR DETERMINATION; NOTICE.—

2               “(A) IN GENERAL.—The Corporation shall  
3       make a determination with respect to any applica-  
4       tion submitted under paragraph (6), and provide no-  
5       tice of that determination to the applicant, before a  
6       date established by the Corporation that is not later  
7       than 180 days after the date on which an applica-  
8       tion is submitted to the Corporation.

9               “(B) EXTENSIONS.—The Director of the Fed-  
10       eral Housing Finance Agency may authorize not  
11       more than 2 extensions of the date established under  
12       subparagraph (A), each of which shall not exceed 30  
13       days, upon a written request and a showing of good  
14       cause by the Corporation.

15              “(C) STATUS NOTICE.—The Corporation shall  
16       provide notice to an applicant regarding the status  
17       of an application submitted under paragraph (6) not  
18       later than 60 days after the date on which the appli-  
19       cation was submitted to the Corporation.

20              “(D) REASONS FOR DISAPPROVAL.—If an ap-  
21       plication submitted under paragraph (6) is dis-  
22       approved, the Corporation shall provide to the appli-  
23       cant the reasons for the disapproval not later than  
24       30 days after a determination is made under this  
25       paragraph.

1       “(8) AUTHORITY OF DIRECTOR.—If the Corporation  
2 elects to use a credit score under this subsection, the Di-  
3 rector of the Federal Housing Finance Agency shall re-  
4 quire the Corporation to periodically review the validation  
5 and approval process required under paragraph (3) as the  
6 Director determines necessary to ensure that the process  
7 remains appropriate and adequate and complies with any  
8 standards and criteria established pursuant to section  
9 1328(1) of the Federal Housing Enterprises Financial  
10 Safety and Soundness Act of 1992.

11       “(9) EXTENSION.—If, as of the effective date of this  
12 subsection, a credit score model has not been approved  
13 under paragraph (3), the Corporation may use a credit  
14 score model that was in use before the effective date of  
15 this subsection, if necessary to prevent substantial market  
16 disruptions, until the earlier of—

17               “(A) the date on which a credit score model is  
18 validated and approved under paragraph (3); or

19               “(B) the date that is 2 years after the effective  
20 date of this subsection.”.

21       “(c) AUTHORITY OF THE DIRECTOR.—Subpart A of  
22 part 2 of subtitle A of the Federal Housing Enterprises  
23 Financial Safety and Soundness Act of 1992 (12 U.S.C.  
24 4541 et seq.) is amended by adding at the end the fol-  
25 lowing:

1 **“SEC. 1328. REGULATIONS FOR USE OF CREDIT SCORES.**

2 “The Director shall—

3 “(1) by regulation, establish standards and cri-  
4 teria for any process used by an enterprise to vali-  
5 date and approve credit scoring models pursuant to  
6 section 302(b)(7) of the Federal National Mortgage  
7 Association Charter Act (12 U.S.C. 1717(b)(7)) and  
8 section 305(d) of the Federal Home Loan Mortgage  
9 Corporation Act (12 U.S.C. 1454(d)); and

10 “(2) ensure that any credit scoring model that  
11 is validated and approved by an enterprise under  
12 section 302(b)(7) (12 U.S.C. 1717(b)(7)) of the  
13 Federal National Mortgage Association Charter Act  
14 or section 305(d) of the Federal Home Loan Mort-  
15 gage Corporation Act (12 U.S.C. 1454(d)) meets the  
16 requirements of clauses (i), (ii), and (iii) of section  
17 302(b)(7)(C) of the Federal National Mortgage As-  
18 sociation Charter Act and subparagraphs (A), (B),  
19 and (C) of section 305(d)(3) of the Federal Home  
20 Loan Mortgage Corporation Act, respectively.”.

21 (d) **EFFECTIVE DATE.**—The amendments made by  
22 subsections (a) and (b) shall take effect on the date that  
23 is 180 days after the date of enactment of this Act.

24 **SEC. 311. GAO REPORT ON PUERTO RICO FORECLOSURES.**

25 Not earlier than 1 year after the date of enactment  
26 of this Act, the Comptroller General of the United States

1 shall submit to the Committee on Banking, Housing, and  
2 Urban Affairs of the Senate and the Committee on Finan-  
3 cial Services of the House of Representatives a report on  
4 foreclosures in the Commonwealth of Puerto Rico, includ-  
5 ing—

6 (1) the rate of foreclosures in the Common-  
7 wealth of Puerto Rico before and after Hurricane  
8 Maria;

9 (2) the rate of return for housing developers in  
10 the Commonwealth of Puerto Rico before and after  
11 Hurricane Maria;

12 (3) the rate of delinquency in the Common-  
13 wealth of Puerto Rico before and after Hurricane  
14 Maria;

15 (4) the rate of homeownership in the Common-  
16 wealth of Puerto Rico before and after Hurricane  
17 Maria; and

18 (5) the rate of defaults on federally insured  
19 mortgages in the Commonwealth of Puerto Rico be-  
20 fore and after Hurricane Maria.

21 **SEC. 312. REPORT ON CHILDREN'S LEAD-BASED PAINT HAZ-**  
22 **ARD PREVENTION AND ABATEMENT.**

23 (a) DEFINITIONS.—In this section—

24 (1) the term “Department” means the Depart-  
25 ment of Housing and Urban Development; and

1           (2) the term “public housing agency” has the  
2           meaning given the term in section 3(b) of the United  
3           States Housing Act of 1937 (42 U.S.C. 1437a(b)).

4           (b) REPORT.—Not later than 1 year after the date  
5           of enactment of this Act, the Secretary of Housing and  
6           Urban Development shall submit to Congress a report that  
7           includes—

8           (1) an overview of existing policies and enforce-  
9           ment of the Department, including public outreach,  
10          relating to lead-based paint hazard prevention and  
11          abatement;

12          (2) recommendations and best practices for the  
13          Department, public housing agencies, and landlords  
14          for improving lead-based paint hazard prevention  
15          standards and Federal lead prevention and abate-  
16          ment policies to protect the environmental health  
17          and safety of children, including within housing re-  
18          ceiving assistance from or occupied by families re-  
19          ceiving housing assistance from the Department;  
20          and

21          (3) recommendations for legislation to improve  
22          lead-based paint hazard prevention and abatement.

1 **SEC. 313. FORECLOSURE RELIEF AND EXTENSION FOR**  
2 **SERVICEMEMBERS.**

3 Section 710(d) of the Honoring America’s Veterans  
4 and Caring for Camp Lejeune Families Act of 2012 (Pub-  
5 lic Law 112–154; 50 U.S.C. 3953 note) is amended by  
6 striking paragraphs (1) and (3).

7 **TITLE IV—TAILORING REGULA-**  
8 **TIONS FOR CERTAIN BANK**  
9 **HOLDING COMPANIES**

10 **SEC. 401. ENHANCED SUPERVISION AND PRUDENTIAL**  
11 **STANDARDS FOR CERTAIN BANK HOLDING**  
12 **COMPANIES.**

13 (a) IN GENERAL.—Section 165 of the Financial Sta-  
14 bility Act of 2010 (12 U.S.C. 5365) is amended—

15 (1) in subsection (a)—

16 (A) in paragraph (1), in the matter pre-  
17 ceding subparagraph (A), by striking  
18 “\$50,000,000,000” and inserting  
19 “\$250,000,000,000”; and

20 (B) in paragraph (2)—

21 (i) in subparagraph (A), by striking  
22 “may” and inserting “shall”;

23 (ii) in subparagraph (B), by striking  
24 “\$50,000,000,000” and inserting “the ap-  
25 plicable threshold”; and

1 (iii) by adding at the end the fol-  
2 lowing:

3 “(C) RISKS TO FINANCIAL STABILITY AND  
4 SAFETY AND SOUNDNESS.—The Board of Gov-  
5 ernors may by order or rule promulgated pursu-  
6 ant to section 553 of title 5, United States  
7 Code, apply any prudential standard established  
8 under this section to any bank holding company  
9 or bank holding companies with total consoli-  
10 dated assets equal to or greater than  
11 \$100,000,000,000 to which the prudential  
12 standard does not otherwise apply provided that  
13 the Board of Governors—

14 “(i) determines that application of the  
15 prudential standard is appropriate—

16 “(I) to prevent or mitigate risks  
17 to the financial stability of the United  
18 States, as described in paragraph (1);  
19 or

20 “(II) to promote the safety and  
21 soundness of the bank holding com-  
22 pany or bank holding companies; and

23 “(ii) takes into consideration the bank  
24 holding company’s or bank holding compa-  
25 nies’ capital structure, riskiness, com-

1                   plexity, financial activities (including finan-  
2                   cial activities of subsidiaries), size, and any  
3                   other risk-related factors that the Board of  
4                   Governors deems appropriate.”;

5           (2) in subsection (b)(1)—

6                   (A) in subparagraph (A)(iv), by striking  
7                   “and credit exposure report”; and

8                   (B) in subparagraph (B)(ii), by inserting  
9                   “, including credit exposure reports” before the  
10                  semicolon at the end;

11           (3) in subsection (d)(2), in the matter pre-  
12           ceding subparagraph (A), by striking “shall” and in-  
13           serting “may”;

14           (4) in subsection (h)(2), by striking  
15           “\$10,000,000,000” each place that term appears  
16           and inserting “\$50,000,000,000”;

17           (5) in subsection (i)—

18                   (A) in paragraph (1)(B)(i)—

19                           (i) by striking “3” and inserting “2”;

20                           and

21                           (ii) by striking “, adverse,”; and

22                   (B) in paragraph (2)—

23                           (i) in subparagraph (A)—

1 (I) in the first sentence, by strik-  
2 ing “semiannual” and inserting “peri-  
3 odic”; and

4 (II) in the second sentence—

5 (aa) by striking  
6 “\$10,000,000,000” and inserting  
7 “\$250,000,000,000”; and

8 (bb) by striking “annual”  
9 and inserting “periodic”; and

10 (ii) in subparagraph (C)(ii)—

11 (I) by striking “3” and inserting  
12 “2”; and

13 (II) by striking “, adverse,”; and

14 (6) in subsection (j)(1), in the first sentence, by  
15 striking “\$50,000,000,000” and inserting  
16 “\$250,000,000,000”.

17 (b) RULE OF CONSTRUCTION.—Nothing in sub-  
18 section (a) shall be construed to limit—

19 (1) the authority of the Board of Governors of  
20 the Federal Reserve System, in prescribing pruden-  
21 tial standards under section 165 of the Financial  
22 Stability Act of 2010 (12 U.S.C. 5365) or any other  
23 law, to tailor or differentiate among companies on  
24 an individual basis or by category, taking into con-  
25 sideration their capital structure, riskiness, com-

1       plexity, financial activities (including financial activi-  
2       ties of their subsidiaries), size, and any other risk-  
3       related factors that the Board of Governors deems  
4       appropriate; or

5               (2) the supervisory, regulatory, or enforcement  
6       authority of an appropriate Federal banking agency  
7       to further the safe and sound operation of an insti-  
8       tution under the supervision of the appropriate Fed-  
9       eral banking agency.

10       (c) TECHNICAL AND CONFORMING AMENDMENTS.—

11               (1) FINANCIAL STABILITY ACT OF 2010.—The  
12       Financial Stability Act of 2010 (12 U.S.C. 5311 et  
13       seq.) is amended—

14               (A) in section 115(a)(2)(B) (12 U.S.C.  
15       5325(a)(2)(B)), by striking “\$50,000,000,000”  
16       and inserting “the applicable threshold”;

17               (B) in section 116(a) (12 U.S.C. 5326(a)),  
18       in the matter preceding paragraph (1), by strik-  
19       ing “\$50,000,000,000” and inserting  
20       “\$250,000,000,000”;

21               (C) in section 121(a) (12 U.S.C. 5331(a)),  
22       in the matter preceding paragraph (1), by strik-  
23       ing “\$50,000,000,000” and inserting  
24       “\$250,000,000,000”;

1 (D) in section 155(d) (12 U.S.C. 5345(d)),  
2 by striking “50,000,000,000” and inserting  
3 “\$250,000,000,000”;

4 (E) in section 163(b) (12 U.S.C. 5363(b)),  
5 by striking “\$50,000,000,000” each place that  
6 term appears and inserting  
7 “\$250,000,000,000”; and

8 (F) in section 164 (12 U.S.C. 5364), by  
9 striking “\$50,000,000,000” and inserting  
10 “\$250,000,000,000”.

11 (2) FEDERAL RESERVE ACT.—The second sub-  
12 section (s) (relating to assessments) of section 11 of  
13 the Federal Reserve Act (12 U.S.C. 248(s)) is  
14 amended—

15 (A) in paragraph (2)—

16 (i) in subparagraph (A), by striking  
17 “\$50,000,000,000” and inserting  
18 “\$100,000,000,000”; and

19 (ii) in subparagraph (B), by striking  
20 “\$50,000,000,000” and inserting  
21 “\$100,000,000,000”; and

22 (B) by adding at the end the following:

23 “(3) TAILORING ASSESSMENTS.—In collecting  
24 assessments, fees, or other charges under paragraph  
25 (1) from each company described in paragraph (2)

1 with total consolidated assets of between  
2 \$100,000,000,000 and \$250,000,000,000, the Board  
3 shall adjust the amount charged to reflect any  
4 changes in supervisory and regulatory responsibil-  
5 ities resulting from the Economic Growth, Regu-  
6 latory Relief, and Consumer Protection Act with re-  
7 spect to each such company.”.

8 (d) EFFECTIVE DATE.—

9 (1) IN GENERAL.—Except as provided in para-  
10 graph (2), the amendments made by this section  
11 shall take effect on the date that is 18 months after  
12 the date of enactment of this Act.

13 (2) EXCEPTION.—Notwithstanding paragraph  
14 (1), the amendments made by this section shall take  
15 effect on the date of enactment of this Act with re-  
16 spect to any bank holding company with total con-  
17 solidated assets of less than \$100,000,000,000.

18 (3) ADDITIONAL AUTHORITY.—Before the effec-  
19 tive date described in paragraph (1), the Board of  
20 Governors of the Federal Reserve System may by  
21 order exempt any bank holding company with total  
22 consolidated assets of less than \$250,000,000,000  
23 from any prudential standard under section 165 of  
24 the Financial Stability Act of 2010 (12 U.S.C.  
25 5365).

1           (4) RULE OF CONSTRUCTION.—Nothing in this  
2       section shall be construed to prohibit the Board of  
3       Governors of the Federal Reserve System from  
4       issuing an order or rule making under section  
5       165(a)(2)(C) of the Financial Stability Act of 2010  
6       (12 U.S.C. 5365(a)(2)(C)), as added by this section,  
7       before the effective date described in paragraph (1).

8       (e) SUPERVISORY STRESS TEST.—Beginning on the  
9       effective date described in subsection (d)(1), the Board of  
10      Governors of the Federal Reserve System shall, on a peri-  
11      odic basis, conduct supervisory stress tests of bank holding  
12      companies with total consolidated assets equal to or great-  
13      er than \$100,000,000,000 and total consolidated assets  
14      of less than \$250,000,000,000 to evaluate whether such  
15      bank holding companies have the capital, on a total con-  
16      solidated basis, necessary to absorb losses as a result of  
17      adverse economic conditions.

18      (f) GLOBAL SYSTEMICALLY IMPORTANT BANK  
19      HOLDING COMPANIES.—Any bank holding company, re-  
20      gardless of asset size, that has been identified as a global  
21      systemically important BHC under section 217.402 of  
22      title 12, Code of Federal Regulations, shall be considered  
23      a bank holding company with total consolidated assets  
24      equal to or greater than \$250,000,000,000 with respect  
25      to the application of standards or requirements under—

1 (1) this section;

2 (2) sections 116(a), 121(a), 155(d), 163(b),  
3 164, and 165 of the Financial Stability Act of 2010  
4 (12 U.S.C. 5326(a), 5331(a), 5345(d), 5363(b),  
5 5364, 5365); and

6 (3) paragraph (2)(A) of the second subsection  
7 (s) (relating to assessments) of section 11 of the  
8 Federal Reserve Act (12 U.S.C. 248(s)(2)).

9 (g) CLARIFICATION FOR FOREIGN BANKS.—Nothing  
10 in this section shall be construed to—

11 (1) affect the legal effect of the final rule of the  
12 Board of Governors of the Federal Reserve System  
13 entitled “Enhanced Prudential Standards for Bank  
14 Holding Companies and Foreign Banking Organiza-  
15 tions” (79 Fed. Reg. 17240 (March 27, 2014)) as  
16 applied to foreign banking organizations with total  
17 consolidated assets equal to or greater than  
18 \$100,000,000,000; or

19 (2) limit the authority of the Board of Gov-  
20 ernors of the Federal Reserve System to require the  
21 establishment of an intermediate holding company  
22 under, implement enhanced prudential standards  
23 with respect to, or tailor the regulation of a foreign  
24 banking organization with total consolidated assets  
25 equal to or greater than \$100,000,000,000.

1 **SEC. 402. SUPPLEMENTARY LEVERAGE RATIO FOR CUSTO-**  
2 **DIAL BANKS.**

3 (a) DEFINITION.—In this section, the term “custo-  
4 dial bank” means any depository institution holding com-  
5 pany predominantly engaged in custody, safekeeping, and  
6 asset servicing activities, including any insured depository  
7 institution subsidiary of such a holding company.

8 (b) REGULATIONS.—

9 (1) DEFINITION.—In this subsection, the term  
10 “central bank” means—

11 (A) the Federal Reserve System;

12 (B) the European Central Bank; and

13 (C) central banks of member countries of  
14 the Organisation for Economic Co-operation  
15 and Development, if—

16 (i) the member country has been as-  
17 signed a zero percent risk weight under  
18 sections 3.32, 217.32, and 324.32 of title  
19 12, Code of Federal Regulations, or any  
20 successor regulation; and

21 (ii) the sovereign debt of such member  
22 country is not in default or has not been  
23 in default during the previous 5 years.

24 (2) REGULATIONS.—The appropriate Federal  
25 banking agencies shall promulgate regulations to

1 amend sections 3.10, 217.10, and 324.10 of title 12,  
2 Code of Federal Regulations, to specify that—

3 (A) subject to subparagraph (B), funds of  
4 a custodial bank that are deposited with a cen-  
5 tral bank shall not be taken into account when  
6 calculating the supplementary leverage ratio as  
7 applied to the custodial bank; and

8 (B) with respect to the funds described in  
9 subparagraph (A), any amount that exceeds the  
10 total value of deposits of the custodial bank  
11 that are linked to fiduciary or custodial and  
12 safekeeping accounts shall be taken into ac-  
13 count when calculating the supplementary lever-  
14 age ratio as applied to the custodial bank.

15 (c) **RULE OF CONSTRUCTION.**—Nothing in sub-  
16 section (b) shall be construed to limit the authority of the  
17 appropriate Federal banking agencies to tailor or adjust  
18 the supplementary leverage ratio or any other leverage  
19 ratio for any company that is not a custodial bank.

20 **SEC. 403. TREATMENT OF CERTAIN MUNICIPAL OBLIGA-**  
21 **TIONS.**

22 (a) **IN GENERAL.**—Section 18 of the Federal Deposit  
23 Insurance Act (12 U.S.C. 1828) is amended—

24 (1) by moving subsection (z) so that it appears  
25 after subsection (y); and

1 (2) by adding at the end the following:

2 “(aa) TREATMENT OF CERTAIN MUNICIPAL OBLIGA-  
3 TIONS.—

4 “(1) DEFINITIONS.—In this subsection—

5 “(A) the term ‘investment grade’, with re-  
6 spect to an obligation, has the meaning given  
7 the term in section 1.2 of title 12, Code of Fed-  
8 eral Regulations, or any successor thereto;

9 “(B) the term ‘liquid and readily-market-  
10 able’ has the meaning given the term in section  
11 249.3 of title 12, Code of Federal Regulations,  
12 or any successor thereto; and

13 “(C) the term ‘municipal obligation’ means  
14 an obligation of—

15 “(i) a State or any political subdivi-  
16 sion thereof; or

17 “(ii) any agency or instrumentality of  
18 a State or any political subdivision thereof.

19 “(2) MUNICIPAL OBLIGATIONS.—For purposes  
20 of the final rule entitled ‘Liquidity Coverage Ratio:  
21 Liquidity Risk Measurement Standards’ (79 Fed.  
22 Reg. 61439 (October 10, 2014)), the final rule enti-  
23 tled ‘Liquidity Coverage Ratio: Treatment of U.S.  
24 Municipal Securities as High-Quality Liquid Assets’  
25 (81 Fed. Reg. 21223 (April 11, 2016)), and any

1 other regulation that incorporates a definition of the  
2 term ‘high-quality liquid asset’ or another substan-  
3 tially similar term, the appropriate Federal banking  
4 agencies shall treat a municipal obligation as a high-  
5 quality liquid asset that is a level 2B liquid asset if  
6 that obligation is, as of the date of calculation—

7 “(A) liquid and readily-marketable; and

8 “(B) investment grade.”.

9 (b) AMENDMENT TO LIQUIDITY COVERAGE RATIO  
10 REGULATIONS.—Not later than 90 days after the date of  
11 enactment of this Act, the Federal Deposit Insurance Cor-  
12 poration, the Board of Governors of the Federal Reserve  
13 System, and the Comptroller of the Currency shall amend  
14 the final rule entitled “Liquidity Coverage Ratio: Liquidity  
15 Risk Measurement Standards” (79 Fed. Reg. 61439 (Oc-  
16 tober 10, 2014)) and the final rule entitled “Liquidity  
17 Coverage Ratio: Treatment of U.S. Municipal Securities  
18 as High-Quality Liquid Assets” (81 Fed. Reg. 21223  
19 (April 11, 2016)) to implement the amendments made by  
20 this section.

**TITLE V—ENCOURAGING  
CAPITAL FORMATION**

**SEC. 501. NATIONAL SECURITIES EXCHANGE REGULATORY  
PARITY.**

Section 18(b)(1) of the Securities Act of 1933 (15 U.S.C. 77r(b)(1)) is amended—

(1) by striking subparagraph (A);

(2) in subparagraph (B)—

(A) by inserting “a security designated as qualified for trading in the national market system pursuant to section 11A(a)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78k–1(a)(2)) that is” before “listed”; and

(B) by striking “that has listing standards that the Commission determines by rule (on its own initiative or on the basis of a petition) are substantially similar to the listing standards applicable to securities described in subparagraph (A)”;

(3) in subparagraph (C), by striking “or (B)”;

and

(4) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

1 **SEC. 502. SEC STUDY ON ALGORITHMIC TRADING.**

2 (a) IN GENERAL.—Not later than 18 months after  
3 the date of enactment of this Act, the staff of the Securi-  
4 ties and Exchange Commission shall submit to the Com-  
5 mittee on Banking, Housing, and Urban Affairs of the  
6 Senate and the Committee on Financial Services of the  
7 House of Representatives a report on the risks and bene-  
8 fits of algorithmic trading in capital markets in the United  
9 States.

10 (b) MATTERS REQUIRED TO BE INCLUDED.—The  
11 matters covered by the report required by subsection (a)  
12 shall include the following:

13 (1) An assessment of the effect of algorithmic  
14 trading in equity and debt markets in the United  
15 States on the provision of liquidity in stressed and  
16 normal market conditions.

17 (2) An assessment of the benefits and risks to  
18 equity and debt markets in the United States by al-  
19 gorithmic trading.

20 (3) An analysis of whether the activity of algo-  
21 rithmic trading and entities that engage in algo-  
22 rithmic trading are subject to appropriate Federal  
23 supervision and regulation.

24 (4) A recommendation of whether—

1 (A) based on the analysis described in  
2 paragraphs (1), (2), and (3), any changes  
3 should be made to regulations; and

4 (B) the Securities and Exchange Commis-  
5 sion needs additional legal authorities or re-  
6 sources to effect the changes described in sub-  
7 paragraph (A).

8 **SEC. 503. ANNUAL REVIEW OF GOVERNMENT-BUSINESS**  
9 **FORUM ON CAPITAL FORMATION.**

10 Section 503 of the Small Business Investment Incen-  
11 tive Act of 1980 (15 U.S.C. 80c–1) is amended by adding  
12 at the end the following:

13 “(e) The Commission shall—

14 “(1) review the findings and recommendations  
15 of the forum; and

16 “(2) each time the forum submits a finding or  
17 recommendation to the Commission, promptly issue  
18 a public statement—

19 “(A) assessing the finding or recommenda-  
20 tion of the forum; and

21 “(B) disclosing the action, if any, the Com-  
22 mission intends to take with respect to the find-  
23 ing or recommendation.”.

1   **SEC. 504. SUPPORTING AMERICA’S INNOVATORS.**

2           Section 3(c)(1) of the Investment Company Act of  
3   1940 (15 U.S.C. 80a–3(c)(1)) is amended—

4           (1) in the matter preceding subparagraph (A),  
5       by inserting “(or, in the case of a qualifying venture  
6       capital fund, 250 persons)” after “one hundred per-  
7       sons”; and

8           (2) by adding at the end the following:

9           “(C)(i) The term ‘qualifying venture cap-  
10       ital fund’ means a venture capital fund that has  
11       not more than \$10,000,000 in aggregate capital  
12       contributions and uncalled committed capital,  
13       with such dollar amount to be indexed for infla-  
14       tion once every 5 years by the Commission, be-  
15       ginning from a measurement made by the Com-  
16       mission on a date selected by the Commission,  
17       rounded to the nearest \$1,000,000.

18          “(ii) The term ‘venture capital fund’ has  
19       the meaning given the term in section  
20       275.203(l)–1 of title 17, Code of Federal Regu-  
21       lations, or any successor regulation.”.

22   **SEC. 505. SECURITIES AND EXCHANGE COMMISSION OVER-**  
23       **PAYMENT CREDIT.**

24       (a) DEFINITIONS.—In this section—

25           (1) the term “Commission” means the Securi-  
26       ties and Exchange Commission;

1           (2) the term “national securities association”  
2       means an association that is registered under section  
3       15A of the Securities Exchange Act of 1934 (15  
4       U.S.C. 78o–3); and

5           (3) the term “national securities exchange”  
6       means an exchange that is registered as a national  
7       securities exchange under section 6 of the Securities  
8       Exchange Act of 1934 (15 U.S.C. 78f).

9       (b) CREDIT FOR OVERPAYMENT OF FEES.—Notwith-  
10     standing section 31(j) of the Securities Exchange Act of  
11     1934 (15 U.S.C. 78ee(j)), and subject to subsection (c)  
12     of this section, if a national securities exchange or a na-  
13     tional securities association has paid fees and assessments  
14     to the Commission in an amount that is more than the  
15     amount that the exchange or association was required to  
16     pay under section 31 of the Securities Exchange Act of  
17     1934 (15 U.S.C. 78ee) and, not later than 10 years after  
18     the date of such payment, the exchange or association in-  
19     forms the Commission about the payment of such excess  
20     amount, the Commission shall offset future fees and as-  
21     sessments due by that exchange or association in an  
22     amount that is equal to the difference between the amount  
23     that the exchange or association paid and the amount that  
24     the exchange or association was required to pay under  
25     such section 31.

1 (c) APPLICABILITY.—Subsection (b) shall apply only  
2 to fees and assessments that a national securities ex-  
3 change or a national securities association was required  
4 to pay to the Commission before the date of enactment  
5 of this Act.

6 **SEC. 506. U.S. TERRITORIES INVESTOR PROTECTION.**

7 (a) IN GENERAL.—Section 6(a) of the Investment  
8 Company Act of 1940 (15 U.S.C. 80a–6(a)) is amended—  
9 (1) by striking paragraph (1); and  
10 (2) by redesignating paragraphs (2) through  
11 (5) as paragraphs (1) through (4), respectively.

12 (b) EFFECTIVE DATE AND SAFE HARBOR.—

13 (1) EFFECTIVE DATE.—Except as provided in  
14 paragraph (2), the amendment made by subsection  
15 (a) shall take effect on the date of enactment of this  
16 Act.

17 (2) SAFE HARBOR.—With respect to a company  
18 that is exempt under section 6(a)(1) of the Invest-  
19 ment Company Act of 1940 (15 U.S.C. 80a–6(a)(1))  
20 on the day before the date of enactment of this Act,  
21 the amendment made by subsection (a) shall take ef-  
22 fect on the date that is 3 years after the date of en-  
23 actment of this Act.

24 (3) EXTENSION OF SAFE HARBOR.—The Secu-  
25 rities and Exchange Commission, by rule or regula-

1       tion upon its own motion, or by order upon applica-  
2       tion, may conditionally or unconditionally, under sec-  
3       tion 6(c) of the Investment Company Act of 1940  
4       (15 U.S.C. 80a-6(c)), further delay the effective  
5       date for a company described in paragraph (2) for  
6       a maximum of 3 years following the initial 3-year  
7       period if, before the end of the initial 3-year period,  
8       the Commission determines that such a rule, regula-  
9       tion, motion, or order is necessary or appropriate in  
10      the public interest and for the protection of inves-  
11      tors.

12   **SEC. 507. ENCOURAGING EMPLOYEE OWNERSHIP.**

13      Not later than 60 days after the date of the enact-  
14      ment of this Act, the Securities and Exchange Commission  
15      shall revise section 230.701(e) of title 17, Code of Federal  
16      Regulations, so as to increase from \$5,000,000 to  
17      \$10,000,000 the aggregate sales price or amount of secu-  
18      rities sold during any consecutive 12-month period in ex-  
19      cess of which the issuer is required under such section to  
20      deliver an additional disclosure to investors. The Commis-  
21      sion shall index for inflation such aggregate sales price  
22      or amount every 5 years to reflect the change in the Con-  
23      sumer Price Index for All Urban Consumers published by  
24      the Bureau of Labor Statistics, rounding to the nearest  
25      \$1,000,000.

1 **SEC. 508. IMPROVING ACCESS TO CAPITAL.**

2 The Securities and Exchange Commission shall  
3 amend—

4 (1) section 230.251 of title 17, Code of Federal  
5 Regulations, to remove the requirement that the  
6 issuer not be subject to section 13 or 15(d) of the  
7 Securities Exchange Act of 1934 (15 U.S.C. 78a et  
8 seq.) immediately before the offering; and

9 (2) section 230.257 of title 17, Code of Federal  
10 Regulations, with respect to an offering described in  
11 section 230.251(a)(2) of title 17, Code of Federal  
12 Regulations, to deem any issuer that is subject to  
13 section 13 or 15(d) of the Securities Exchange Act  
14 of 1934 as having met the periodic and current re-  
15 porting requirements of section 230.257 of title 17,  
16 Code of Federal Regulations, if such issuer meets  
17 the reporting requirements of section 13 of the Se-  
18 curities Exchange Act of 1934.

19 **SEC. 509. PARITY FOR CLOSED-END COMPANIES REGARD-**  
20 **ING OFFERING AND PROXY RULES.**

21 (a) REVISION TO RULES.—Not later than the end of  
22 the 1-year period beginning on the date of enactment of  
23 this Act, the Securities and Exchange Commission shall  
24 propose and, not later than 2 years after the date of enact-  
25 ment of this Act, the Securities and Exchange Commission  
26 shall finalize any rules, as appropriate, to allow any closed-

1 end company, as defined in section 5(a)(2) of the Invest-  
2 ment Company Act of 1940 (15 U.S.C. 80a-5), that is  
3 registered as an investment company under such Act, and  
4 is listed on a national securities exchange or that makes  
5 periodic repurchase offers pursuant to section 270.23c-  
6 3 of title 17, Code of Federal Regulations, to use the secu-  
7 rities offering and proxy rules, subject to conditions the  
8 Commission determines appropriate, that are available to  
9 other issuers that are required to file reports under section  
10 13 or section 15(d) of the Securities Exchange Act of  
11 1934 (15 U.S.C. 78m; 78o(d)). Any action that the Com-  
12 mission takes pursuant to this subsection shall consider  
13 the availability of information to investors, including what  
14 disclosures constitute adequate information to be des-  
15 ignated as a “well-known seasoned issuer”.

16 (b) TREATMENT IF REVISIONS NOT COMPLETED IN  
17 A TIMELY MANNER.—If the Commission fails to complete  
18 the revisions required by subsection (a) by the time re-  
19 quired by such subsection, any registered closed-end com-  
20 pany that is listed on a national securities exchange or  
21 that makes periodic repurchase offers pursuant to section  
22 270.23c-3 of title 17, Code of Federal Regulations, shall  
23 be deemed to be an eligible issuer under the final rule of  
24 the Commission titled “Securities Offering Reform” (70  
25 Fed. Reg. 44722; published August 3, 2005).

1 (c) RULES OF CONSTRUCTION.—

2 (1) NO EFFECT ON RULE 482.—Nothing in this  
3 section or the amendments made by this section  
4 shall be construed to impair or limit in any way a  
5 registered closed-end company from using section  
6 230.482 of title 17, Code of Federal Regulations, to  
7 distribute sales material.

8 (2) REFERENCES.—Any reference in this sec-  
9 tion to a section of title 17, Code of Federal Regula-  
10 tions, or to any form or schedule means such rule,  
11 section, form, or schedule, or any successor to any  
12 such rule, section, form, or schedule.

13 **TITLE VI—PROTECTIONS FOR**  
14 **STUDENT BORROWERS**

15 **SEC. 601. PROTECTIONS IN THE EVENT OF DEATH OR**  
16 **BANKRUPTCY.**

17 (a) IN GENERAL.—Section 140 of the Truth in Lend-  
18 ing Act (15 U.S.C. 1650) is amended—

19 (1) in subsection (a)—

20 (A) by redesignating paragraphs (1)  
21 through (8) as paragraphs (2) through (9), re-  
22 spectively; and

23 (B) by inserting before paragraph (2), as  
24 so redesignated, the following:

25 “(1) the term ‘cosigner’—

1           “(A) means any individual who is liable for  
2           the obligation of another without compensation,  
3           regardless of how designated in the contract or  
4           instrument with respect to that obligation,  
5           other than an obligation under a private edu-  
6           cation loan extended to consolidate a con-  
7           sumer’s pre-existing private education loans;

8           “(B) includes any person the signature of  
9           which is requested as condition to grant credit  
10          or to forbear on collection; and

11          “(C) does not include a spouse of an indi-  
12          vidual described in subparagraph (A), the sig-  
13          nature of whom is needed to perfect the secu-  
14          rity interest in a loan.”; and

15          (2) by adding at the end the following:

16          “(g) ADDITIONAL PROTECTIONS RELATING TO BOR-  
17          ROWER OR COSIGNER OF A PRIVATE EDUCATION LOAN.—

18          “(1) PROHIBITION ON AUTOMATIC DEFAULT IN  
19          CASE OF DEATH OR BANKRUPTCY OF NON-STUDENT  
20          OBLIGOR.—With respect to a private education loan  
21          involving a student obligor and 1 or more cosigners,  
22          the creditor shall not declare a default or accelerate  
23          the debt against the student obligor on the sole basis  
24          of a bankruptcy or death of a cosigner.

1           “(2) COSIGNER RELEASE IN CASE OF DEATH  
2           OF BORROWER.—

3                   “(A) RELEASE OF COSIGNER.—The holder  
4           of a private education loan, when notified of the  
5           death of a student obligor, shall release within  
6           a reasonable timeframe any cosigner from the  
7           obligations of the cosigner under the private  
8           education loan.

9                   “(B) NOTIFICATION OF RELEASE.—A  
10          holder or servicer of a private education loan,  
11          as applicable, shall within a reasonable time-  
12          frame notify any cosigners for the private edu-  
13          cation loan if a cosigner is released from the  
14          obligations of the cosigner for the private edu-  
15          cation loan under this paragraph.

16                   “(C) DESIGNATION OF INDIVIDUAL TO ACT  
17          ON BEHALF OF THE BORROWER.—Any lender  
18          that extends a private education loan shall pro-  
19          vide the student obligor an option to designate  
20          an individual to have the legal authority to act  
21          on behalf of the student obligor with respect to  
22          the private education loan in the event of the  
23          death of the student obligor.”.

24           (b) APPLICABILITY.—The amendments made by sub-  
25   section (a) shall only apply to private education loan

1 agreements entered into on or after the date that is 180  
2 days after the date of enactment of this Act.

3 **SEC. 602. REHABILITATION OF PRIVATE EDUCATION**  
4 **LOANS.**

5 (a) IN GENERAL.—Section 623(a)(1) of the Fair  
6 Credit Reporting Act (15 U.S.C. 1681s–2(a)(1)) is  
7 amended by adding at the end the following:

8 “(E) REHABILITATION OF PRIVATE EDU-  
9 CATION LOANS.—

10 “(i) IN GENERAL.—Notwithstanding  
11 any other provision of this section, a con-  
12 sumer may request a financial institution  
13 to remove from a consumer report a re-  
14 ported default regarding a private edu-  
15 cation loan, and such information shall not  
16 be considered inaccurate, if—

17 “(I) the financial institution  
18 chooses to offer a loan rehabilitation  
19 program which includes, without limi-  
20 tation, a requirement of the consumer  
21 to make consecutive on-time monthly  
22 payments in a number that dem-  
23 onstrates, in the assessment of the fi-  
24 nancial institution offering the loan  
25 rehabilitation program, a renewed

1 ability and willingness to repay the  
2 loan; and

3 “(II) the requirements of the  
4 loan rehabilitation program described  
5 in subclause (I) are successfully met.

6 “(ii) BANKING AGENCIES.—

7 “(I) IN GENERAL.—If a financial  
8 institution is supervised by a Federal  
9 banking agency, the financial institu-  
10 tion shall seek written approval con-  
11 cerning the terms and conditions of  
12 the loan rehabilitation program de-  
13 scribed in clause (i) from the appro-  
14 priate Federal banking agency.

15 “(II) FEEDBACK.—An appro-  
16 priate Federal banking agency shall  
17 provide feedback to a financial institu-  
18 tion within 120 days of a request for  
19 approval under subclause (I).

20 “(iii) LIMITATION.—

21 “(I) IN GENERAL.—A consumer  
22 may obtain the benefits available  
23 under this subsection with respect to  
24 rehabilitating a loan only 1 time per  
25 loan.

1 “(II) RULE OF CONSTRUC-  
2 TION.—Nothing in this subparagraph  
3 may be construed to require a finan-  
4 cial institution to offer a loan rehabili-  
5 tation program or to remove any re-  
6 ported default from a consumer report  
7 as a consideration of a loan rehabilita-  
8 tion program, except as described in  
9 clause (i).

10 “(iv) DEFINITIONS.—For purposes of  
11 this subparagraph—

12 “(I) the term ‘appropriate Fed-  
13 eral banking agency’ has the meaning  
14 given the term in section 3 of the  
15 Federal Deposit Insurance Act (12  
16 U.S.C. 1813); and

17 “(II) the term ‘private education  
18 loan’ has the meaning given the term  
19 in section 140(a) of the Truth in  
20 Lending Act (15 U.S.C. 1650(a)).”.

21 (b) GAO STUDY.—

22 (1) STUDY.—The Comptroller General of the  
23 United States shall conduct a study, in consultation  
24 with the appropriate Federal banking agencies, re-  
25 garding—

1 (A) the implementation of subparagraph  
2 (E) of section 623(a)(1) of the Fair Credit Re-  
3 porting Act (15 U.S.C. 1681s-2(a)(1)) (re-  
4 ferred to in this paragraph as “the provision”),  
5 as added by subsection (a);

6 (B) the estimated operational, compliance,  
7 and reporting costs associated with the require-  
8 ments of the provision;

9 (C) the effects of the requirements of the  
10 provision on the accuracy of credit reporting;

11 (D) the risks to safety and soundness, if  
12 any, created by the loan rehabilitation programs  
13 described in the provision; and

14 (E) a review of the effectiveness and im-  
15 pact on the credit of participants in any loan  
16 rehabilitation programs described in the provi-  
17 sion and whether such programs improved the  
18 ability of participants in the programs to access  
19 credit products.

20 (2) REPORT.—Not later than 1 year after the  
21 date of enactment of this Act, the Comptroller Gen-  
22 eral of the United States shall submit to Congress  
23 a report that contains all findings and determina-  
24 tions made in conducting the study required under  
25 paragraph (1).

1   **SEC. 603. BEST PRACTICES FOR HIGHER EDUCATION FI-**  
2                   **NANCIAL LITERACY.**

3           Section 514(a) of the Financial Literacy and Edu-  
4   cation Improvement Act (20 U.S.C. 9703(a)) is amended  
5   by adding at the end the following:

6           “(3) BEST PRACTICES FOR TEACHING FINAN-  
7   CIAL LITERACY.—

8           “(A) IN GENERAL.—After soliciting public  
9           comments and consulting with and receiving  
10          input from relevant parties, including a diverse  
11          set of institutions of higher education and other  
12          parties, the Commission shall, by not later than  
13          1 year after the date of enactment of the Eco-  
14          nomic Growth, Regulatory Relief, and Con-  
15          sumer Protection Act, establish best practices  
16          for institutions of higher education regarding  
17          methods to—

18                  “(i) teach financial literacy skills; and

19                  “(ii) provide useful and necessary in-  
20          formation to assist students at institutions  
21          of higher education when making financial  
22          decisions related to student borrowing.

23           “(B) BEST PRACTICES.—The best prac-  
24          tices described in subparagraph (A) shall in-  
25          clude the following:

1 “(i) Methods to ensure that each stu-  
2 dent has a clear sense of the student’s  
3 total borrowing obligations, including  
4 monthly payments, and repayment options.

5 “(ii) The most effective ways to en-  
6 gage students in financial literacy edu-  
7 cation, including frequency and timing of  
8 communication with students.

9 “(iii) Information on how to target  
10 different student populations, including  
11 part-time students, first-time students, and  
12 other nontraditional students.

13 “(iv) Ways to clearly communicate the  
14 importance of graduating on a student’s  
15 ability to repay student loans.

16 “(C) MAINTENANCE OF BEST PRAC-  
17 TICES.—The Commission shall maintain and  
18 periodically update the best practices informa-  
19 tion required under this paragraph and make  
20 the best practices available to the public.

21 “(D) RULE OF CONSTRUCTION.—Nothing  
22 in this paragraph shall be construed to require  
23 an institution of higher education to adopt the  
24 best practices required under this paragraph.”.