

115TH CONGRESS
2^D SESSION

S. 2155

AN ACT

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

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

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

5 (b) **TABLE OF CONTENTS.**—The table of contents for
 6 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.

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 on Main Street.

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.
- 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 appropriate Federal banking agency”, “company”,
7 “depository institution”, and “depository institution
8 holding company” have the meanings given those

1 terms in section 3 of the Federal Deposit Insurance
2 Act (12 U.S.C. 1813).

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

7 **TITLE I—IMPROVING CON-**
8 **SUMER ACCESS TO MORT-**
9 **GAGE CREDIT**

10 **SEC. 101. MINIMUM STANDARDS FOR RESIDENTIAL MORT-**
11 **GAGE LOANS.**

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

15 “(F) SAFE HARBOR.—

16 “(i) DEFINITIONS.—In this subpara-
17 graph—

18 “(I) the term ‘covered institution’
19 means an insured depository institu-
20 tion or an insured credit union that,
21 together with its affiliates, has less
22 than \$10,000,000,000 in total consoli-
23 dated assets;

24 “(II) the term ‘insured credit
25 union’ has the meaning given the

1 term in section 101 of the Federal
2 Credit Union Act (12 U.S.C. 1752);

3 “(III) the term ‘insured deposi-
4 tory institution’ has the meaning
5 given the term in section 3 of the
6 Federal Deposit Insurance Act (12
7 U.S.C. 1813);

8 “(IV) the term ‘interest-only’
9 means that, under the terms of the
10 legal obligation, one or more of the
11 periodic payments may be applied
12 solely to accrued interest and not to
13 loan principal; and

14 “(V) the term ‘negative amortiza-
15 tion’ means payment of periodic pay-
16 ments that will result in an increase
17 in the principal balance under the
18 terms of the legal obligation.

19 “(ii) SAFE HARBOR.—In this sec-
20 tion—

21 “(I) the term ‘qualified mort-
22 gage’ includes any residential mort-
23 gage loan—

1 “(aa) that is originated and
2 retained in portfolio by a covered
3 institution;

4 “(bb) that is in compliance
5 with the limitations with respect
6 to prepayment penalties de-
7 scribed in subsections (c)(1) and
8 (c)(3);

9 “(cc) that is in compliance
10 with the requirements of clause
11 (vii) of subparagraph (A);

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

15 “(ee) for which the covered
16 institution considers and docu-
17 ments the debt, income, and fi-
18 nancial resources of the con-
19 sumer in accordance with clause
20 (iv); and

21 “(II) a residential mortgage loan
22 described in subclause (I) shall be
23 deemed to meet the requirements of
24 subsection (a).

1 “(iii) EXCEPTION FOR CERTAIN
2 TRANSFERS.—A residential mortgage loan
3 described in clause (ii)(I) shall not qualify
4 for the safe harbor under clause (ii) if the
5 legal title to the residential mortgage loan
6 is sold, assigned, or otherwise transferred
7 to another person unless the residential
8 mortgage loan is sold, assigned, or other-
9 wise transferred—

10 “(I) to another person by reason
11 of the bankruptcy or failure of a cov-
12 ered institution;

13 “(II) to a covered institution so
14 long as the loan is retained in port-
15 folio by the covered institution to
16 which the loan is sold, assigned, or
17 otherwise transferred;

18 “(III) pursuant to a merger of a
19 covered institution with another per-
20 son or the acquisition of a covered in-
21 stitution by another person or of an-
22 other person by a covered institution,
23 so long as the loan is retained in port-
24 folio by the person to whom the loan

1 is sold, assigned, or otherwise trans-
2 ferred; or

3 “(IV) to a wholly owned sub-
4 sidiary of a covered institution, pro-
5 vided that, after the sale, assignment,
6 or transfer, the residential mortgage
7 loan is considered to be an asset of
8 the covered institution for regulatory
9 accounting purposes.

10 “(iv) CONSIDERATION AND DOCU-
11 MENTATION REQUIREMENTS.—The consid-
12 eration and documentation requirements
13 described in clause (ii)(I)(ee) shall—

14 “(I) not be construed to require
15 compliance with, or documentation in
16 accordance with, appendix Q to part
17 1026 of title 12, Code of Federal Reg-
18 ulations, or any successor regulation;
19 and

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

22 **SEC. 102. SAFEGUARDING ACCESS TO HABITAT FOR HU-**
23 **MANITY HOMES.**

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

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

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

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

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

9 “(B) RULE OF CONSTRUCTION RELATED
 10 TO APPRAISAL DONATIONS.—If a fee appraiser
 11 voluntarily donates appraisal services to an or-
 12 ganization eligible to receive tax-deductible
 13 charitable contributions, such voluntary dona-
 14 tion shall be considered customary and reason-
 15 able for the purposes of paragraph (1).”.

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

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

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

23 “(a) DEFINITIONS.—In this section—

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

4 “(2) the term ‘transaction value’ means the
5 amount of a loan or extension of credit, including a
6 loan or extension of credit that is part of a pool of
7 loans or extensions of credit.

8 “(b) APPRAISAL NOT REQUIRED.—Except as pro-
9 vided in subsection (d), notwithstanding any other provi-
10 sion of law, an appraisal in connection with a federally
11 related transaction involving real property or an interest
12 in real property is not required if—

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

17 “(2) not later than 3 days after the date on
18 which the Closing Disclosure Form, made in accord-
19 ance with the final rule of the Bureau of Consumer
20 Financial Protection entitled ‘Integrated Mortgage
21 Disclosures Under the Real Estate Settlement Pro-
22 cedures Act (Regulation X) and the Truth in Lend-
23 ing Act (Regulation Z)’ (78 Fed. Reg. 79730 (De-
24 cember 31, 2013)), relating to the federally related

1 transaction is given to the consumer, the mortgage
2 originator or its agent, directly or indirectly—

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

9 “(B) has documented that no State cer-
10 tified appraiser or State licensed appraiser, as
11 applicable, was available within 5 business days
12 beyond customary and reasonable fee and time-
13 liness standards for comparable appraisal as-
14 signments, as documented by the mortgage
15 originator or its agent;

16 “(3) the transaction value is less than
17 \$400,000; and

18 “(4) the mortgage originator is subject to over-
19 sight by a Federal financial institutions regulatory
20 agency.

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

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

4 “(2) the loan is sold, assigned, or otherwise
5 transferred to another person regulated by a Federal
6 financial institutions regulatory agency, so long as
7 the loan is retained in portfolio by the person;

8 “(3) the sale, assignment, or transfer is pursu-
9 ant to a merger of the mortgage originator with an-
10 other person or the acquisition of the mortgage
11 originator by another person or of another person by
12 the mortgage originator; or

13 “(4) the sale, loan, or transfer is to a wholly
14 owned subsidiary of the mortgage originator, pro-
15 vided that, after the sale, assignment, or transfer,
16 the loan is considered to be an asset of the mortgage
17 originator for regulatory accounting purposes.

18 “(d) EXCEPTION.—Subsection (b) shall not apply
19 if—

20 “(1) a Federal financial institutions regulatory
21 agency requires an appraisal under section
22 225.63(c), 323.3(c), 34.43(c), or 722.3(e) of title
23 12, Code of Federal Regulations; or

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

4 “(e) ANTI-EVASION.—Each Federal financial institu-
5 tions regulatory agency shall ensure that any mortgage
6 originator that the Federal financial institutions regu-
7 latory agency oversees that makes a significant amount
8 of loans under subsection (b) is complying with the re-
9 quirements of subsection (b)(2) with respect to each
10 loan.”.

11 **SEC. 104. HOME MORTGAGE DISCLOSURE ACT ADJUST-**
12 **MENT AND STUDY.**

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

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

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

20 “(i) EXEMPTIONS.—

21 “(1) CLOSED-END MORTGAGE LOANS.—With
22 respect to an insured depository institution or in-
23 sured credit union, the requirements of paragraphs
24 (5) and (6) of subsection (b) shall not apply with re-
25 spect to closed-end mortgage loans if the insured de-

1 pository institution or insured credit union origi-
2 nated fewer than 500 closed-end mortgage loans in
3 each of the 2 preceding calendar years.

4 “(2) OPEN-END LINES OF CREDIT.—With re-
5 spect to an insured depository institution or insured
6 credit union, the requirements of paragraphs (5) and
7 (6) of subsection (b) shall not apply with respect to
8 open-end lines of credit if the insured depository in-
9 stitution or insured credit union originated fewer
10 than 500 open-end lines of credit in each of the 2
11 preceding calendar years.

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

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

24 “(o) DEFINITIONS.—In this section—

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

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

7 (b) LOOKBACK STUDY.—

8 (1) STUDY.—Not earlier than 2 years after the
9 date of enactment of this Act, the Comptroller Gen-
10 eral of the United States shall conduct a study to
11 evaluate the impact of the amendments made by
12 subsection (a) on the amount of data available under
13 the Home Mortgage Disclosure Act of 1975 (12
14 U.S.C. 2801 et seq.) at the national and local level.

15 (2) REPORT.—Not later than 3 years after the
16 date of enactment of this Act, the Comptroller Gen-
17 eral of the United States shall submit to the Com-
18 mittee on Banking, Housing, and Urban Affairs of
19 the Senate and the Committee on Financial Services
20 of the House of Representatives a report that in-
21 cludes the findings and conclusions of the Comp-
22 troller General with respect to the study required
23 under paragraph (1).

24 (c) TECHNICAL CORRECTION.—Section 304(i)(3) of
25 the Home Mortgage Disclosure Act of 1975, as so redesi-

1 nated by subsection (a)(1), is amended by striking “sec-
2 tion 303(2)(A)” and inserting “section 303(3)(A)”.

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

4 (a) **REMOVAL FROM MEMBER BUSINESS LOAN LIM-**
5 **TATION.**—Section 107A(c)(1)(B)(i) of the Federal Credit
6 Union Act (12 U.S.C. 1757a(c)(1)(B)(i)) is amended by
7 striking “that is the primary residence of a member”.

8 (b) **RULE OF CONSTRUCTION.**—Nothing in this sec-
9 tion or the amendment made by this section shall preclude
10 the National Credit Union Administration from treating
11 an extension of credit that is fully secured by a lien on
12 a 1- to 4-family dwelling that is not the primary residence
13 of a member as a member business loan for purposes other
14 than the member business loan limitation requirements
15 under section 107A of the Federal Credit Union Act (12
16 U.S.C. 1757a).

17 **SEC. 106. ELIMINATING BARRIERS TO JOBS FOR LOAN**
18 **ORIGINATORS.**

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

22 **“SEC. 1518. EMPLOYMENT TRANSITION OF LOAN ORIGINA-**
23 **TORS.**

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

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

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

10 “(b) TEMPORARY AUTHORITY TO ORIGINATE LOANS
11 FOR LOAN ORIGINATORS MOVING FROM A DEPOSITORY
12 INSTITUTION TO A NON-DEPOSITORY INSTITUTION.—

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

19 “(A) has not had—

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

22 “(ii) a loan originator license revoked
23 or suspended in any governmental jurisdic-
24 tion;

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

3 “(i) in any governmental jurisdiction;
4 or

5 “(ii) under section 1514(c);

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

9 “(D) has submitted an application to be a
10 State-licensed loan originator in the application
11 State; and

12 “(E) was registered in the Nationwide
13 Mortgage Licensing System and Registry as a
14 loan originator during the 1-year period pre-
15 ceeding the date on which the information re-
16 quired under section 1505(a) is submitted.

17 “(2) PERIOD.—The period described in this
18 paragraph shall begin on the date on which an indi-
19 vidual described in paragraph (1) submits the infor-
20 mation required under section 1505(a) and shall end
21 on the earliest of the date—

22 “(A) on which the individual withdraws the
23 application to be a State-licensed loan origi-
24 nator in the application State;

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

4 “(C) on which the application State grants
5 a State license; or

6 “(D) that is 120 days after the date on
7 which the individual submits the application, if
8 the application is listed on the Nationwide
9 Mortgage Licensing System and Registry as in-
10 complete.

11 “(c) TEMPORARY AUTHORITY TO ORIGINATE LOANS
12 FOR STATE-LICENSED LOAN ORIGINATORS MOVING
13 INTERSTATE.—

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

19 “(A) meets the requirements of subpara-
20 graphs (A), (B), (C), and (D) of subsection
21 (b)(1);

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

24 “(C) was licensed in a State that is not the
25 application State during the 30-day period pre-

1 ceding the date on which the information re-
2 quired under section 1505(a) was submitted in
3 connection with the application submitted to the
4 application State.

5 “(2) PERIOD.—The period described in this
6 paragraph shall begin on the date on which the
7 State-licensed loan originator submits the informa-
8 tion required under section 1505(a) in connection
9 with the application submitted to the application
10 State and end on the earliest of the date—

11 “(A) on which the State-licensed loan
12 originator withdraws the application to be a
13 State-licensed loan originator in the application
14 State;

15 “(B) on which the application State denies,
16 or issues a notice of intent to deny, the applica-
17 tion;

18 “(C) on which the application State grants
19 a State license; or

20 “(D) that is 120 days after the date on
21 which the State-licensed loan originator submits
22 the application, if the application is listed on
23 the Nationwide Mortgage Licensing System and
24 Registry as incomplete.

25 “(d) APPLICABILITY.—

1 “(1) EMPLOYER OF LOAN ORIGINATORS.—Any
2 person employing an individual who is deemed to
3 have temporary authority to act as a loan originator
4 in an application State under this section shall be
5 subject to the requirements of this title and to appli-
6 cable State law to the same extent as if that indi-
7 vidual was a State-licensed loan originator licensed
8 by the application State.

9 “(2) ENGAGING IN MORTGAGE LOAN ACTIVI-
10 TIES.—Any individual who is deemed to have tem-
11 porary authority to act as a loan originator in an ap-
12 plication State under this section and who engages
13 in residential mortgage loan origination activities
14 shall be subject to the requirements of this title and
15 to applicable State law to the same extent as if that
16 individual was a State-licensed loan originator li-
17 censed by the application State.”.

18 (b) TABLE OF CONTENTS AMENDMENT.—Section
19 1(b) of the Housing and Economic Recovery Act of 2008
20 (42 U.S.C. 4501 note) is amended by inserting after the
21 item relating to section 1517 the following:

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

22 (c) CIVIL LIABILITY.—Section 1513 of the S.A.F.E.
23 Mortgage Licensing Act of 2008 (12 U.S.C. 5112) is
24 amended by striking “persons who are loan originators or

1 are applying for licensing or registration as loan origina-
2 tors.” and inserting “persons who—

3 “(1) have applied, are applying, or are licensed
4 or registered through the Nationwide Mortgage Li-
5 censing System and Registry; and

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

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

14 **SEC. 107. PROTECTING ACCESS TO MANUFACTURED**
15 **HOMES.**

16 Section 103 of the Truth in Lending Act (15 U.S.C.
17 1602) is amended—

18 (1) by redesignating the second subsection (cc)
19 (relating to definitions relating to mortgage origina-
20 tion and residential mortgage loans) and subsection
21 (dd) as subsections (dd) and (ee), respectively; and

22 (2) in paragraph (2) of subsection (dd), as so
23 redesignated, by striking subparagraph (C) and in-
24 serting the following:

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

1 “(i) not otherwise described in sub-
2 paragraph (A) or (B) and who performs
3 purely administrative or clerical tasks on
4 behalf of a person who is described in any
5 such subparagraph; or

6 “(ii) a retailer of manufactured or
7 modular homes or an employee of the re-
8 tailer if the retailer or employee, as appli-
9 cable—

10 “(I) does not receive compensa-
11 tion or gain for engaging in activities
12 described in subparagraph (A) that is
13 in excess of any compensation or gain
14 received in a comparable cash trans-
15 action;

16 “(II) discloses to the consumer—

17 “(aa) in writing any cor-
18 porate affiliation with any cred-
19 itor; and

20 “(bb) if the retailer has a
21 corporate affiliation with any
22 creditor, at least 1 unaffiliated
23 creditor; and

24 “(III) does not directly negotiate
25 with the consumer or lender on loan

1 terms (including rates, fees, and other
2 costs).”.

3 **SEC. 108. ESCROW REQUIREMENTS RELATING TO CERTAIN**
4 **CONSUMER CREDIT TRANSACTIONS.**

5 Section 129D of the Truth in Lending Act (15 U.S.C.
6 1639d) is amended—

7 (1) in subsection (c)—

8 (A) by redesignating paragraphs (1)
9 through (4) as subparagraphs (A) through (D),
10 respectively, and adjusting the margins accord-
11 ingly;

12 (B) in the matter preceding subparagraph
13 (A), as so redesignated, by striking “The
14 Board” and inserting the following:

15 “(1) IN GENERAL.—The Bureau”;

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

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

20 “(2) TREATMENT OF LOANS HELD BY SMALLER
21 INSTITUTIONS.—The Bureau shall, by regulation,
22 exempt from the requirements of subsection (a) any
23 loan made by an insured depository institution or an
24 insured credit union secured by a first lien on the
25 principal dwelling of a consumer if—

1 “(A) the insured depository institution or
2 insured credit union has assets of
3 \$10,000,000,000 or less;

4 “(B) during the preceding calendar year,
5 the insured depository institution or insured
6 credit union and its affiliates originated 1,000
7 or fewer loans secured by a first lien on a prin-
8 cipal dwelling; and

9 “(C) the transaction satisfies the criteria
10 in sections 1026.35(b)(2)(iii)(A),
11 1026.35(b)(2)(iii)(D), and 1026.35(b)(2)(v) of
12 title 12, Code of Federal Regulations, or any
13 successor regulation.”; and

14 (2) in subsection (i), by adding at the end the
15 following:

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

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

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

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

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

6 (2) by inserting after paragraph (2) the fol-
7 lowing:

8 “(3) NO WAIT FOR LOWER RATE.—If a creditor
9 extends to a consumer a second offer of credit with
10 a lower annual percentage rate, the transaction may
11 be consummated without regard to the period speci-
12 fied in paragraph (1) with respect to the second
13 offer.”.

14 (b) SENSE OF CONGRESS.—It is the sense of Con-
15 gress that, whereas the Bureau of Consumer Financial
16 Protection issued a final rule entitled “Integrated Mort-
17 gage Disclosures Under the Real Estate Settlement Proce-
18 dures Act (Regulation X) and the Truth in Lending Act
19 (Regulation Z)” (78 Fed. Reg. 79730 (December 31,
20 2013)) (in this subsection referred to as the “TRID
21 Rule”) to combine the disclosures a consumer receives in
22 connection with applying for and closing on a mortgage
23 loan, the Bureau of Consumer Financial Protection should
24 endeavor to provide clearer, authoritative guidance on—

25 (1) the applicability of the TRID Rule to mort-
26 gage assumption transactions;

1 (2) the applicability of the TRID Rule to con-
2 struction-to-permanent home loans, and the condi-
3 tions under which those loans can be properly origi-
4 nated; and

5 (3) the extent to which lenders can rely on
6 model disclosures published by the Bureau of Con-
7 sumer Financial Protection without liability if recent
8 changes to regulations are not reflected in the sam-
9 ple TRID Rule forms published by the Bureau of
10 Consumer Financial Protection.

11 **TITLE II—REGULATORY RELIEF**
12 **AND PROTECTING CONSUMER**
13 **ACCESS TO CREDIT**

14 **SEC. 201. CAPITAL SIMPLIFICATION FOR QUALIFYING COM-**
15 **MUNITY BANKS.**

16 (a) DEFINITIONS.—In this section:

17 (1) COMMUNITY BANK LEVERAGE RATIO.—The
18 term “Community Bank Leverage Ratio” means the
19 ratio of the tangible equity capital of a qualifying
20 community bank, as reported on the qualifying com-
21 munity bank’s applicable regulatory filing with the
22 qualifying community bank’s appropriate Federal
23 banking agency, to the average total consolidated as-
24 sets of the qualifying community bank, as reported
25 on the qualifying community bank’s applicable regu-

1 latory filing with the qualifying community bank’s
2 appropriate Federal banking agency.

3 (2) GENERALLY APPLICABLE LEVERAGE CAP-
4 ITAL REQUIREMENTS; GENERALLY APPLICABLE
5 RISK-BASED CAPITAL REQUIREMENTS.—The terms
6 “generally applicable leverage capital requirements”
7 and “generally applicable risk-based capital require-
8 ments” have the meanings given those terms in sec-
9 tion 171(a) of the Financial Stability Act of 2010
10 (12 U.S.C. 5371(a)).

11 (3) QUALIFYING COMMUNITY BANK.—

12 (A) ASSET THRESHOLD.—The term
13 “qualifying community bank” means a deposi-
14 tory institution or depository institution holding
15 company with total consolidated assets of less
16 than \$10,000,000,000.

17 (B) RISK PROFILE.—The appropriate Fed-
18 eral banking agencies may determine that a de-
19 pository institution or depository institution
20 holding company (or a class of depository insti-
21 tutions or depository institution holding compa-
22 nies) described in subparagraph (A) is not a
23 qualifying community bank based on the deposi-
24 tory institution’s or depository institution hold-

1 ing company’s risk profile, which shall be based
2 on consideration of—

- 3 (i) off-balance sheet exposures;
4 (ii) trading assets and liabilities;
5 (iii) total notional derivatives expo-
6 sures; and
7 (iv) such other factors as the appro-
8 priate Federal banking agencies determine
9 appropriate.

10 (b) COMMUNITY BANK LEVERAGE RATIO.—The ap-
11 propriate Federal banking agencies shall, through notice
12 and comment rule making under section 553 of title 5,
13 United States Code—

14 (1) develop a Community Bank Leverage Ratio
15 of not less than 8 percent and not more than 10
16 percent for qualifying community banks; and

17 (2) establish procedures for treatment of a
18 qualifying community bank that has a Community
19 Bank Leverage Ratio that falls below the percentage
20 developed under paragraph (1) after exceeding the
21 percentage developed under paragraph (1).

22 (c) CAPITAL COMPLIANCE.—

23 (1) IN GENERAL.—Any qualifying community
24 bank that exceeds the Community Bank Leverage

1 Ratio developed under subsection (b)(1) shall be
2 considered to have met—

3 (A) the generally applicable leverage cap-
4 ital requirements and the generally applicable
5 risk-based capital requirements;

6 (B) in the case of a qualifying community
7 bank that is a depository institution, the capital
8 ratio requirements that are required in order to
9 be considered well capitalized under section 38
10 of the Federal Deposit Insurance Act (12
11 U.S.C. 1831o) and any regulation implementing
12 that section; and

13 (C) any other capital or leverage require-
14 ments to which the qualifying community bank
15 is subject.

16 (2) EXISTING AUTHORITIES.—Nothing in para-
17 graph (1) shall limit the authority of the appropriate
18 Federal banking agencies as in effect on the date of
19 enactment of this Act.

20 (d) CONSULTATION.—The appropriate Federal bank-
21 ing agencies shall—

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

24 (2) notify the applicable State bank supervisor
25 of any qualifying community bank that it supervises

1 that exceeds, or does not exceed after previously ex-
2 ceeding, the Community Bank Leverage ratio devel-
3 oped under subsection (b)(1).

4 **SEC. 202. LIMITED EXCEPTION FOR RECIPROCAL DEPOS-**
5 **ITS.**

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

9 “(i) LIMITED EXCEPTION FOR RECIPROCAL DEPOS-
10 ITS.—

11 “(1) IN GENERAL.—Reciprocal deposits of an
12 agent institution shall not be considered to be funds
13 obtained, directly or indirectly, by or through a de-
14 posit broker to the extent that the total amount of
15 such reciprocal deposits does not exceed the lesser
16 of—

17 “(A) \$5,000,000,000; or

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

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

21 “(A) AGENT INSTITUTION.—The term
22 ‘agent institution’ means an insured depository
23 institution that places a covered deposit
24 through a deposit placement network at other
25 insured depository institutions in amounts that

1 are less than or equal to the standard max-
2 imum deposit insurance amount, specifying the
3 interest rate to be paid for such amounts, if the
4 insured depository institution—

5 “(i)(I) when most recently examined
6 under section 10(d) was found to have a
7 composite condition of outstanding or
8 good; and

9 “(II) is well capitalized;

10 “(ii) has obtained a waiver pursuant
11 to subsection (c); or

12 “(iii) does not receive an amount of
13 reciprocal deposits that causes the total
14 amount of reciprocal deposits held by the
15 agent institution to be greater than the av-
16 erage of the total amount of reciprocal de-
17 posits held by the agent institution on the
18 last day of each of the 4 calendar quarters
19 preceding the calendar quarter in which
20 the agent institution was found not to have
21 a composite condition of outstanding or
22 good or was determined to be not well cap-
23 italized.

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

1 “(i) is submitted for placement
2 through a deposit placement network by an
3 agent institution; and

4 “(ii) does not consist of funds that
5 were obtained for the agent institution, di-
6 rectly or indirectly, by or through a deposit
7 broker before submission for placement
8 through a deposit placement network.

9 “(C) DEPOSIT PLACEMENT NETWORK.—
10 The term ‘deposit placement network’ means a
11 network in which an insured depository institu-
12 tion participates, together with other insured
13 depository institutions, for the processing and
14 receipt of reciprocal deposits.

15 “(D) NETWORK MEMBER BANK.—The
16 term ‘network member bank’ means an insured
17 depository institution that is a member of a de-
18 posit placement network.

19 “(E) RECIPROCAL DEPOSITS.—The term
20 ‘reciprocal deposits’ means deposits received by
21 an agent institution through a deposit place-
22 ment network with the same maturity (if any)
23 and in the same aggregate amount as covered
24 deposits placed by the agent institution in other
25 network member banks.

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

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

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

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

10 “(A) the terms ‘agent institution’, ‘recip-
11 rocal deposits’, and ‘well capitalized’ have the
12 meanings given those terms in subsection (i);
13 and

14 “(B) the term ‘covered insured depository
15 institution’ means an insured depository institu-
16 tion that—

17 “(i) under subsection (c) or (d), ac-
18 cepts funds obtained, directly or indirectly,
19 by or through a deposit broker; or

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

23 “(2) PROHIBITION.—A covered insured deposi-
24 tory institution may not pay a rate of interest on
25 funds or reciprocal deposits described in paragraph

1 (1) that, at the time that the funds or reciprocal de-
2 posits are accepted, significantly exceeds the limit
3 set forth in paragraph (3).

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

7 “(A) the rate paid on deposits of similar
8 maturity in the normal market area of the cov-
9 ered insured depository institution for deposits
10 accepted in the normal market area of the cov-
11 ered insured depository institution; or

12 “(B) the national rate paid on deposits of
13 comparable maturity, as established by the Cor-
14 poration, for deposits accepted outside the nor-
15 mal market area of the covered insured depository
16 institution.”.

17 **SEC. 203. COMMUNITY BANK RELIEF.**

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

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

23 (2) by redesignating subparagraphs (A) through
24 (D) as clauses (i) through (iv), respectively, and ad-
25 justing the margins accordingly;

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

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

8 (4) in clause (iv)(II), as so redesignated, by
9 striking the period at the end and inserting “; or”;
10 and

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

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

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

16 “(ii) total trading assets and trading
17 liabilities, as reported on the most recent
18 applicable regulatory filing filed by the in-
19 stitution, that are more than 5 percent of
20 total consolidated assets.”.

21 **SEC. 204. REMOVING NAMING RESTRICTIONS.**

22 Section 13 of the Bank Holding Company Act of
23 1956 (12 U.S.C. 1851) is amended—

24 (1) in subsection (d)(1)(G)(vi), by inserting be-
25 fore the semicolon the following: “, except that the

1 hedge fund or private equity fund may share the
2 same name or a variation of the same name as a
3 banking entity that is an investment adviser to the
4 hedge fund or private equity fund, if—

5 “(I) such investment adviser is
6 not an insured depository institution,
7 a company that controls an insured
8 depository institution, or a company
9 that is treated as a bank holding com-
10 pany for purposes of section 8 of the
11 International Banking Act of 1978
12 (12 U.S.C. 3106);

13 “(II) such investment adviser
14 does not share the same name or a
15 variation of the same name as an in-
16 sured depository institution, any com-
17 pany that controls an insured deposi-
18 tory institution, or any company that
19 is treated as a bank holding company
20 for purposes of section 8 of the Inter-
21 national Banking Act of 1978 (12
22 U.S.C. 3106); and

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

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

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

5 Section 7(a) of the Federal Deposit Insurance Act
6 (12 U.S.C. 1817(a)) is amended by adding at the end the
7 following:

8 “(12) SHORT FORM REPORTING.—

9 “(A) IN GENERAL.—The appropriate Fed-
10 eral banking agencies shall issue regulations
11 that allow for a reduced reporting requirement
12 for a covered depository institution when the in-
13 stitution makes the first and third report of
14 condition for a year, as required under para-
15 graph (3).

16 “(B) DEFINITION.—In this paragraph, the
17 term ‘covered depository institution’ means an
18 insured depository institution that—

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

21 “(ii) satisfies such other criteria as
22 the appropriate Federal banking agencies
23 determine appropriate.”.

1 **SEC. 206. OPTION FOR FEDERAL SAVINGS ASSOCIATIONS**
2 **TO OPERATE AS COVERED SAVINGS ASSOCIA-**
3 **TIONS.**

4 The Home Owners' Loan Act (12 U.S.C. 1461 et
5 seq.) is amended by inserting after section 5 (12 U.S.C.
6 1464) the following:

7 **“SEC. 5A. ELECTION TO OPERATE AS A COVERED SAVINGS**
8 **ASSOCIATION.**

9 “(a) DEFINITION.—In this section, the term ‘covered
10 savings association’ means a Federal savings association
11 that makes an election that is approved under subsection
12 (b).

13 “(b) ELECTION.—

14 “(1) IN GENERAL.—In accordance with the
15 rules issued under subsection (f), a Federal savings
16 association with total consolidated assets equal to or
17 less than \$20,000,000,000, as reported by the asso-
18 ciation to the Comptroller as of December 31, 2017,
19 may elect to operate as a covered savings association
20 by submitting a notice to the Comptroller of that
21 election.

22 “(2) APPROVAL.—A Federal savings association
23 shall be deemed to be approved to operate as a cov-
24 ered savings association beginning on the date that
25 is 60 days after the date on which the Comptroller
26 receives the notice submitted under paragraph (1),

1 unless the Comptroller notifies the Federal savings
2 association that the Federal savings association is
3 not eligible.

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

7 “(1) have the same rights and privileges as a
8 national bank that has the main office of the na-
9 tional bank situated in the same location as the
10 home office of the covered savings association; and

11 “(2) be subject to the same duties, restrictions,
12 penalties, liabilities, conditions, and limitations that
13 would apply to a national bank described in para-
14 graph (1).

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

18 “(1) of governance of the covered savings asso-
19 ciation, including incorporation, bylaws, boards of
20 directors, shareholders, and distribution of divi-
21 dends;

22 “(2) of consolidation, merger, dissolution, con-
23 version (including conversion to a stock bank or to
24 another charter), conservatorship, and receivership;
25 and

1 “(3) determined by regulation of the Comp-
2 troller.

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

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

9 “(1) that establish streamlined standards and
10 procedures that clearly identify required documenta-
11 tion and timelines for an election under subsection
12 (b);

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

16 “(A) do not conform to the requirements
17 for assets and subsidiaries of a national bank;
18 and

19 “(B) are held by the Federal savings asso-
20 ciation on the date on which the Federal sav-
21 ings association submits a notice of the election;

22 “(3) that establish—

23 “(A) a transition process for bringing the
24 assets and subsidiaries described in paragraph

1 (2) into conformance with the requirements for
2 a national bank; and

3 “(B) procedures for allowing the Federal
4 savings association to submit to the Comptroller
5 an application to continue to hold assets and
6 subsidiaries described in paragraph (2) after
7 electing to operate as a covered savings associa-
8 tion;

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

11 “(A) terminate an election under sub-
12 section (b) after an appropriate period of time;
13 and

14 “(B) make a subsequent election under
15 subsection (b) after terminating an election
16 under subparagraph (A);

17 “(5) that clarify requirements for the treatment
18 of covered savings associations, including the provi-
19 sions of law that apply to covered savings associa-
20 tions; and

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

23 “(g) GRANDFATHERED COVERED SAVINGS ASSOCIA-
24 TIONS.—Subject to the rules issued under subsection (f),
25 a covered savings association may continue to operate as

1 a covered savings association if, after the date on which
 2 the election is made under subsection (b), the covered sav-
 3 ings association has total consolidated assets greater than
 4 \$20,000,000,000.”.

5 **SEC. 207. SMALL BANK HOLDING COMPANY POLICY STATE-**
 6 **MENT.**

7 (a) DEFINITIONS.—In this section:

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

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

14 (b) CHANGES REQUIRED TO SMALL BANK HOLDING
 15 COMPANY POLICY STATEMENT ON ASSESSMENT OF FI-
 16 NANCIAL AND MANAGERIAL FACTORS.—Not later than
 17 180 days after the date of enactment of this Act, the
 18 Board shall revise appendix C to part 225 of title 12, Code
 19 of Federal Regulations (commonly known as the “Small
 20 Bank Holding Company and Savings and Loan Holding
 21 Company Policy Statement”), to raise the consolidated
 22 asset threshold under that appendix from \$1,000,000,000
 23 to \$3,000,000,000 for any bank holding company or sav-
 24 ings and loan holding company that—

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

4 (2) does not conduct significant off-balance
5 sheet activities (including securitization and asset
6 management or administration) either directly or
7 through a nonbank subsidiary; and

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

12 (c) EXCLUSIONS.—The Board may exclude any bank
13 holding company or savings and loan holding company, re-
14 gardless of asset size, from the revision under subsection
15 (b) if the Board determines that such action is warranted
16 for supervisory purposes.

17 (d) CONFORMING AMENDMENT.—Section 171(b)(5)
18 of the Financial Stability Act of 2010 (12 U.S.C.
19 5371(b)(5)) is amended by striking subparagraph (C) and
20 inserting the following:

21 “(C) any bank holding company or savings
22 and loan holding company that is subject to the
23 application of appendix C to part 225 of title
24 12, Code of Federal Regulations (commonly
25 known as the ‘Small Bank Holding Company

1 and Savings and Loan Holding Company Policy
2 Statement’).”.

3 **SEC. 208. APPLICATION OF THE EXPEDITED FUNDS AVAIL-**
4 **ABILITY ACT.**

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

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

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

10 (B) in paragraph (21), by inserting
11 “American Samoa, the Commonwealth of the
12 Northern Mariana Islands, Guam,” after
13 “Puerto Rico,”; and

14 (C) in paragraph (23), by inserting “Amer-
15 ican Samoa, the Commonwealth of the North-
16 ern Mariana Islands, Guam,” after “Puerto
17 Rico,”; and

18 (2) in section 603(d)(2)(A) (12 U.S.C.
19 4002(d)(2)(A)), by inserting “American Samoa, the
20 Commonwealth of the Northern Mariana Islands,
21 Guam,” after “Puerto Rico,”.

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

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

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

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

6 “(a) DEFINITIONS.—In this section:

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

10 “(2) SMALL PUBLIC HOUSING AGENCY.—The
11 term ‘small public housing agency’ means a public
12 housing agency—

13 “(A) for which the sum of the number of
14 public housing dwelling units administered by
15 the agency and the number of vouchers under
16 section 8(o) administered by the agency is 550
17 or fewer; and

18 “(B) that predominantly operates in a
19 rural area, as described in section
20 1026.35(b)(2)(iv)(A) of title 12, Code of Fed-
21 eral Regulations.

22 “(3) TROUBLED SMALL PUBLIC HOUSING AGEN-
23 CY.—The term ‘troubled small public housing agen-
24 cy’ means a small public housing agency designated
25 by the Secretary as a troubled small public housing
26 agency under subsection (c)(3).

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

4 “(c) PROGRAM INSPECTIONS AND EVALUATIONS.—

5 “(1) PUBLIC HOUSING PROJECTS.—

6 “(A) FREQUENCY OF INSPECTIONS BY
7 SECRETARY.—The Secretary shall carry out an
8 inspection of the physical condition of a small
9 public housing agency’s public housing projects
10 not more frequently than once every 3 years,
11 unless the agency has been designated by the
12 Secretary as a troubled small public housing
13 agency based on deficiencies in the physical
14 condition of its public housing projects. Nothing
15 contained in this subparagraph relieves the Sec-
16 retary from conducting lead safety inspections
17 or assessments in accordance with procedures
18 established by the Secretary under section 302
19 of the Lead-Based Paint Poisoning Prevention
20 Act (42 U.S.C. 4822).

21 “(B) STANDARDS.—The Secretary shall
22 apply to small public housing agencies the same
23 standards for the acceptable condition of public
24 housing projects that apply to projects assisted
25 under section 8.

1 “(2) HOUSING VOUCHER PROGRAM.—Except as
2 required by section 8(o)(8)(F), a small public hous-
3 ing agency administering assistance under section
4 8(o) shall make periodic physical inspections of each
5 assisted dwelling unit not less frequently than once
6 every 3 years to determine whether the unit is main-
7 tained in accordance with the requirements under
8 section 8(o)(8)(A). Nothing contained in this para-
9 graph relieves a small public housing agency from
10 conducting lead safety inspections or assessments in
11 accordance with procedures established by the Sec-
12 retary under section 302 of the Lead-Based Paint
13 Poisoning Prevention Act (42 U.S.C. 4822).

14 “(3) TROUBLED SMALL PUBLIC HOUSING AGEN-
15 CIES.—

16 “(A) PUBLIC HOUSING PROGRAM.—Not-
17 withstanding any other provision of law, the
18 Secretary may designate a small public housing
19 agency as a troubled small public housing agen-
20 cy with respect to the public housing program
21 of the small public housing agency if the Sec-
22 retary determines that the agency has failed to
23 maintain the public housing units of the small
24 public housing agency in a satisfactory physical

1 condition, based upon an inspection conducted
2 by the Secretary.

3 “(B) HOUSING VOUCHER 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 housing voucher program
8 of the small public housing agency if the Sec-
9 retary determines that the agency has failed to
10 comply with the inspection requirements under
11 paragraph (2).

12 “(C) APPEALS.—

13 “(i) ESTABLISHMENT.—The Secretary
14 shall establish an appeals process under
15 which a small public housing agency may
16 dispute a designation as a troubled small
17 public housing agency.

18 “(ii) OFFICIAL.—The appeals process
19 established under clause (i) shall provide
20 for a decision by an official who has not
21 been involved, and is not subordinate to a
22 person who has been involved, in the origi-
23 nal determination to designate a small
24 public housing agency as a troubled small
25 public housing agency.

1 “(D) CORRECTIVE ACTION AGREEMENT.—

2 “(i) AGREEMENT REQUIRED.—Not
3 later than 60 days after the date on which
4 a small public housing agency is des-
5 ignated as a troubled public housing agen-
6 cy under subparagraph (A) or (B), the
7 Secretary and the small public housing
8 agency shall enter into a corrective action
9 agreement under which the small public
10 housing agency shall undertake actions to
11 correct the deficiencies upon which the des-
12 ignation is based.

13 “(ii) TERMS OF AGREEMENT.—A cor-
14 rective action agreement entered into
15 under clause (i) shall—

16 “(I) have a term of 1 year, and
17 shall be renewable at the option of the
18 Secretary;

19 “(II) provide, where feasible, for
20 technical assistance to assist the pub-
21 lic housing agency in curing its defi-
22 ciencies;

23 “(III) provide for—

24 “(aa) reconsideration of the
25 designation of the small public

1 housing agency as a troubled
2 small public housing agency not
3 less frequently than annually;
4 and

5 “(bb) termination of the
6 agreement when the Secretary
7 determines that the small public
8 housing agency is no longer a
9 troubled small public housing
10 agency; and

11 “(IV) provide that in the event of
12 substantial noncompliance by the
13 small public housing agency under the
14 agreement, the Secretary may—

15 “(aa) contract with another
16 public housing agency or a pri-
17 vate entity to manage the public
18 housing of the troubled small
19 public housing agency;

20 “(bb) withhold funds other-
21 wise distributable to the troubled
22 small public housing agency;

23 “(cc) assume possession of,
24 and direct responsibility for,
25 managing the public housing of

1 the troubled small public housing
2 agency;

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

7 “(ee) exercise any other
8 remedy available to the Secretary
9 in the event of default under the
10 public housing annual contribu-
11 tions contract entered into by the
12 small public housing agency
13 under section 5.

14 “(E) EMERGENCY ACTIONS.—Nothing in
15 this paragraph may be construed to prohibit the
16 Secretary from taking any emergency action
17 necessary to protect Federal financial resources
18 or the health or safety of residents of public
19 housing projects.

20 “(d) REDUCTION OF ADMINISTRATIVE BURDENS.—

21 “(1) EXEMPTION.—Notwithstanding any other
22 provision of law, a small public housing agency shall
23 be exempt from any environmental review require-
24 ments with respect to a development or moderniza-

1 tion project having a total cost of not more than
2 \$100,000.

3 “(2) STREAMLINED PROCEDURES.—The Sec-
4 retary shall, by rule, establish streamlined proce-
5 dures for environmental reviews of small public
6 housing agency development and modernization
7 projects having a total cost of more than
8 \$100,000.”.

9 (b) ENERGY CONSERVATION.—Section 9(e)(2) of the
10 United States Housing Act of 1937 (42 U.S.C.
11 1437g(e)(2)) is amended by adding at the end the fol-
12 lowing:

13 “(D) FREEZE OF CONSUMPTION LEV-
14 ELS.—

15 “(i) IN GENERAL.—A small public
16 housing agency, as defined in section
17 38(a), may elect to be paid for its utility
18 and waste management costs under the
19 formula for a period, at the discretion of
20 the small public housing agency, of not
21 more than 20 years based on the small
22 public housing agency’s average annual
23 consumption during the 3-year period pre-
24 ceding the year in which the election is

1 made (in this subparagraph referred to as
2 the ‘consumption base level’).

3 “(ii) INITIAL ADJUSTMENT IN CON-
4 SUMPTION BASE LEVEL.—The Secretary
5 shall make an initial one-time adjustment
6 in the consumption base level to account
7 for differences in the heating degree day
8 average over the most recent 20-year pe-
9 riod compared to the average in the con-
10 sumption base level.

11 “(iii) ADJUSTMENTS IN CONSUMPTION
12 BASE LEVEL.—The Secretary shall make
13 adjustments in the consumption base level
14 to account for an increase or reduction in
15 units, a change in fuel source, a change in
16 resident controlled electricity consumption,
17 or for other reasons.

18 “(iv) SAVINGS.—All cost savings re-
19 sulting from an election made by a small
20 public housing agency under this subpara-
21 graph—

22 “(I) shall accrue to the small
23 public housing agency; and

1 “(II) may be used for any public
2 housing purpose at the discretion of
3 the small public housing agency.

4 “(v) THIRD PARTIES.—A small public
5 housing agency making an election under
6 this subparagraph—

7 “(I) may use, but shall not be re-
8 quired to use, the services of a third
9 party in its energy conservation pro-
10 gram; and

11 “(II) shall have the sole discre-
12 tion to determine the source, and
13 terms and conditions, of any financing
14 used for its energy conservation pro-
15 gram.”.

16 (c) REPORTING BY AGENCIES OPERATING IN CON-
17 SORTIA.—Not later than 180 days after the date of enact-
18 ment of this Act, the Secretary of Housing and Urban
19 Development shall develop and deploy all electronic infor-
20 mation systems necessary to accommodate full consoli-
21 dated reporting by public housing agencies, as defined in
22 section 3(b)(6) of the United States Housing Act of 1937
23 (42 U.S.C. 1437a(b)(6)), electing to operate in consortia
24 under section 13(a) of such Act (42 U.S.C. 1437k(a)).

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

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

17 **SEC. 210. EXAMINATION CYCLE.**

18 Section 10(d) of the Federal Deposit Insurance Act
19 (12 U.S.C. 1820(d)) is amended—

20 (1) in paragraph (4)(A), by striking
21 “\$1,000,000,000” and inserting “\$3,000,000,000”;
22 and

23 (2) in paragraph (10), by striking
24 “\$1,000,000,000” and inserting “\$3,000,000,000”.

1 **SEC. 211. INTERNATIONAL INSURANCE CAPITAL STAND-**
2 **ARDS ACCOUNTABILITY.**

3 (a) FINDINGS.—Congress finds that—

4 (1) the Secretary of the Treasury, Board of
5 Governors of the Federal Reserve System, and Di-
6 rector of the Federal Insurance Office shall support
7 increasing transparency at any global insurance or
8 international standard-setting regulatory or super-
9 visory forum in which they participate, including
10 supporting and advocating for greater public ob-
11 server access to working groups and committee
12 meetings of the International Association of Insur-
13 ance Supervisors; and

14 (2) to the extent that the Secretary of the
15 Treasury, the Board of Governors of the Federal
16 Reserve System, and the Director of the Federal In-
17 surance Office take a position or reasonably intend
18 to take a position with respect to an insurance pro-
19 posal by a global insurance regulatory or supervisory
20 forum, the Secretary of the Treasury, the Board of
21 Governors of the Federal Reserve System, and the
22 Director of the Federal Insurance Office shall
23 achieve consensus positions with State insurance
24 regulators through the National Association of In-
25 surance Commissioners, when they are United
26 States participants in negotiations on insurance

1 issues before the International Association of Insur-
2 ance Supervisors, Financial Stability Board, or any
3 other international forum of financial regulators or
4 supervisors that considers such issues.

5 (b) INSURANCE POLICY ADVISORY COMMITTEE.—

6 (1) ESTABLISHMENT.—There is established the
7 Insurance Policy Advisory Committee on Inter-
8 national Capital Standards and Other Insurance
9 Issues at the Board of Governors of the Federal Re-
10 serve System.

11 (2) MEMBERSHIP.—The Committee shall be
12 composed of not more than 21 members, all of
13 whom represent a diverse set of expert perspectives
14 from the various sectors of the United States insur-
15 ance industry, including life insurance, property and
16 casualty insurance and reinsurance, agents and bro-
17 kers, academics, consumer advocates, or experts on
18 issues facing underserved insurance communities
19 and consumers.

20 (c) REPORTS.—

21 (1) REPORTS AND TESTIMONY BY SECRETARY
22 OF THE TREASURY AND CHAIRMAN OF THE FED-
23 ERAL RESERVE.—

24 (A) IN GENERAL.—The Secretary of the
25 Treasury and the Chairman of the Board of

1 Governors of the Federal Reserve System, or
2 their designee, shall submit to the Committee
3 on Banking, Housing, and Urban Affairs of the
4 Senate, and the Committee on Financial Serv-
5 ices of the House of Representatives, an annual
6 report and provide annual testimony to the
7 Committee on Banking, Housing, and Urban
8 Affairs of the Senate, and the Committee on
9 Financial Services of the House of Representa-
10 tives on the efforts of the Secretary and the
11 Chairman with the National Association of In-
12 surance Commissioners with respect to global
13 insurance regulatory or supervisory forums, in-
14 cluding—

15 (i) a description of the insurance reg-
16 ulatory or supervisory standard-setting
17 issues under discussion at international
18 standard-setting bodies, including the Fi-
19 nancial Stability Board and the Inter-
20 national Association of Insurance Super-
21 visors;

22 (ii) a description of the effects that
23 proposals discussed at international insur-
24 ance regulatory or supervisory forums of

1 insurance could have on consumer and in-
2 surance markets in the United States;

3 (iii) a description of any position
4 taken by the Secretary of the Treasury,
5 the Board of Governors of the Federal Re-
6 serve System, and the Director of the Fed-
7 eral Insurance Office in international in-
8 surance discussions; and

9 (iv) a description of the efforts by the
10 Secretary of the Treasury, the Board of
11 Governors of the Federal Reserve System,
12 and the Director of the Federal Insurance
13 Office to increase transparency at the Fi-
14 nancial Stability Board with respect to in-
15 surance proposals and the International
16 Association of Insurance Supervisors, in-
17 cluding efforts to provide additional public
18 access to working groups and committees
19 of the International Association of Insur-
20 ance Supervisors.

21 (B) TERMINATION.—This paragraph shall
22 terminate on December 31, 2024.

23 (2) REPORTS AND TESTIMONY BY NATIONAL
24 ASSOCIATION OF INSURANCE COMMISSIONERS.—The
25 National Association of Insurance Commissioners

1 may provide testimony to Congress on the issues de-
2 scribed in paragraph (1)(A).

3 (3) JOINT REPORT BY THE CHAIRMAN OF THE
4 FEDERAL RESERVE AND THE DIRECTOR OF THE
5 FEDERAL INSURANCE OFFICE.—

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

17 (B) NOTICE AND COMMENT.—

18 (i) NOTICE.—The Secretary of the
19 Treasury, the Chairman of the Board of
20 Governors of the Federal Reserve System,
21 and the Director of the Federal Insurance
22 Office shall provide public notice before the
23 date on which drafting a report required
24 under subparagraph (A) is commenced and

1 after the date on which the draft of the re-
2 port is completed.

3 (ii) OPPORTUNITY FOR COMMENT.—

4 There shall be an opportunity for public
5 comment for a period beginning on the
6 date on which the report is submitted
7 under subparagraph (A) and ending on the
8 date that is 60 days after the date on
9 which the report is submitted.

10 (C) REVIEW BY COMPTROLLER GEN-

11 ERAL.—The Secretary of the Treasury, Chair-
12 man of the Board of Governors of the Federal
13 Reserve System, and the Director of the Fed-
14 eral Insurance Office shall submit to the Comp-
15 troller General of the United States the report
16 described in subparagraph (A) for review.

17 (4) REPORT ON INCREASE IN TRANS-

18 PARENCY.—Not later than 180 days after the date
19 of enactment of this Act, the Chairman of the Board
20 of Governors of the Federal Reserve System and the
21 Secretary of the Treasury, or their designees, shall
22 submit to Congress a report and provide testimony
23 to Congress on the efforts of the Chairman and the
24 Secretary to increase transparency at meetings of

1 the International Association of Insurance Super-
2 visors.

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

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

6 (1) by redesignating paragraphs (1) and (2) as
7 paragraphs (2) and (3), respectively;

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

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

13 “(A) make publicly available and publish in
14 the Federal Register a draft of the detailed
15 business-type budget; and

16 “(B) hold a public hearing, with public no-
17 tice provided of the hearing, during which the
18 public may submit comments on the draft of
19 the detailed business-type budget;” and

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

21 (A) by inserting “detailed” after “submit
22 a”; and

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

1 **SEC. 213. MAKING ONLINE BANKING INITIATION LEGAL**
2 **AND EASY.**

3 (a) DEFINITIONS.—In this section:

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

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

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

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

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

17 (C) subchapter II of chapter 53 of title 31,
18 United States Code.

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

21 (A) an insured depository institution;

22 (B) an insured credit union; or

23 (C) any affiliate of an insured depository
24 institution or insured credit union.

25 (5) FINANCIAL PRODUCT OR SERVICE.—The
26 term “financial product or service” has the meaning

1 given the term in section 1002 of the Consumer Fi-
2 nancial Protection Act of 2010 (12 U.S.C. 5481).

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

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

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

14 (9) PERSONAL IDENTIFICATION CARD.—The
15 term “personal identification card” means an identi-
16 fication document issued by a State or local govern-
17 ment to an individual solely for the purpose of iden-
18 tification of that individual.

19 (10) PERSONAL INFORMATION.—The term
20 “personal information” means the information dis-
21 played on or electronically encoded on a driver’s li-
22 cense or personal identification card that is reason-
23 ably necessary to fulfill the purpose and uses per-
24 mitted by subsection (b).

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

6 (12) STATE.—The term “State” means any
7 State of the United States, the District of Columbia,
8 the Commonwealth of Puerto Rico, and any other
9 commonwealth, possession, or territory of the United
10 States.

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

13 (1) IN GENERAL.—When an individual initiates
14 a request through an online service to open an ac-
15 count with a financial institution or obtain a finan-
16 cial product or service from a financial institution,
17 the financial institution may record personal infor-
18 mation from a scan of the driver’s license or per-
19 sonal identification card of the individual, or make
20 a copy or receive an image of the driver’s license or
21 personal identification card of the individual, and
22 store or retain such information in any electronic
23 format for the purposes described in paragraph (2).

24 (2) USES OF INFORMATION.—Except as re-
25 quired to comply with Federal bank secrecy laws, a

1 financial institution may only use the information
2 obtained under paragraph (1)—

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

5 (B) to verify the identity of the individual;
6 and

7 (C) to comply with a legal requirement to
8 record, retain, or transmit the personal infor-
9 mation in connection with opening an account
10 or obtaining a financial product or service.

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

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

19 (B) any copy of any such image.

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

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

5 **SEC. 214. PROMOTING CONSTRUCTION AND DEVELOPMENT**
6 **ON MAIN STREET.**

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

10 **“SEC. 51. CAPITAL REQUIREMENTS FOR CERTAIN ACQUISITION,**
11 **DEVELOPMENT, OR CONSTRUCTION**
12 **LOANS.**

13 “(a) IN GENERAL.—The appropriate Federal bank-
14 ing agencies may only require a depository institution to
15 assign a heightened risk weight to a high volatility com-
16 mercial real estate (HVCRE) exposure (as such term is
17 defined under section 324.2 of title 12, Code of Federal
18 Regulations, as of October 11, 2017, or if a successor reg-
19 ulation is in effect as of the date of the enactment of this
20 section, such term or any successor term contained in such
21 successor regulation) under any risk-based capital require-
22 ment if such exposure is an HVCRE ADC loan.

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

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

5 “(A) primarily finances, has financed, or
6 refinances the acquisition, development, or con-
7 struction of real property;

8 “(B) has the purpose of providing financ-
9 ing to acquire, develop, or improve such real
10 property into income-producing real property;
11 and

12 “(C) is dependent upon future income or
13 sales proceeds from, or refinancing of, such real
14 property for the repayment of such credit facil-
15 ity;

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

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

20 “(i) one- to four-family residential
21 properties;

22 “(ii) real property that would qualify
23 as an investment in community develop-
24 ment; or

25 “(iii) agricultural land;

1 “(B) the acquisition or refinance of exist-
2 ing income-producing real property secured by
3 a mortgage on such property, if the cash flow
4 being generated by the real property is suffi-
5 cient to support the debt service and expenses
6 of the real property, in accordance with the in-
7 stitution’s applicable loan underwriting criteria
8 for permanent financings;

9 “(C) improvements to existing income-pro-
10 ducing improved real property secured by a
11 mortgage on such property, if the cash flow
12 being generated by the real property is suffi-
13 cient to support the debt service and expenses
14 of the real property, in accordance with the in-
15 stitution’s applicable loan underwriting criteria
16 for permanent financings; or

17 “(D) commercial real property projects in
18 which—

19 “(i) the loan-to-value ratio is less than
20 or equal to the applicable maximum super-
21 visory loan-to-value ratio as determined by
22 the appropriate Federal banking agency;

23 “(ii) the borrower has contributed
24 capital of at least 15 percent of the real

1 property's appraised, 'as completed' value
2 to the project in the form of—

3 “(I) cash;

4 “(II) unencumbered readily mar-
5 ketable assets;

6 “(III) paid development expenses
7 out-of-pocket; or

8 “(IV) contributed real property
9 or improvements; and

10 “(iii) the borrower contributed the
11 minimum amount of capital described
12 under clause (ii) before the depository in-
13 stitution advances funds (other than the
14 advance of a nominal sum made in order
15 to secure the depository institution's lien
16 against the real property) under the credit
17 facility, and such minimum amount of cap-
18 ital contributed by the borrower is contrac-
19 tually required to remain in the project
20 until the credit facility has been reclassi-
21 fied by the depository institution as a non-
22 HVCRE ADC loan under subsection (d);

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

1 “(4) does not include a credit facility reclassi-
2 fied as a non-HVCRE ADC loan under subsection
3 (d).

4 “(c) VALUE OF CONTRIBUTED REAL PROPERTY.—
5 For purposes of this section, the value of any real property
6 contributed by a borrower as a capital contribution shall
7 be the appraised value of the property as determined
8 under standards prescribed pursuant to section 1110 of
9 the Financial Institutions Reform, Recovery, and Enforce-
10 ment Act of 1989 (12 U.S.C. 3339), in connection with
11 the extension of the credit facility or loan to such bor-
12 rower.

13 “(d) RECLASSIFICATION AS A NON-HVCRE ADC
14 LOAN.—For purposes of this section and with respect to
15 a credit facility and a depository institution, upon—

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

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

22 in accordance with the institution’s applicable loan under-
23 writing criteria for permanent financings, the credit facil-
24 ity may be reclassified by the depository institution as a
25 Non-HVCRE ADC loan.

1 “(e) EXISTING AUTHORITIES.—Nothing in this sec-
2 tion shall limit the supervisory, regulatory, or enforcement
3 authority of an appropriate Federal banking agency to
4 further the safe and sound operation of an institution
5 under the supervision of the appropriate Federal banking
6 agency.”.

7 **SEC. 215. REDUCING IDENTITY FRAUD.**

8 (a) PURPOSE.—The purpose of this section is to re-
9 duce the prevalence of synthetic identity fraud, which
10 disproportionately affects vulnerable populations, such as
11 minors and recent immigrants, by facilitating the valida-
12 tion by permitted entities of fraud protection data, pursu-
13 ant to electronically received consumer consent, through
14 use of a database maintained by the Commissioner.

15 (b) DEFINITIONS.—In this section:

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

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

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

1 (A) The name of the individual (including
2 the first name and any family forename or sur-
3 name of the individual).

4 (B) The social security number of the indi-
5 vidual.

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

8 (4) PERMITTED ENTITY.—The term “permitted
9 entity” means a financial institution or a service
10 provider, subsidiary, affiliate, agent, subcontractor,
11 or assignee of a financial institution.

12 (c) EFFICIENCY.—

13 (1) RELIANCE ON EXISTING METHODS.—The
14 Commissioner shall evaluate the feasibility of mak-
15 ing modifications to any database that is in exist-
16 ence as of the date of enactment of this Act or a
17 similar resource such that the database or re-
18 source—

19 (A) is reasonably designed to effectuate the
20 purpose of this section; and

21 (B) meets the requirements of subsection
22 (d).

23 (2) EXECUTION.—The Commissioner shall
24 make the modifications necessary to any database
25 that is in existence as of the date of enactment of

1 this Act or similar resource, or develop a database
2 or similar resource, to effectuate the requirements
3 described in paragraph (1).

4 (d) PROTECTION OF VULNERABLE CONSUMERS.—
5 The database or similar resource described in subsection
6 (c) shall—

7 (1) compare fraud protection data provided in
8 an inquiry by a permitted entity against such infor-
9 mation maintained by the Commissioner in order to
10 confirm (or not confirm) the validity of the informa-
11 tion provided;

12 (2) be scalable and accommodate reasonably an-
13 ticipated volumes of verification requests from per-
14 mitted entities with commercially reasonable uptime
15 and availability; and

16 (3) allow permitted entities to submit—

17 (A) 1 or more individual requests electroni-
18 cally for real-time machine-to-machine (or simi-
19 lar functionality) accurate responses; and

20 (B) multiple requests electronically, such
21 as those provided in a batch format, for accu-
22 rate electronic responses within a reasonable pe-
23 riod of time from submission, not to exceed 24
24 hours.

1 (e) CERTIFICATION REQUIRED.—Before providing
2 confirmation of fraud protection data to a permitted enti-
3 ty, the Commissioner shall ensure that the Commissioner
4 has a certification from the permitted entity that is dated
5 not more than 2 years before the date on which that con-
6 firmation is provided that includes the following declara-
7 tions:

8 (1) The entity is a permitted entity.

9 (2) The entity is in compliance with this sec-
10 tion.

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

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

20 (f) CONSUMER CONSENT.—

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

1 (A) pursuant to the written, including elec-
2 tronic, consent received by a permitted entity
3 from the individual who is the subject of the re-
4 quest; and

5 (B) in connection with a credit transaction
6 or any circumstance described in section 604 of
7 the Fair Credit Reporting Act (15 U.S.C.
8 1681b).

9 (2) ELECTRONIC CONSENT REQUIREMENTS.—

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

16 (3) EFFECTUATING ELECTRONIC CONSENT.—

17 No provision of law or requirement, including section
18 552a of title 5, United States Code, shall prevent
19 the use of electronic consent for purposes of this
20 subsection or for use in any other consent based
21 verification under the discretion of the Commis-
22 sioner.

23 (g) COMPLIANCE AND ENFORCEMENT.—

24 (1) AUDITS AND MONITORING.—The Commis-
25 sioner may—

1 (A) conduct audits and monitoring to—

2 (i) ensure proper use by permitted en-
3 tities of the database or similar resource
4 described in subsection (c); and

5 (ii) deter fraud and misuse by per-
6 mitted entities with respect to the database
7 or similar resource described in subsection
8 (c); and

9 (B) terminate services for any permitted
10 entity that prevents or refuses to allow the
11 Commissioner to carry out the activities de-
12 scribed in subparagraph (A).

13 (2) ENFORCEMENT.—

14 (A) IN GENERAL.—Notwithstanding any
15 other provision of law, including the matter pre-
16 ceding paragraph (1) of section 505(a) of the
17 Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)),
18 any violation of this section and any certifi-
19 cation made under this section shall be enforced
20 in accordance with paragraphs (1) through (7)
21 of such section 505(a) by the agencies described
22 in those paragraphs.

23 (B) RELEVANT INFORMATION.—Upon dis-
24 covery by the Commissioner, pursuant to an
25 audit described in paragraph (1), of any viola-

1 tion of this section or any certification made
2 under this section, the Commissioner shall for-
3 ward any relevant information pertaining to
4 that violation to the appropriate agency de-
5 scribed in subparagraph (A) for evaluation by
6 the agency for purposes of enforcing this sec-
7 tion.

8 (h) RECOVERY OF COSTS.—

9 (1) IN GENERAL.—

10 (A) IN GENERAL.—Amounts obligated to
11 carry out this section shall be fully recovered
12 from the users of the database or verification
13 system by way of advances, reimbursements,
14 user fees, or other recoveries as determined by
15 the Commissioner. The funds recovered under
16 this paragraph shall be deposited as an offset-
17 ting collection to the account providing appro-
18 priations for the Social Security Administration,
19 to be used for the administration of this section
20 without fiscal year limitation.

21 (B) PRICES FIXED BY COMMISSIONER.—

22 The Commissioner shall establish the amount to
23 be paid by the users under this paragraph, in-
24 cluding the costs of any services or work per-
25 formed, such as any appropriate upgrades,

1 maintenance, and associated direct and indirect
2 administrative costs, in support of carrying out
3 the purposes described in this section, by reim-
4 bursement or in advance as determined by the
5 Commissioner. The amount of such prices shall
6 be periodically adjusted by the Commissioner to
7 ensure that amounts collected are sufficient to
8 fully offset the cost of the administration of this
9 section.

10 (2) INITIAL DEVELOPMENT.—The Commis-
11 sioner shall not begin development of a verification
12 system to carry out this section until the Commis-
13 sioner determines that amounts equal to at least 50
14 percent of program start-up costs have been col-
15 lected under paragraph (1).

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

19 (4) ANNUAL REPORT.—The Commissioner shall
20 annually submit to the Committee on Ways and
21 Means of the House of Representatives and the
22 Committee on Finance of the Senate a report on the
23 amount of indirect costs to the Social Security Ad-
24 ministration arising as a result of the implementa-
25 tion of this section.

1 **SEC. 216. TREASURY REPORT ON RISKS OF CYBER**
2 **THREATS.**

3 Not later than 1 year after the date of enactment
4 of this Act, the Secretary of the Treasury shall submit
5 to the Committee on Banking, Housing, and Urban Af-
6 fairs of the Senate and the Committee on Financial Serv-
7 ices of the House of Representatives a report on the risks
8 of cyber threats to financial institutions and capital mar-
9 kets in the United States, including—

10 (1) an assessment of the material risks of cyber
11 threats to financial institutions and capital markets
12 in the United States;

13 (2) the impact and potential effects of material
14 cyber attacks on financial institutions and capital
15 markets in the United States;

16 (3) an analysis of how the appropriate Federal
17 banking agencies and the Securities and Exchange
18 Commission are addressing the material risks of
19 cyber threats described in paragraph (1), includ-
20 ing—

21 (A) how the appropriate Federal banking
22 agencies and the Securities and Exchange Com-
23 mission are assessing those threats;

24 (B) how the appropriate Federal banking
25 agencies and the Securities and Exchange Com-

1 mission are assessing the cyber vulnerabilities
2 and preparedness of financial institutions;

3 (C) coordination amongst the appropriate
4 Federal banking agencies and the Securities
5 and Exchange Commission, and their coordina-
6 tion with other government agencies (including
7 with respect to regulations, examinations, lexi-
8 con, duplication, and other regulatory tools);
9 and

10 (D) areas for improvement; and

11 (4) a recommendation of whether any appro-
12 priate Federal banking agency or the Securities and
13 Exchange Commission needs additional legal au-
14 thorities or resources to adequately assess and ad-
15 dress the material risks of cyber threats described in
16 paragraph (1), given the analysis required by para-
17 graph (3).

18 **SEC. 217. DISCRETIONARY SURPLUS FUNDS.**

19 Section 7(a)(3)(A) of the Federal Reserve Act (12
20 U.S.C. 289(a)(3)(A)) is amended by striking
21 “\$7,500,000,000” and inserting “\$6,825,000,000”.

1 **TITLE III—PROTECTIONS FOR**
2 **VETERANS, CONSUMERS, AND**
3 **HOMEOWNERS**

4 **SEC. 301. PROTECTING CONSUMERS' CREDIT.**

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

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

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

10 “(i) NATIONAL SECURITY FREEZE.—

11 “(1) DEFINITIONS.—For purposes of this sub-
12 section:

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 ‘proper identification’ has
17 the meaning of such term as used under section
18 610.

19 “(C) The term ‘security freeze’ means a
20 restriction that prohibits a consumer reporting
21 agency from disclosing the contents of a con-
22 sumer report that is subject to such security
23 freeze to any person requesting the consumer
24 report.

25 “(2) PLACEMENT OF SECURITY FREEZE.—

1 “(A) IN GENERAL.—Upon receiving a di-
2 rect request from a consumer that a consumer
3 reporting agency place a security freeze, and
4 upon receiving proper identification from the
5 consumer, the consumer reporting agency shall,
6 free of charge, place the security freeze not
7 later than—

8 “(i) in the case of a request that is by
9 toll-free telephone or secure electronic
10 means, 1 business day after receiving the
11 request directly from the consumer; or

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

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

19 “(i) send confirmation of the place-
20 ment to the consumer; and

21 “(ii) inform the consumer of—

22 “(I) the process by which the
23 consumer may remove the security
24 freeze, including a mechanism to au-
25 thenticate the consumer; and

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

3 “(C) NOTICE TO THIRD PARTIES.—A con-
4 sumer reporting agency may advise a third
5 party that a security freeze has been placed
6 with respect to a consumer under subparagraph
7 (A).

8 “(3) REMOVAL OF SECURITY FREEZE.—

9 “(A) IN GENERAL.—A consumer reporting
10 agency shall remove a security freeze placed on
11 the consumer report of a consumer only in the
12 following cases:

13 “(i) Upon the direct request of the
14 consumer.

15 “(ii) The security freeze was placed
16 due to a material misrepresentation of fact
17 by the consumer.

18 “(B) NOTICE IF REMOVAL NOT BY RE-
19 QUEST.—If a consumer reporting agency re-
20 moves a security freeze under subparagraph
21 (A)(ii), the consumer reporting agency shall no-
22 tify the consumer in writing prior to removing
23 the security freeze.

24 “(C) REMOVAL OF SECURITY FREEZE BY
25 CONSUMER REQUEST.—Except as provided in

1 subparagraph (A)(ii), a security freeze shall re-
2 main in place until the consumer directly re-
3 quests that the security freeze be removed.
4 Upon receiving a direct request from a con-
5 sumer that a consumer reporting agency re-
6 move a security freeze, and upon receiving
7 proper identification from the consumer, the
8 consumer reporting agency shall, free of charge,
9 remove the security freeze not later than—

10 “(i) in the case of a request that is by
11 toll-free telephone or secure electronic
12 means, 1 hour after receiving the request
13 for removal; or

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

17 “(D) THIRD-PARTY REQUESTS.—If a third
18 party requests access to a consumer report of
19 a consumer with respect to which a security
20 freeze is in effect, where such request is in con-
21 nection with an application for credit, and the
22 consumer does not allow such consumer report
23 to be accessed, the third party may treat the
24 application as incomplete.

1 “(E) TEMPORARY REMOVAL OF SECURITY
2 FREEZE.—Upon receiving a direct request from
3 a consumer under subparagraph (A)(i), if the
4 consumer requests a temporary removal of a se-
5 curity freeze, the consumer reporting agency
6 shall, in accordance with subparagraph (C), re-
7 move the security freeze for the period of time
8 specified by the consumer.

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

12 “(A) A person or entity, or a subsidiary,
13 affiliate, or agent of that person or entity, or an
14 assignee of a financial obligation owed by the
15 consumer to that person or entity, or a prospec-
16 tive assignee of a financial obligation owed by
17 the consumer to that person or entity in con-
18 junction with the proposed purchase of the fi-
19 nancial obligation, with which the consumer has
20 or had prior to assignment an account or con-
21 tract including a demand deposit account, or to
22 whom the consumer issued a negotiable instru-
23 ment, for the purposes of reviewing the account
24 or collecting the financial obligation owed for
25 the account, contract, or negotiable instrument.

1 For purposes of this subparagraph, ‘reviewing
2 the account’ includes activities related to ac-
3 count maintenance, monitoring, credit line in-
4 creases, and account upgrades and enhance-
5 ments.

6 “(B) Any Federal, State, or local agency,
7 law enforcement agency, trial court, or private
8 collection agency acting pursuant to a court
9 order, warrant, or subpoena.

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

13 “(D) A Federal agency or a State or its
14 agents or assigns acting to investigate fraud or
15 acting to investigate or collect delinquent taxes
16 or unpaid court orders or to fulfill any of its
17 other statutory responsibilities, provided such
18 responsibilities are consistent with a permissible
19 purpose under section 604.

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

22 “(F) Any person or entity administering a
23 credit file monitoring subscription or similar
24 service to which the consumer has subscribed.

1 from being approved in your name without your consent.
2 However, you should be aware that using a security freeze
3 to take control over who gets access to the personal and
4 financial information in your credit report may delay,
5 interfere with, or prohibit the timely approval of any sub-
6 sequent request or application you make regarding a new
7 loan, credit, mortgage, or any other account involving the
8 extension of credit.

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

18 “‘A security freeze does not apply to a person or enti-
19 ty, or its affiliates, or collection agencies acting on behalf
20 of the person or entity, with which you have an existing
21 account that requests information in your credit report for
22 the purposes of reviewing or collecting the account. Re-
23 viewing the account includes activities related to account
24 maintenance, monitoring, credit line increases, and ac-
25 count upgrades and enhancements.’.

1 “(6) WEBPAGE.—

2 “(A) CONSUMER REPORTING AGENCIES.—

3 A consumer reporting agency shall establish a
4 webpage that—

5 “(i) allows a consumer to request a
6 security freeze;

7 “(ii) allows a consumer to request an
8 initial fraud alert;

9 “(iii) allows a consumer to request an
10 extended fraud alert;

11 “(iv) allows a consumer to request an
12 active duty fraud alert;

13 “(v) allows a consumer to opt-out of
14 the use of information in a consumer re-
15 port to send the consumer a solicitation of
16 credit or insurance, in accordance with sec-
17 tion 615(d); and

18 “(vi) shall not be the only mechanism
19 by which a consumer may request a secu-
20 rity freeze.

21 “(B) FTC.—The Federal Trade Commis-
22 sion shall establish a single webpage that in-
23 cludes a link to each webpage established under
24 subparagraph (A) within the Federal Trade

1 Commission’s website www.Identitytheft.gov, or
2 a successor website.

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

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

6 “(A) The term ‘consumer reporting agen-
7 cy’ means a consumer reporting agency de-
8 scribed in section 603(p).

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

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

14 “(ii) an incapacitated person or a pro-
15 tected person for whom a guardian or con-
16 servator has been appointed.

17 “(C) The term ‘protected consumer’s rep-
18 resentative’ means a person who provides to a
19 consumer reporting agency sufficient proof of
20 authority to act on behalf of a protected con-
21 sumer.

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

24 “(i) identifies a protected consumer;

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

4 “(iii) may not be created or used to
5 consider the protected consumer’s credit
6 worthiness, credit standing, credit capacity,
7 character, general reputation, personal
8 characteristics, or mode of living.

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

19 “(F) The term ‘sufficient proof of author-
20 ity’ means documentation that shows a pro-
21 tected consumer’s representative has authority
22 to act on behalf of a protected consumer and
23 includes—

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

1 “(ii) a lawfully executed and valid
2 power of attorney;

3 “(iii) a document issued by a Federal,
4 State, or local government agency in the
5 United States showing proof of parentage,
6 including a birth certificate; or

7 “(iv) with respect to a protected con-
8 sumer who has been placed in a foster care
9 setting, a written communication from a
10 county welfare department or its agent or
11 designee, or a county probation depart-
12 ment or its agent or designee, certifying
13 that the protected consumer is in a foster
14 care setting under its jurisdiction.

15 “(G) The term ‘sufficient proof of identi-
16 fication’ means information or documentation
17 that identifies a protected consumer and a pro-
18 tected consumer’s representative and includes—

19 “(i) a social security number or a
20 copy of a social security card issued by the
21 Social Security Administration;

22 “(ii) a certified or official copy of a
23 birth certificate issued by the entity au-
24 thorized to issue the birth certificate; or

1 “(iii) a copy of a driver’s license, an
2 identification card issued by the motor ve-
3 hicle administration, or any other govern-
4 ment issued identification.

5 “(2) PLACEMENT OF SECURITY FREEZE FOR A
6 PROTECTED CONSUMER.—

7 “(A) IN GENERAL.—Upon receiving a di-
8 rect request from a protected consumer’s rep-
9 resentative that a consumer reporting agency
10 place a security freeze, and upon receiving suffi-
11 cient proof of identification and sufficient proof
12 of authority, the consumer reporting agency
13 shall, free of charge, place the security freeze
14 not 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 protected con-
19 sumer’s representative; or

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

24 “(B) CONFIRMATION AND ADDITIONAL IN-
25 FORMATION.—Not later than 5 business days

1 after placing a security freeze under subpara-
2 graph (A), a consumer reporting agency shall—

3 “(i) send confirmation of the place-
4 ment to the protected consumer’s rep-
5 resentative; and

6 “(ii) inform the protected consumer’s
7 representative of the process by which the
8 protected consumer may remove the secu-
9 rity freeze, including a mechanism to au-
10 thenticate the protected consumer’s rep-
11 resentative.

12 “(C) CREATION OF FILE.—If a consumer
13 reporting agency does not have a file pertaining
14 to a protected consumer when the consumer re-
15 porting agency receives a direct request under
16 subparagraph (A), the consumer reporting
17 agency shall create a record for the protected
18 consumer.

19 “(3) PROHIBITION ON RELEASE OF RECORD OR
20 FILE OF PROTECTED CONSUMER.—After a security
21 freeze has been placed under paragraph (2)(A), and
22 unless the security freeze is removed in accordance
23 with this subsection, a consumer reporting agency
24 may not release the protected consumer’s consumer
25 report, any information derived from the protected

1 consumer's consumer report, or any record created
2 for the protected consumer.

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

5 “(A) IN GENERAL.—A consumer reporting
6 agency shall remove a security freeze placed on
7 the consumer report of a protected consumer
8 only in the following cases:

9 “(i) Upon the direct request of the
10 protected consumer's representative.

11 “(ii) Upon the direct request of the
12 protected consumer, if the protected con-
13 sumer is not under the age of 16 years at
14 the time of the request.

15 “(iii) The security freeze was placed
16 due to a material misrepresentation of fact
17 by the protected consumer's representative.

18 “(B) NOTICE IF REMOVAL NOT BY RE-
19 QUEST.—If a consumer reporting agency re-
20 moves a security freeze under subparagraph
21 (A)(iii), the consumer reporting agency shall
22 notify the protected consumer's representative
23 in writing prior to removing the security freeze.

24 “(C) REMOVAL OF FREEZE BY RE-
25 QUEST.—Except as provided in subparagraph

1 (A)(iii), a security freeze shall remain in place
2 until a protected consumer’s representative or
3 protected consumer described in subparagraph
4 (A)(ii) directly requests that the security freeze
5 be removed. Upon receiving a direct request
6 from the protected consumer’s representative or
7 protected consumer described in subparagraph
8 (A)(ii) that a consumer reporting agency re-
9 move a security freeze, and upon receiving suf-
10 ficient proof of identification and sufficient
11 proof of authority, the consumer reporting
12 agency shall, free of charge, remove the security
13 freeze not later than—

14 “(i) in the case of a request that is by
15 toll-free telephone or secure electronic
16 means, 1 hour after receiving the request
17 for removal; or

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

21 “(D) TEMPORARY REMOVAL OF SECURITY
22 FREEZE.—Upon receiving a direct request from
23 a protected consumer or a protected consumer’s
24 representative under subparagraph (A)(i), if the
25 protected consumer or protected consumer’s

1 representative requests a temporary removal of
2 a security freeze, the consumer reporting agen-
3 cy shall, in accordance with subparagraph (C),
4 remove the security freeze for the period of time
5 specified by the protected consumer or pro-
6 tected consumer’s representative.”.

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

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

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

13 “(J) subsections (i) and (j) of section
14 605A relating to security freezes; or”.

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

18 **SEC. 302. PROTECTING VETERANS’ CREDIT.**

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

20 (1) to rectify problematic reporting of medical
21 debt included in a consumer report of a veteran due
22 to inappropriate or delayed payment for hospital
23 care, medical services, or extended care services pro-
24 vided in a non-Department of Veterans Affairs facil-

1 ity under the laws administered by the Secretary of
2 Veterans Affairs; and

3 (2) to clarify the process of debt collection for
4 such medical debt.

5 (b) AMENDMENTS TO FAIR CREDIT REPORTING
6 ACT.—

7 (1) VETERAN’S MEDICAL DEBT DEFINED.—Sec-
8 tion 603 of the Fair Credit Reporting Act (15
9 U.S.C. 1681a) is amended by adding at the end the
10 following:

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

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

16 “(1) means a medical collection debt of a vet-
17 eran owed to a non-Department of Veterans Affairs
18 health care provider that was submitted to the De-
19 partment for payment for health care authorized by
20 the Department of Veterans Affairs; and

21 “(2) includes medical collection debt that the
22 Department of Veterans Affairs has wrongfully
23 charged a veteran.”.

24 (2) EXCLUSION FOR VETERAN’S MEDICAL
25 DEBT.—Section 605(a) of the Fair Credit Reporting

1 Act (15 U.S.C. 1681c(a)) is amended by adding at
2 the end the following:

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

15 “(8) With respect to a consumer reporting
16 agency described in section 603(p), any information
17 related to a fully paid or settled veteran’s medical
18 debt that had been characterized as delinquent,
19 charged off, or in collection if the consumer report-
20 ing agency has actual knowledge that the informa-
21 tion is related to a veteran’s medical debt and the
22 consumer reporting agency is in compliance with its
23 obligation under section 302(c)(5) of the Economic
24 Growth, Regulatory Relief, and Consumer Protection
25 Act.”.

1 (3) REMOVAL OF VETERAN’S MEDICAL DEBT
2 FROM CONSUMER REPORT.—Section 611 of the Fair
3 Credit Reporting Act (15 U.S.C. 1681i) is amend-
4 ed—

5 (A) in subsection (a)(1)(A), by inserting
6 “and except as provided in subsection (g)” after
7 “subsection (f)”; and

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

9 “(g) DISPUTE PROCESS FOR VETERAN’S MEDICAL
10 DEBT.—

11 “(1) IN GENERAL.—With respect to a veteran’s
12 medical debt, the veteran may submit a notice de-
13 scribed in paragraph (2), proof of liability of the De-
14 partment of Veterans Affairs for payment of that
15 debt, or documentation that the Department of Vet-
16 erans Affairs is in the process of making payment
17 for authorized hospital care, medical services, or ex-
18 tended care services rendered to a consumer report-
19 ing agency or a reseller to dispute the inclusion of
20 that debt on a consumer report of the veteran.

21 “(2) NOTIFICATION TO VETERAN.—The De-
22 partment of Veterans Affairs shall submit to a vet-
23 eran a notice that the Department of Veterans Af-
24 fairs has assumed liability for part or all of a vet-
25 eran’s medical debt.

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

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

9 (1) DEFINITIONS.—For purposes of this sub-
10 section—

11 (A) the term “consumer reporting agency”
12 means a consumer reporting agency described
13 in section 603(p) of the Fair Credit Reporting
14 Act (15 U.S.C. 1681a(p)); and

15 (B) the terms “veteran” and “veteran’s
16 medical debt” have the meanings given those
17 terms in section 603 of the Fair Credit Report-
18 ing Act (15 U.S.C. 1681a), as added by sub-
19 section (b)(1).

20 (2) ESTABLISHMENT.—Not later than 1 year
21 after the date of enactment of this Act, the Sec-
22 retary of Veterans Affairs shall establish a database
23 to allow consumer reporting agencies to verify
24 whether a debt furnished to a consumer reporting
25 agency is a veteran’s medical debt.

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

6 (A) sufficiently detailed and specific infor-
7 mation to verify whether a debt being furnished
8 to the consumer reporting agency is a veteran’s
9 medical debt;

10 (B) access to verification information in a
11 secure electronic format;

12 (C) timely access to verification informa-
13 tion; and

14 (D) any other features that would promote
15 the efficient, timely, and secure delivery of in-
16 formation that consumer reporting agencies
17 could use to verify whether a debt is a veteran’s
18 medical debt.

19 (4) STAKEHOLDER INPUT.—Prior to estab-
20 lishing the database for verification under paragraph
21 (2), the Secretary of Veterans Affairs shall publish
22 in the Federal Register a notice and request for
23 comment that solicits input from consumer reporting
24 agencies and other stakeholders.

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

9 (d) CREDIT MONITORING.—

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

14 “(k) CREDIT MONITORING.—

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

16 “(A) The term ‘active duty military con-
17 sumer’ includes a member of the National
18 Guard.

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

22 “(2) CREDIT MONITORING.—A consumer re-
23 porting agency described in section 603(p) shall pro-
24 vide a free electronic credit monitoring service that,
25 at a minimum, notifies a consumer of material addi-

1 tions or modifications to the file of the consumer at
2 the consumer reporting agency to any consumer who
3 provides to the consumer reporting agency—

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

6 “(B) contact information of the consumer.

7 “(3) RULEMAKING.—Not later than 1 year
8 after the date of enactment of this subsection, the
9 Federal Trade Commission shall promulgate regula-
10 tions regarding the requirements of this subsection,
11 which shall at a minimum include—

12 “(A) a definition of an electronic credit
13 monitoring service and material additions or
14 modifications to the file of a consumer; and

15 “(B) what constitutes appropriate proof.

16 “(4) APPLICABILITY.—

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

19 “(B) This subsection shall be enforced ex-
20 clusively under section 621 by the Federal
21 agencies and Federal and State officials identi-
22 fied in that section.”.

23 (2) CONFORMING AMENDMENT.—Section
24 625(b)(1) of the Fair Credit Reporting Act (15

1 U.S.C. 1681t(b)(1)), as amended by section 301(b),
2 is amended by adding at the end the following:

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

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

9 **SEC. 303. IMMUNITY FROM SUIT FOR DISCLOSURE OF FI-**
10 **NANCIAL EXPLOITATION OF SENIOR CITI-**
11 **ZENS.**

12 (a) IMMUNITY.—

13 (1) DEFINITIONS.—In this section—

14 (A) the term “Bank Secrecy Act officer”
15 means an individual responsible for ensuring
16 compliance with the requirements mandated by
17 subchapter II of chapter 53 of title 31, United
18 States Code (commonly known as the “Bank
19 Secrecy Act”);

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

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

1 (i) a State financial regulatory agen-
2 cy, including a State securities or law en-
3 forcement authority and a State insurance
4 regulator;

5 (ii) each of the Federal agencies rep-
6 resented in the membership of the Finan-
7 cial Institutions Examination Council es-
8 tablished under section 1004 of the Fed-
9 eral Financial Institutions Examination
10 Council Act of 1978 (12 U.S.C. 3303);

11 (iii) a securities association registered
12 under section 15A of the Securities Ex-
13 change Act of 1934 (15 U.S.C. 78o-3);

14 (iv) the Securities and Exchange
15 Commission;

16 (v) a law enforcement agency; or

17 (vi) a State or local agency respon-
18 sible for administering adult protective
19 service laws;

20 (D) the term “covered financial institu-
21 tion” means—

22 (i) a credit union;

23 (ii) a depository institution;

24 (iii) an investment adviser;

25 (iv) a broker-dealer;

1 (v) an insurance company;

2 (vi) an insurance agency; or

3 (vii) a transfer agent;

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

8 (F) the term “depository institution” has
9 the meaning given the term in section 3(c) of
10 the Federal Deposit Insurance Act (12 U.S.C.
11 1813(c));

12 (G) the term “exploitation” means the
13 fraudulent or otherwise illegal, unauthorized, or
14 improper act or process of an individual, includ-
15 ing a caregiver or a fiduciary, that—

16 (i) uses the resources of a senior cit-
17 izen for monetary or personal benefit, prof-
18 it, or gain; or

19 (ii) results in depriving a senior cit-
20 izen of rightful access to or use of benefits,
21 resources, belongings, or assets;

22 (H) the term “insurance agency” means
23 any business entity that sells, solicits, or nego-
24 tiates insurance coverage;

1 (I) the term “insurance company” has the
2 meaning given the term in section 2(a) of the
3 Investment Company Act of 1940 (15 U.S.C.
4 80a-2(a));

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

9 (K) the term “investment adviser” has the
10 meaning given the term in section 202(a) of the
11 Investment Advisers Act of 1940 (15 U.S.C.
12 80b-2(a));

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

15 (i) is employed by, or associated with,
16 an investment adviser; and

17 (ii) does not perform solely clerical or
18 ministerial acts;

19 (M) the term “registered representative”
20 means an individual who represents a broker-
21 dealer in effecting or attempting to effect a
22 purchase or sale of securities;

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

1 (O) the term “State” means each of the
2 several States, the District of Columbia, and
3 any territory or possession of the United States;

4 (P) the term “State insurance regulator”
5 has the meaning given the term in section 315
6 of the Gramm-Leach-Bliley Act (15 U.S.C.
7 6735);

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

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

16 (2) IMMUNITY FROM SUIT.—

17 (A) IMMUNITY FOR INDIVIDUALS.—An in-
18 dividual who has received the training described
19 in subsection (b) shall not be liable, including in
20 any civil or administrative proceeding, for dis-
21 closing the suspected exploitation of a senior
22 citizen to a covered agency if the individual, at
23 the time of the disclosure—

24 (i) served as a supervisor or in a com-
25 pliance or legal function (including as a

1 Bank Secrecy Act officer) for, or, in the
2 case of a registered representative, invest-
3 ment adviser representative, or insurance
4 producer, was affiliated or associated with,
5 a covered financial institution; and

6 (ii) made the disclosure—

7 (I) in good faith; and

8 (II) with reasonable care.

9 (B) IMMUNITY FOR COVERED FINANCIAL
10 INSTITUTIONS.—A covered financial institution
11 shall not be liable, including in any civil or ad-
12 ministrative proceeding, for a disclosure made
13 by an individual described in subparagraph (A)
14 if—

15 (i) the individual was employed by, or,
16 in the case of a registered representative,
17 insurance producer, or investment adviser
18 representative, affiliated or associated
19 with, the covered financial institution at
20 the time of the disclosure; and

21 (ii) before the time of the disclosure,
22 each individual described in subsection
23 (b)(1) received the training described in
24 subsection (b).

1 (C) RULE OF CONSTRUCTION.—Nothing in
2 subparagraph (A) or (B) shall be construed to
3 limit the liability of an individual or a covered
4 financial institution in a civil action for any act,
5 omission, or fraud that is not a disclosure de-
6 scribed in subparagraph (A).

7 (b) TRAINING.—

8 (1) IN GENERAL.—A covered financial institu-
9 tion or a third party selected by a covered financial
10 institution may provide the training described in
11 paragraph (2)(A) to each officer or employee of, or
12 registered representative, insurance producer, or in-
13 vestment adviser representative affiliated or associ-
14 ated with, the covered financial institution who—

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

16 (B) may come into contact with a senior
17 citizen as a regular part of the professional du-
18 ties of the individual; or

19 (C) may review or approve the financial
20 documents, records, or transactions of a senior
21 citizen in connection with providing financial
22 services to a senior citizen.

23 (2) CONTENT.—

24 (A) IN GENERAL.—The content of the
25 training that a covered financial institution or

1 a third party selected by the covered financial
2 institution may provide under paragraph (1)
3 shall—

4 (i) be maintained by the covered fi-
5 nancial institution and made available to a
6 covered agency with examination authority
7 over the covered financial institution, upon
8 request, except that a covered financial in-
9 stitution shall not be required to maintain
10 or make available such content with re-
11 spect to any individual who is no longer
12 employed by, or affiliated or associated
13 with, the covered financial institution;

14 (ii) instruct any individual attending
15 the training on how to identify and report
16 the suspected exploitation of a senior cit-
17 izen internally and, as appropriate, to gov-
18 ernment officials or law enforcement au-
19 thorities, including common signs that in-
20 dicate the financial exploitation of a senior
21 citizen;

22 (iii) discuss the need to protect the
23 privacy and respect the integrity of each
24 individual customer of the covered financial
25 institution; and

1 (iv) be appropriate to the job respon-
2 sibilities of the individual attending the
3 training.

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

6 (i) as soon as reasonably practicable;
7 and

8 (ii) with respect to an individual who
9 begins employment, or becomes affiliated
10 or associated, with a covered financial in-
11 stitution after the date of enactment of
12 this Act, not later than 1 year after the
13 date on which the individual becomes em-
14 ployed by, or affiliated or associated with,
15 the covered financial institution in a posi-
16 tion described in subparagraph (A), (B), or
17 (C) of paragraph (1).

18 (C) RECORDS.—A covered financial insti-
19 tution shall—

20 (i) maintain a record of each indi-
21 vidual who—

22 (I) is employed by, or affiliated
23 or associated with, the covered finan-
24 cial institution in a position described

1 in subparagraph (A), (B), or (C) of
2 paragraph (1); and

3 (II) has completed the training
4 under paragraph (1), regardless of
5 whether the training was—

6 (aa) provided by the covered
7 financial institution or a third
8 party selected by the covered fi-
9 nancial institution;

10 (bb) completed before the in-
11 dividual was employed by, or af-
12 filiated or associated with, the
13 covered financial institution; and

14 (cc) completed before, on, or
15 after the date of enactment of
16 this Act; and

17 (ii) upon request, provide a record de-
18 scribed in clause (i) to a covered agency
19 with examination authority over the cov-
20 ered financial institution.

21 (c) RELATIONSHIP TO STATE LAW.—Nothing in this
22 section shall be construed to preempt or limit any provi-
23 sion of State law, except only to the extent that subsection
24 (a) provides a greater level of protection against liability
25 to an individual described in subsection (a)(2)(A) or to

1 a covered financial institution described in subsection
2 (a)(2)(B) than is provided under State law.

3 **SEC. 304. RESTORATION OF THE PROTECTING TENANTS AT**
4 **FORECLOSURE ACT OF 2009.**

5 (a) **REPEAL OF SUNSET PROVISION.**—Section 704 of
6 the Protecting Tenants at Foreclosure Act of 2009 (12
7 U.S.C. 5201 note; 12 U.S.C. 5220 note; 42 U.S.C. 1437f
8 note) is repealed.

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

14 (c) **EFFECTIVE DATE.**—Subsections (a) and (b) shall
15 take effect on the date that is 30 days after the date of
16 enactment of this Act.

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

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

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

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

1 (1) in subsection (a)—

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

3 (B) by striking “the certificate and vouch-
4 er programs under section 8” and inserting
5 “sections 8 and 9”;

6 (2) by amending subsection (b) to read as fol-
7 lows:

8 “(b) CONTINUATION OF PRIOR REQUIRED PRO-
9 GRAMS.—

10 “(1) IN GENERAL.—Each public housing agen-
11 cy that was required to administer a local Family
12 Self-Sufficiency program on the date of enactment of
13 the Economic Growth, Regulatory Relief, and Con-
14 sumer Protection Act shall operate such local pro-
15 gram for, at a minimum, the number of families the
16 agency was required to serve on the date of enact-
17 ment of such Act, subject only to the availability
18 under appropriations Acts of sufficient amounts for
19 housing assistance and the requirements of para-
20 graph (2).

21 “(2) REDUCTION.—The number of families for
22 which a public housing agency is required to operate
23 such local program under paragraph (1) shall be de-
24 creased by 1 for each family from any supported
25 rental housing program administered by such agency

1 that, after October 21, 1998, fulfills its obligations
2 under the contract of participation.

3 “(3) EXCEPTION.—The Secretary shall not re-
4 quire a public housing agency to carry out a manda-
5 tory program for a period of time upon the request
6 of the public housing agency and upon a determina-
7 tion by the Secretary that implementation is not fea-
8 sible because of local circumstances, which may in-
9 clude—

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

15 “(B) lack of funding for reasonable admin-
16 istrative costs;

17 “(C) lack of cooperation by other units of
18 State or local government; or

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

21 (3) by striking subsection (i);

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

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

3 “(c) ELIGIBILITY.—

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

7 “(A) at least 1 household member seeks to
8 become and remain employed in suitable em-
9 ployment or to increase earnings; and

10 “(B) the household member receives direct
11 assistance under section 8 or resides in a unit
12 assisted under section 8 or 9.

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

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

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

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

24 (A) in paragraph (1)—

1 (i) by striking “public housing agen-
2 cy” the first time it appears and inserting
3 “eligible entity”;

4 (ii) in the first sentence, by striking
5 “each leaseholder receiving assistance
6 under the certificate and voucher programs
7 of the public housing agency under section
8 8 or residing in public housing adminis-
9 tered by the agency” and inserting “a
10 household member of an eligible family”;
11 and

12 (iii) by striking the third sentence and
13 inserting the following: “Housing assist-
14 ance may not be terminated as a con-
15 sequence of either successful completion of
16 the contract of participation or failure to
17 complete such contract. A contract of par-
18 ticipation shall remain in effect until the
19 participating family exits the Family Self-
20 Sufficiency program upon successful grad-
21 uation or expiration of the contract of par-
22 ticipation, or for other good cause.”;

23 (B) in paragraph (2)—

24 (i) in the matter preceding subpara-
25 graph (A)—

1 (I) in the first sentence—

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

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

7 (cc) by striking “to” and in-
8 serting “for”; and

9 (II) in the second sentence—

10 (aa) by striking “provided
11 during” and inserting “coordi-
12 nated for”;

13 (bb) by striking “under sec-
14 tion 8 or residing in public hous-
15 ing” and inserting “pursuant to
16 section 8 or 9 and for the dura-
17 tion of the contract of participa-
18 tion”; and

19 (cc) by inserting “, but are
20 not limited to” after “may in-
21 clude”;

22 (ii) in subparagraph (D), by inserting
23 “or attainment of a high school equiva-
24 lency certificate” after “high school”;

25 (iii) by striking subparagraph (G);

1 (iv) by redesignating subparagraphs
2 (E), (F), and (J) as subparagraphs (F),
3 (G), and (K) respectively;

4 (v) by inserting after subparagraph
5 (D) the following:

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

8 (vi) in subparagraph (H), by inserting
9 “financial literacy, such as training in fi-
10 nancial management, financial coaching,
11 and asset building, and” after “training
12 in”;

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

15 (viii) by inserting after subparagraph
16 (I) the following:

17 “(J) homeownership education and assist-
18 ance; and”; and

19 (C) in paragraph (3)—

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

23 (ii) in the second sentence—

1 (I) by striking “public housing
2 agency” and inserting “eligible enti-
3 ty”; and

4 (II) by striking “of the agency”;

5 (D) by amending paragraph (4) to read as
6 follows:

7 “(4) EMPLOYMENT.—The contract of participa-
8 tion shall require 1 household member of the partici-
9 pating family to seek and maintain suitable employ-
10 ment.”; and

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

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

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

17 (A) in paragraph (1), by striking “whose
18 monthly adjusted income does not exceed 50
19 percent” and all that follows through the period
20 at the end of the third sentence and inserting
21 “shall be calculated under the rental provisions
22 of section 3 or section 8(o), as applicable.”;

23 (B) in paragraph (2)—

24 (i) by striking the first sentence and
25 inserting the following: “For each partici-

1 participating family, an amount equal to any in-
2 crease in the amount of rent paid by the
3 family in accordance with the provisions of
4 section 3 or 8(o), as applicable, that is at-
5 tributable to increases in earned income by
6 the participating family, shall be placed in
7 an interest-bearing escrow account estab-
8 lished by the eligible entity on behalf of the
9 participating family. Notwithstanding any
10 other provision of law, an eligible entity
11 may use funds it controls under section 8
12 or 9 for purposes of making the escrow de-
13 posit for participating families assisted
14 under, or residing in units assisted under,
15 section 8 or 9, respectively, provided such
16 funds are offset by the increase in the
17 amount of rent paid by the participating
18 family.”;

19 (ii) by striking the second sentence
20 and inserting the following: “All Family
21 Self-Sufficiency programs administered
22 under this section shall include an escrow
23 account.”;

1 (iii) in the fourth sentence, by striking
2 “subsection (c)” and inserting “subsection
3 (d)”; and

4 (iv) in the last sentence—

5 (I) by striking “A public housing
6 agency” and inserting “An eligible en-
7 tity”; and

8 (II) by striking “the public hous-
9 ing agency” and inserting “such eligi-
10 ble entity”; and

11 (C) by amending paragraph (3) to read as
12 follows:

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

21 (8) in subsection (f), as so redesignated, by
22 striking “, unless the income of the family equals or
23 exceeds 80 percent of the median income of the area
24 (as determined by the Secretary with adjustments
25 for smaller and larger families)”;

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

2 (A) in paragraph (1)—

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

5 (ii) by striking “the public housing
6 agency” and inserting “such eligible enti-
7 ty”; and

8 (iii) by striking “subsection (g)” and
9 inserting “subsection (h)”; and

10 (B) in paragraph (2)—

11 (i) by striking “public housing agen-
12 cy” and inserting “eligible entity” each
13 place that term appears;

14 (ii) by striking “or the Job Opportu-
15 nities and Basic Skills Training Program
16 under part F of title IV of the Social Secu-
17 rity Act”;

18 (iii) by inserting “primary, secondary,
19 and post-secondary” after “public and pri-
20 vate”; and

21 (iv) in the second sentence, by insert-
22 ing “and tenants served by the program”
23 after “the unit of general local govern-
24 ment”;

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

- 1 (A) in paragraph (1)—
- 2 (i) by striking “public housing agen-
- 3 cy” and inserting “eligible entity”;
- 4 (ii) by striking “participating in the”
- 5 and inserting “carrying out a”; and
- 6 (iii) by striking “to the Secretary”;
- 7 (B) in paragraph (2)—
- 8 (i) by striking “public housing agen-
- 9 cy” and inserting “eligible entity”;
- 10 (ii) by striking “subsection (f)” and
- 11 inserting “subsection (g)”;
- 12 (iii) by striking “residents of the pub-
- 13 lic housing” and inserting “the current
- 14 and prospective participants of the pro-
- 15 gram”; and
- 16 (iv) by striking “or the Job Opportu-
- 17 nities and Basic Skills Training Program
- 18 under part F of title IV of the Social Secu-
- 19 rity Act”; and
- 20 (C) in paragraph (3)—
- 21 (i) in subparagraph (C)—
- 22 (I) by striking “subsection
- 23 (e)(2)” and inserting “subsection
- 24 (d)(2)”;

1 (II) by striking “provided to”
2 and inserting “coordinated on behalf
3 of participating”;

4 (III) by inserting “direct” before
5 “assistance”; and

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

9 (ii) in subparagraph (D)—

10 (I) by striking “subsection (d)”
11 and inserting “subsection (e)”; and

12 (II) by striking “public housing
13 agency” and inserting “eligible enti-
14 ty”;

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

17 (iv) in subparagraph (H), by striking
18 “the Job Opportunities and Basic Skills
19 Training Program under part F of title IV
20 of the Social Security Act and”; and

21 (v) in subparagraph (I), by striking
22 “public housing or section 8 assistance”
23 and inserting “assistance under section 8
24 or 9”;

1 (11) by amending subsection (i), as so redesignated, to read as follows:

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

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

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

5 “(A) BASE AWARD.—An eligible entity serving 25 or more participants in the Family Self-Sufficiency program under this section is eligible to receive an award equal to the costs, as determined by the Secretary, of 1 full-time family self-sufficiency coordinator position. The Secretary may, by regulation or notice, determine the policy concerning the award for an eligible entity serving fewer than 25 such participants, including providing prorated awards or allowing such entities to combine their programs under this section for purposes of employing a coordinator.

1 “(B) ADDITIONAL AWARD.—An eligible en-
2 tity that meets performance standards set by
3 the Secretary is eligible to receive an additional
4 award sufficient to cover the costs of filling an
5 additional family self-sufficiency coordinator po-
6 sition if such entity has 75 or more partici-
7 pating families, and an additional coordinator
8 for each additional 50 participating families, or
9 such other ratio as may be established by the
10 Secretary based on the award allocation evalua-
11 tion under subparagraph (E).

12 “(C) STATE AND REGIONAL AGENCIES.—
13 For purposes of calculating the award under
14 this paragraph, each administratively distinct
15 part of a State or regional eligible entity may
16 be treated as a separate agency.

17 “(D) DETERMINATION OF NUMBER OF CO-
18 ORDINATORS.—In determining whether an eligi-
19 ble entity meets a specific threshold for funding
20 pursuant to this paragraph, the Secretary shall
21 consider the number of participants enrolled by
22 the eligible entity in its Family Self-Sufficiency
23 program as well as other criteria determined by
24 the Secretary.

1 “(E) AWARD ALLOCATION EVALUATION.—
2 The Secretary shall submit to Congress a report
3 evaluating the award allocation under this sub-
4 section, and make recommendations based on
5 this evaluation and other related findings to
6 modify such allocation, within 4 years after the
7 date of enactment of the Economic Growth,
8 Regulatory Relief, and Consumer Protection
9 Act, and not less frequently than every 4 years
10 thereafter. The report requirement under this
11 subparagraph shall terminate after the Sec-
12 retary has submitted 2 such reports to Con-
13 gress.

14 “(3) RENEWALS AND ALLOCATION.—

15 “(A) IN GENERAL.—Funds allocated by
16 the Secretary under this subsection shall be al-
17 located in the following order of priority:

18 “(i) FIRST PRIORITY.—Renewal of the
19 full cost of all coordinators in the previous
20 year at each eligible entity with an existing
21 Family Self-Sufficiency program that
22 meets applicable performance standards
23 set by the Secretary.

1 “(ii) SECOND PRIORITY.—New or in-
2 cremental coordinator funding authorized
3 under this section.

4 “(B) GUIDANCE.—If the first priority, as
5 described in subparagraph (A)(i), cannot be
6 fully satisfied, the Secretary may prorate the
7 funding for each eligible entity, as long as—

8 “(i) each eligible entity that has re-
9 ceived funding for at least 1 part-time co-
10 ordinator in the prior fiscal year is pro-
11 vided sufficient funding for at least 1 part-
12 time coordinator as part of any such pro-
13 ration; and

14 “(ii) each eligible entity that has re-
15 ceived funding for at least 1 full-time coor-
16 dinator in the prior fiscal year is provided
17 sufficient funding for at least 1 full-time
18 coordinator as part of any such proration.

19 “(4) RECAPTURE OR OFFSET.—Any awards al-
20 located under this subsection by the Secretary in a
21 fiscal year that have not been spent by the end of
22 the subsequent fiscal year or such other time period
23 as determined by the Secretary may be recaptured
24 by the Secretary and shall be available for providing
25 additional awards pursuant to paragraph (2)(B), or

1 may be offset as determined by the Secretary. Funds
2 appropriated pursuant to this section shall remain
3 available for 3 years in order to facilitate the re-use
4 of any recaptured funds for this purpose.

5 “(5) PERFORMANCE REPORTING.—Programs
6 under this section shall be required to report the
7 number of families enrolled and graduated, the num-
8 ber of established escrow accounts and positive es-
9 crow balances, and any other information that the
10 Secretary may require. Program performance shall
11 be reviewed periodically as determined by the Sec-
12 retary.

13 “(6) INCENTIVES FOR INNOVATION AND HIGH
14 PERFORMANCE.—The Secretary may reserve up to 5
15 percent of the amounts made available under this
16 subsection to provide support to or reward Family
17 Self-Sufficiency programs based on the rate of suc-
18 cessful completion, increased earned income, or
19 other factors as may be established by the Sec-
20 retary.”;

21 (12) in subsection (j)—

22 (A) by striking “public housing agency”
23 and inserting “eligible entity”;

24 (B) by striking “public housing” before
25 “units”;

1 (C) by striking “in public housing projects
2 administered by the agency”;

3 (D) by inserting “or coordination” after
4 “provision”; and

5 (E) by striking the last sentence;

6 (13) in subsection (k), by striking “public hous-
7 ing agencies” and inserting “eligible entities”;

8 (14) by striking subsection (n);

9 (15) by striking subsection (o);

10 (16) by redesignating subsections (l) and (m) as
11 subsections (m) and (n), respectively;

12 (17) by inserting after subsection (k) the fol-
13 lowing:

14 “(l) PROGRAMS FOR TENANTS IN PRIVATELY OWNED
15 PROPERTIES WITH PROJECT-BASED ASSISTANCE.—

16 “(1) VOLUNTARY AVAILABILITY OF FSS PRO-
17 GRAM.—The owner of a privately owned property
18 may voluntarily make a Family Self-Sufficiency pro-
19 gram available to the tenants of such property in ac-
20 cordance with procedures established by the Sec-
21 retary. Such procedures shall permit the owner to
22 enter into a cooperative agreement with a local pub-
23 lic housing agency that administers a Family Self-
24 Sufficiency program or, at the owner’s option, oper-
25 ate a Family Self-Sufficiency program on its own or

1 in partnership with another owner. An owner, who
2 voluntarily makes a Family Self-Sufficiency program
3 available pursuant to this subsection, may access
4 funding from any residual receipt accounts for the
5 property to hire a family self-sufficiency coordinator
6 or coordinators for their program.

7 “(2) COOPERATIVE AGREEMENT.—Any coopera-
8 tive agreement entered into pursuant to paragraph
9 (1) shall require the public housing agency to open
10 its Family Self-Sufficiency program waiting list to
11 any eligible family residing in the owner’s property
12 who resides in a unit assisted under project-based
13 rental assistance.

14 “(3) TREATMENT OF FAMILIES ASSISTED
15 UNDER THIS SUBSECTION.—A public housing agency
16 that enters into a cooperative agreement pursuant to
17 paragraph (1) may count any family participating in
18 its Family Self-Sufficiency program as a result of
19 such agreement as part of the calculation of the
20 award under subsection (i).

21 “(4) ESCROW.—

22 “(A) COOPERATIVE AGREEMENT.—A coop-
23 erative agreement entered into pursuant to
24 paragraph (1) shall provide for the calculation
25 and tracking of the escrow for participating

1 residents and for the owner to make available,
 2 upon request of the public housing agency, es-
 3 crow for participating residents, in accordance
 4 with paragraphs (2) and (3) of subsection (e),
 5 residing in units assisted under section 8.

6 “(B) CALCULATION AND TRACKING BY
 7 OWNER.—The owner of a privately owned prop-
 8 erty who voluntarily makes a Family Self-Suffi-
 9 ciency program available pursuant to paragraph
 10 (1) shall calculate and track the escrow for par-
 11 ticipating residents and make escrow for par-
 12 ticipating residents available in accordance with
 13 paragraphs (2) and (3) of subsection (e).

14 “(5) EXCEPTION.—This subsection shall not
 15 apply to properties assisted under section 8(o)(13).

16 “(6) SUSPENSION OF ENROLLMENT.—In any
 17 year, the Secretary may suspend the enrollment of
 18 new families in Family Self-Sufficiency programs
 19 under this subsection based on a determination that
 20 insufficient funding is available for this purpose.”;

21 (18) in subsection (m), as so redesignated—

22 (A) in paragraph (1)—

23 (i) in the first sentence, by striking
 24 “Each public housing agency” and insert-
 25 ing “Each eligible entity”;

1 (ii) in the second sentence, by striking
2 “The report shall include” and inserting
3 “The contents of the report shall include”;
4 and

5 (iii) in subparagraph (D)—

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

9 (II) by striking “local”; and

10 (B) in paragraph (2), by inserting “and
11 describing any additional research needs of the
12 Secretary to evaluate the effectiveness of the
13 program” after “under paragraph (1)”;

14 (19) in subsection (n), as so redesignated, by
15 striking “may” and inserting “shall”; and

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

17 “(o) DEFINITIONS.—In this section:

18 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
19 tity’ means an entity that meets the requirements
20 under subsection (c)(2) to administer a Family Self-
21 Sufficiency program under this section.

22 “(2) ELIGIBLE FAMILY.—The term ‘eligible
23 family’ means a family that meets the requirements
24 under subsection (c)(1) to participate in the Family
25 Self-Sufficiency program under this section.

1 “(3) PARTICIPATING FAMILY.—The term ‘par-
2 ticipating family’ means an eligible family that is
3 participating in the Family Self-Sufficiency program
4 under this section.”.

5 (b) EFFECTIVE DATE.—Not later than 360 days
6 after the date of enactment of this Act, the Secretary of
7 Housing and Urban Development shall issue regulations
8 to implement this section and any amendments made by
9 this section, and this section and any amendments made
10 by this section shall take effect upon such issuance.

11 **SEC. 307. PROPERTY ASSESSED CLEAN ENERGY FINANC-**
12 **ING.**

13 Section 129C(b)(3) of the Truth in Lending Act (15
14 U.S.C. 1639c(b)(3)) is amended by adding at the end the
15 following:

16 “(C) CONSIDERATION OF UNDERWRITING
17 REQUIREMENTS FOR PROPERTY ASSESSED
18 CLEAN ENERGY FINANCING.—

19 “(i) DEFINITION.—In this subpara-
20 graph, the term ‘Property Assessed Clean
21 Energy financing’ means financing to cover
22 the costs of home improvements that re-
23 sults in a tax assessment on the real prop-
24 erty of the consumer.

1 “(ii) REGULATIONS.—The Bureau
2 shall prescribe regulations that carry out
3 the purposes of subsection (a) and apply
4 section 130 with respect to violations
5 under subsection (a) of this section with
6 respect to Property Assessed Clean Energy
7 financing, which shall account for the
8 unique nature of Property Assessed Clean
9 Energy financing.

10 “(iii) COLLECTION OF INFORMATION
11 AND CONSULTATION.—In prescribing the
12 regulations under this subparagraph, the
13 Bureau—

14 “(I) may collect such information
15 and data that the Bureau determines
16 is necessary; and

17 “(II) shall consult with State and
18 local governments and bond-issuing
19 authorities.”.

20 **SEC. 308. GAO REPORT ON CONSUMER REPORTING AGEN-**
21 **CIES.**

22 (a) DEFINITIONS.—In this section, the terms “con-
23 sumer”, “consumer report”, and “consumer reporting
24 agency” have the meanings given those terms in section
25 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a).

1 (b) REPORT.—Not later than 1 year after the date
2 of enactment of this Act, the Comptroller General of the
3 United States shall submit to the Committee on Banking,
4 Housing, and Urban Affairs of the Senate and the Com-
5 mittee on Financial Services of the House of Representa-
6 tives a comprehensive report that includes—

7 (1) a review of the current legal and regulatory
8 structure for consumer reporting agencies and an
9 analysis of any gaps in that structure, including, in
10 particular, the rulemaking, supervisory, and enforce-
11 ment authority of State and Federal agencies under
12 the Fair Credit Reporting Act (15 U.S.C. 1681 et
13 seq.), the Gramm-Leach-Bliley Act (Public Law
14 106–102; 113 Stat. 1338), and any other relevant
15 statutes;

16 (2) a review of the process by which consumers
17 can appeal and expunge errors on their consumer re-
18 ports;

19 (3) a review of the causes of consumer report-
20 ing errors;

21 (4) a review of the responsibilities of data fur-
22 nishers to ensure that accurate information is ini-
23 tially reported to consumer reporting agencies and to
24 ensure that such information continues to be accu-
25 rate;

1 (5) a review of data security relating to con-
2 sumer reporting agencies and their efforts to safe-
3 guard consumer data;

4 (6) a review of who has access to, and may use,
5 consumer reports;

6 (7) a review of who has control or ownership of
7 a consumer's credit data;

8 (8) an analysis of—

9 (A) which Federal and State regulatory
10 agencies supervise and enforce laws relating to
11 how consumer reporting agencies protect con-
12 sumer data; and

13 (B) all laws relating to data security appli-
14 cable to consumer reporting agencies; and

15 (9) recommendations to Congress on how to im-
16 prove the consumer reporting system, including leg-
17 islative, regulatory, and industry-specific rec-
18 ommendations.

19 **SEC. 309. PROTECTING VETERANS FROM PREDATORY**
20 **LENDING.**

21 (a) PROTECTING VETERANS FROM PREDATORY
22 LENDING.—

23 (1) IN GENERAL.—Subchapter I of chapter 37
24 of title 38, United States Code, is amended by add-
25 ing at the end the following new section:

1 **“§ 3709. Refinancing of housing loans**

2 “(a) FEE RECOUPMENT.—Except as provided in sub-
3 section (d) and notwithstanding section 3703 of this title
4 or any other provision of law, a loan to a veteran for a
5 purpose specified in section 3710 of this title that is being
6 refinanced may not be guaranteed or insured under this
7 chapter unless—

8 “(1) the issuer of the refinanced loan provides
9 the Secretary with a certification of the recoupment
10 period for fees, closing costs, and any expenses
11 (other than taxes, amounts held in escrow, and fees
12 paid under this chapter) that would be incurred by
13 the borrower in the refinancing of the loan;

14 “(2) all of the fees and incurred costs are
15 scheduled to be recouped on or before the date that
16 is 36 months after the date of loan issuance; and

17 “(3) the recoupment is calculated through lower
18 regular monthly payments (other than taxes,
19 amounts held in escrow, and fees paid under this
20 chapter) as a result of the refinanced loan.

21 “(b) NET TANGIBLE BENEFIT TEST.—Except as
22 provided in subsection (d) and notwithstanding section
23 3703 of this title or any other provision of law, a loan
24 to a veteran for a purpose specified in section 3710 of
25 this title that is refinanced may not be guaranteed or in-
26 sured under this chapter unless—

1 “(1) the issuer of the refinanced loan provides
2 the borrower with a net tangible benefit test;

3 “(2) in a case in which the original loan had a
4 fixed rate mortgage interest rate and the refinanced
5 loan will have a fixed rate mortgage interest rate,
6 the refinanced loan has a mortgage interest rate
7 that is not less than 50 basis points less than the
8 previous loan;

9 “(3) in a case in which the original loan had a
10 fixed rate mortgage interest rate and the refinanced
11 loan will have an adjustable rate mortgage interest
12 rate, the refinanced loan has a mortgage interest
13 rate that is not less than 200 basis points less than
14 the previous loan; and

15 “(4) the lower interest rate is not produced
16 solely from discount points, unless—

17 “(A) such points are paid at closing; and

18 “(B) such points are not added to the
19 principal loan amount, unless—

20 “(i) for discount point amounts that
21 are less than or equal to one discount
22 point, the resulting loan balance after any
23 fees and expenses allows the property with
24 respect to which the loan was issued to

1 maintain a loan to value ratio of 100 per-
2 cent or less; and

3 “(ii) for discount point amounts that
4 are greater than one discount point, the re-
5 sulting loan balance after any fees and ex-
6 penses allows the property with respect to
7 which the loan was issued to maintain a
8 loan to value ratio of 90 percent or less.

9 “(c) LOAN SEASONING.—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 refi-
13 nanced may not be guaranteed or insured under this chap-
14 ter until the date that is the later of—

15 “(1) the date that is 210 days after the date on
16 which the first monthly payment is made on the
17 loan; and

18 “(2) the date on which the sixth monthly pay-
19 ment is made on the loan.

20 “(d) CASH-OUT REFINANCES.—(1) Subsections (a)
21 through (c) shall not apply in a case of a loan refinancing
22 in which the amount of the principal for the new loan to
23 be guaranteed or insured under this chapter is larger than
24 the payoff amount of the refinanced loan.

1 “(2) Not later than 180 days after the date of the
2 enactment of this section, the Secretary shall promulgate
3 such rules as the Secretary considers appropriate with re-
4 spect to refinancing described in paragraph (1) to ensure
5 that such refinancing is in the financial interest of the
6 borrower, including rules relating to recoupment, sea-
7 soning, and net tangible benefits.”.

8 (2) REGULATIONS.—

9 (A) IN GENERAL.—In prescribing any reg-
10 ulation to carry out section 3709 of title 38,
11 United States Code, as added by paragraph (1),
12 the Secretary of Veterans Affairs may waive the
13 requirements of sections 551 through 559 of
14 title 5, United States Code, if—

15 (i) the Secretary determines that ur-
16 gent or compelling circumstances make
17 compliance with such requirements imprac-
18 ticable or contrary to the public interest;

19 (ii) the Secretary submits to the Com-
20 mittee on Veterans’ Affairs of the Senate
21 and the Committee on Veterans’ Affairs of
22 the House of Representatives, and pub-
23 lishes in the Federal Register, notice of
24 such waiver, including a description of the
25 determination made under clause (i); and

1 (iii) a period of 10 days elapses fol-
2 lowing the notification under clause (ii).

3 (B) PUBLIC NOTICE AND COMMENT.—If a
4 regulation prescribed pursuant to a waiver
5 made under subparagraph (A) is in effect for a
6 period exceeding 1 year, the Secretary shall
7 provide the public an opportunity for notice and
8 comment regarding such regulation.

9 (C) EFFECTIVE DATE.—This paragraph
10 shall take effect on the date of the enactment
11 of this Act.

12 (D) TERMINATION DATE.—The authorities
13 under this paragraph shall terminate on the
14 date that is 1 year after the date of the enact-
15 ment of this Act.

16 (3) REPORT ON CASH-OUT REFINANCES.—

17 (A) IN GENERAL.—Not later than 1 year
18 after the date of the enactment of this Act, the
19 Secretary shall, in consultation with the Presi-
20 dent of the Ginnie Mae, submit to Congress a
21 report on refinancing—

22 (i) of loans—

23 (I) made to veterans for purposes
24 specified in section 3710 of title 38,
25 United States Code; and

1 (II) that were guaranteed or in-
2 sured under chapter 37 of such title;
3 and

4 (ii) in which the amount of the prin-
5 cipal for the new loan to be guaranteed or
6 insured under such chapter is larger than
7 the payoff amount of the refinanced loan.

8 (B) CONTENTS.—The report required by
9 subparagraph (A) shall include the following:

10 (i) An assessment of whether addi-
11 tional requirements, including a net tan-
12 gible benefit test, fee recoupment period,
13 and loan seasoning requirement, are nec-
14 essary to ensure that the refinancing de-
15 scribed in subparagraph (A) is in the fi-
16 nancial interest of the borrower.

17 (ii) Such recommendations as the Sec-
18 retary may have for additional legislative
19 or administrative action to ensure that re-
20 financing described in subparagraph (A) is
21 carried out in the financial interest of the
22 borrower.

23 (4) CLERICAL AMENDMENT.—The table of sec-
24 tions at the beginning of chapter 37 of title 38,
25 United States Code, is amended by inserting after

1 the item relating to section 3709 the following new
2 item:

“3709. Refinancing of housing loans.”.

3 (b) LOAN SEASONING FOR GINNIE MAE MORTGAGE-
4 BACKED SECURITIES.—Section 306(g)(1) of the National
5 Housing Act (12 U.S.C. 1721(g)(1)) is amended by insert-
6 ing “The Association may not guarantee the timely pay-
7 ment of principal and interest on a security that is backed
8 by a mortgage insured or guaranteed under chapter 37
9 of title 38, United States Code, and that was refinanced
10 until the later of the date that is 210 days after the date
11 on which the first monthly payment is made on the mort-
12 gage being refinanced and the date on which 6 full month-
13 ly payments have been made on the mortgage being refi-
14 nanced.” after “Act of 1992.”.

15 (c) REPORT ON LIQUIDITY OF THE DEPARTMENT OF
16 VETERANS AFFAIRS HOUSING LOAN PROGRAM.—

17 (1) REPORT.—Not later than 1 year after the
18 date of the enactment of this Act, the Secretary of
19 Housing and Urban Development and the President
20 of the Ginnie Mae shall submit to the appropriate
21 committees of Congress a report on the liquidity of
22 the housing loan program under chapter 37 of title
23 38, United States Code, in the secondary mortgage
24 market, which shall—

1 (A) assess the loans provided under that
2 chapter that collateralize mortgage-backed secu-
3 rities that are guaranteed by Ginnie Mae; and

4 (B) include recommendations for actions
5 that Ginnie Mae should take to ensure that the
6 liquidity of that housing loan program is main-
7 tained.

8 (2) DEFINITIONS.—In this subsection:

9 (A) APPROPRIATE COMMITTEES OF CON-
10 GRESS.—The term “appropriate committees of
11 Congress” means—

12 (i) the Committee on Veterans’ Af-
13 fairs and the Committee on Banking,
14 Housing, and Urban Affairs of the Senate;
15 and

16 (ii) the Committee on Veterans’ Af-
17 fairs and the Committee on Financial
18 Services of the House of Representatives.

19 (B) GINNIE MAE.—The term “Ginnie
20 Mae” means the Government National Mort-
21 gage Association.

22 (d) ANNUAL REPORT ON DOCUMENT DISCLOSURE
23 AND CONSUMER EDUCATION.—Not less frequently than
24 once each year, the Secretary of Veterans Affairs shall
25 issue a publicly available report that—

1 (1) examines, with respect to loans provided to
2 veterans under chapter 37 of title 38, United States
3 Code—

4 (A) the refinancing of fixed-rate mortgage
5 loans to adjustable rate mortgage loans;

6 (B) whether veterans are informed of the
7 risks and disclosures associated with that refi-
8 nancing; and

9 (C) whether advertising materials for that
10 refinancing are clear and do not contain mis-
11 leading statements or assertions; and

12 (2) includes findings based on any complaints
13 received by veterans and on an ongoing assessment
14 of the refinancing market by the Secretary.

15 **SEC. 310. CREDIT SCORE COMPETITION.**

16 (a) USE OF CREDIT SCORES BY FANNIE MAE IN
17 PURCHASING RESIDENTIAL MORTGAGES.—Section
18 302(b) of the Federal National Mortgage Association
19 Charter Act (12 U.S.C. 1717(b)) is amended by adding
20 at the end the following:

21 “(7)(A) DEFINITIONS.—In this paragraph—

22 “(i) the term ‘credit score’ means a numerical
23 value or a categorization created by a third party de-
24 rived from a statistical tool or modeling system used
25 by a person who makes or arranges a loan to predict

1 the likelihood of certain credit behaviors, including
2 default; and

3 “(ii) the term ‘residential mortgage’ has the
4 meaning given the term in section 302 of the Fed-
5 eral Home Loan Mortgage Corporation Act (12
6 U.S.C. 1451).

7 “(B) USE OF CREDIT SCORES.—The corporation
8 shall condition purchase of a residential mortgage by the
9 corporation under this subsection on the provision of a
10 credit score for the borrower only if—

11 “(i) the credit score is derived from any credit
12 scoring model that has been validated and approved
13 by the corporation under this paragraph; and

14 “(ii) the corporation provides for the use of the
15 credit score by all of the automated underwriting
16 systems of the corporation and any other procedures
17 and systems used by the corporation to purchase
18 residential mortgages that use a credit score.

19 “(C) VALIDATION AND APPROVAL PROCESS.—The
20 corporation shall establish a validation and approval pro-
21 cess for the use of credit score models, under which the
22 corporation may not validate and approve a credit score
23 model unless the credit score model—

24 “(i) satisfies minimum requirements of integ-
25 rity, reliability, and accuracy;

1 “(ii) has a historical record of measuring and
2 predicting default rates and other credit behaviors;

3 “(iii) is consistent with the safe and sound op-
4 eration of the corporation;

5 “(iv) complies with any standards and criteria
6 established by the Director of the Federal Housing
7 Finance Agency under section 1328(1) of the Fed-
8 eral Housing Enterprises Financial Safety and
9 Soundness Act of 1992; and

10 “(v) satisfies any other requirements, as deter-
11 mined by the corporation.

12 “(D) REPLACEMENT OF CREDIT SCORE MODEL.—
13 If the corporation has validated and approved 1 or more
14 credit score models under subparagraph (C) and the cor-
15 poration validates and approves an additional credit score
16 model, the corporation may determine that—

17 “(i) the additional credit score model has re-
18 placed the credit score model or credit score models
19 previously validated and approved; and

20 “(ii) the credit score model or credit score mod-
21 els previously validated and approved shall no longer
22 be considered validated and approved for the pur-
23 poses of subparagraph (B).

24 “(E) PUBLIC DISCLOSURE.—Upon establishing the
25 validation and approval process required under subpara-

1 graph (C), the corporation shall make publicly available
2 a description of the validation and approval process.

3 “(F) APPLICATION.—Not later than 30 days after
4 the effective date of this paragraph, the corporation shall
5 solicit applications from developers of credit scoring mod-
6 els for the validation and approval of those models under
7 the process required under subparagraph (C).

8 “(G) TIMEFRAME FOR DETERMINATION; NOTICE.—

9 “(i) IN GENERAL.—The corporation shall make
10 a determination with respect to any application sub-
11 mitted under subparagraph (F), and provide notice
12 of that determination to the applicant, before a date
13 established by the corporation that is not later than
14 180 days after the date on which an application is
15 submitted to the corporation.

16 “(ii) EXTENSIONS.—The Director of the Fed-
17 eral Housing Finance Agency may authorize not
18 more than 2 extensions of the date established under
19 clause (i), each of which shall not exceed 30 days,
20 upon a written request and a showing of good cause
21 by the corporation.

22 “(iii) STATUS NOTICE.—The corporation shall
23 provide notice to an applicant regarding the status
24 of an application submitted under subparagraph (F)

1 not later than 60 days after the date on which the
2 application was submitted to the corporation.

3 “(iv) REASONS FOR DISAPPROVAL.—If an appli-
4 cation submitted under subparagraph (F) is dis-
5 approved, the corporation shall provide to the appli-
6 cant the reasons for the disapproval not later than
7 30 days after a determination is made under this
8 subparagraph.

9 “(H) AUTHORITY OF DIRECTOR.—If the corporation
10 elects to use a credit score model under this paragraph,
11 the Director of the Federal Housing Finance Agency shall
12 require the corporation to periodically review the valida-
13 tion and approval process required under subparagraph
14 (C) as the Director determines necessary to ensure that
15 the process remains appropriate and adequate and com-
16 plies with any standards and criteria established pursuant
17 to section 1328(1) of the Federal Housing Enterprises Fi-
18 nancial Safety and Soundness Act of 1992.

19 “(I) EXTENSION.—If, as of the effective date of this
20 paragraph, a credit score model has not been approved
21 under subparagraph (C), the corporation may use a credit
22 score model that was in use before the effective date of
23 this paragraph, if necessary to prevent substantial market
24 disruptions, until the earlier of—

1 “(i) the date on which a credit score model is
2 validated and approved under subparagraph (C); or

3 “(ii) the date that is 2 years after the effective
4 date of this paragraph.”.

5 (b) USE OF CREDIT SCORES BY FREDDIE MAC IN
6 PURCHASING RESIDENTIAL MORTGAGES.—Section 305 of
7 the Federal Home Loan Mortgage Corporation Act (12
8 U.S.C. 1454) is amended by adding at the end the fol-
9 lowing:

10 “(d)(1) DEFINITION.—In this subsection, the term
11 ‘credit score’ means a numerical value or a categorization
12 created by a third party derived from a statistical tool or
13 modeling system used by a person who makes or arranges
14 a loan to predict the likelihood of certain credit behaviors,
15 including default.

16 “(2) USE OF CREDIT SCORES.—The Corporation
17 shall condition purchase of a residential mortgage by the
18 Corporation under this section on the provision of a credit
19 score for the borrower only if—

20 “(A) the credit score is derived from any credit
21 scoring model that has been validated and approved
22 by the Corporation under this subsection; and

23 “(B) the Corporation provides for the use of the
24 credit score by all of the automated underwriting
25 systems of the Corporation and any other procedures

1 and systems used by the Corporation to purchase
2 residential mortgages that use a credit score.

3 “(3) VALIDATION AND APPROVAL PROCESS.—The
4 Corporation shall establish a validation and approval pro-
5 cess for the use of credit score models, under which the
6 Corporation may not validate and approve a credit score
7 model unless the credit score model—

8 “(A) satisfies minimum requirements of integ-
9 rity, reliability, and accuracy;

10 “(B) has a historical record of measuring and
11 predicting default rates and other credit behaviors;

12 “(C) is consistent with the safe and sound oper-
13 ation of the corporation;

14 “(D) complies with any standards and criteria
15 established by the Director of the Federal Housing
16 Finance Agency under section 1328(1) of the Fed-
17 eral Housing Enterprises Financial Safety and
18 Soundness Act of 1992; and

19 “(E) satisfies any other requirements, as deter-
20 mined by the Corporation.

21 “(4) REPLACEMENT OF CREDIT SCORE MODEL.—If
22 the Corporation has validated and approved 1 or more
23 credit score models under paragraph (3) and the Corpora-
24 tion validates and approves an additional credit score
25 model, the Corporation may determine that—

1 “(A) the additional credit score model has re-
2 placed the credit score model or credit score models
3 previously validated and approved; and

4 “(B) 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 paragraph (2).

8 “(5) PUBLIC DISCLOSURE.—Upon establishing the
9 validation and approval process required under paragraph
10 (3), the Corporation shall make publicly available a de-
11 scription of the validation and approval process.

12 “(6) APPLICATION.—Not later than 30 days after the
13 effective date of this subsection, the Corporation shall so-
14 licit applications from developers of credit scoring models
15 for the validation and approval of those models under the
16 process required under paragraph (3).

17 “(7) TIMEFRAME FOR DETERMINATION; NOTICE.—

18 “(A) IN GENERAL.—The Corporation shall
19 make a determination with respect to any applica-
20 tion submitted under paragraph (6), and provide no-
21 tice of that determination to the applicant, before a
22 date established by the Corporation that is not later
23 than 180 days after the date on which an applica-
24 tion is submitted to the Corporation.

1 “(B) 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 subparagraph (A), each of which shall not exceed 30
5 days, upon a written request and a showing of good
6 cause by the Corporation.

7 “(C) STATUS NOTICE.—The Corporation shall
8 provide notice to an applicant regarding the status
9 of an application submitted under paragraph (6) not
10 later than 60 days after the date on which the appli-
11 cation was submitted to the Corporation.

12 “(D) REASONS FOR DISAPPROVAL.—If an ap-
13 plication submitted under paragraph (6) 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 paragraph.

18 “(8) AUTHORITY OF DIRECTOR.—If the Corporation
19 elects to use a credit score under this subsection, the Di-
20 rector of the Federal Housing Finance Agency shall re-
21 quire the Corporation to periodically review the validation
22 and approval process required under paragraph (3) as the
23 Director determines necessary to ensure that the process
24 remains appropriate and adequate and complies with any
25 standards and criteria established pursuant to section

1 1328(1) of the Federal Housing Enterprises Financial
2 Safety and Soundness Act of 1992.

3 “(9) EXTENSION.—If, as of the effective date of this
4 subsection, a credit score model has not been approved
5 under paragraph (3), the Corporation may use a credit
6 score model that was in use before the effective date of
7 this subsection, if necessary to prevent substantial market
8 disruptions, until the earlier of—

9 “(A) the date on which a credit score model is
10 validated and approved under paragraph (3); or

11 “(B) the date that is 2 years after the effective
12 date of this subsection.”.

13 (c) AUTHORITY OF THE DIRECTOR.—Subpart A of
14 part 2 of subtitle A of the Federal Housing Enterprises
15 Financial Safety and Soundness Act of 1992 (12 U.S.C.
16 4541 et seq.) is amended by adding at the end the fol-
17 lowing:

18 **“SEC. 1328. REGULATIONS FOR USE OF CREDIT SCORES.**

19 “The Director shall—

20 “(1) by regulation, establish standards and cri-
21 teria for any process used by an enterprise to vali-
22 date and approve credit scoring models pursuant to
23 section 302(b)(7) of the Federal National Mortgage
24 Association Charter Act (12 U.S.C. 1717(b)(7)) and

1 section 305(d) of the Federal Home Loan Mortgage
2 Corporation Act (12 U.S.C. 1454(d)); and

3 “(2) ensure that any credit scoring model that
4 is validated and approved by an enterprise under
5 section 302(b)(7) (12 U.S.C. 1717(b)(7)) of the
6 Federal National Mortgage Association Charter Act
7 or section 305(d) of the Federal Home Loan Mort-
8 gage Corporation Act (12 U.S.C. 1454(d)) meets the
9 requirements of clauses (i), (ii), and (iii) of section
10 302(b)(7)(C) of the Federal National Mortgage As-
11 sociation Charter Act and subparagraphs (A), (B),
12 and (C) of section 305(d)(3) of the Federal Home
13 Loan Mortgage Corporation Act, respectively.”.

14 (d) **EFFECTIVE DATE.**—The amendments made by
15 subsections (a) and (b) shall take effect on the date that
16 is 180 days after the date of enactment of this Act.

17 **SEC. 311. GAO REPORT ON PUERTO RICO FORECLOSURES.**

18 Not earlier than 1 year after the date of enactment
19 of this Act, the Comptroller General of the United States
20 shall submit to the Committee on Banking, Housing, and
21 Urban Affairs of the Senate and the Committee on Finan-
22 cial Services of the House of Representatives a report on
23 foreclosures in the Commonwealth of Puerto Rico, includ-
24 ing—

1 (1) the rate of foreclosures in the Common-
2 wealth of Puerto Rico before and after Hurricane
3 Maria;

4 (2) the rate of return for housing developers in
5 the Commonwealth of Puerto Rico before and after
6 Hurricane Maria;

7 (3) the rate of delinquency in the Common-
8 wealth of Puerto Rico before and after Hurricane
9 Maria;

10 (4) the rate of homeownership in the Common-
11 wealth of Puerto Rico before and after Hurricane
12 Maria; and

13 (5) the rate of defaults on federally insured
14 mortgages in the Commonwealth of Puerto Rico be-
15 fore and after Hurricane Maria.

16 **SEC. 312. REPORT ON CHILDREN'S LEAD-BASED PAINT HAZ-**
17 **ARD PREVENTION AND ABATEMENT.**

18 (a) DEFINITIONS.—In this section—

19 (1) the term “Department” means the Depart-
20 ment of Housing and Urban Development; and

21 (2) the term “public housing agency” has the
22 meaning given the term in section 3(b) of the United
23 States Housing Act of 1937 (42 U.S.C. 1437a(b)).

24 (b) REPORT.—Not later than 1 year after the date
25 of enactment of this Act, the Secretary of Housing and

1 Urban Development shall submit to Congress a report that
2 includes—

3 (1) an overview of existing policies and enforce-
4 ment of the Department, including public outreach,
5 relating to lead-based paint hazard prevention and
6 abatement;

7 (2) recommendations and best practices for the
8 Department, public housing agencies, and landlords
9 for improving lead-based paint hazard prevention
10 standards and Federal lead prevention and abate-
11 ment policies to protect the environmental health
12 and safety of children, including within housing re-
13 ceiving assistance from or occupied by families re-
14 ceiving housing assistance from the Department;
15 and

16 (3) recommendations for legislation to improve
17 lead-based paint hazard prevention and abatement.

18 **SEC. 313. FORECLOSURE RELIEF AND EXTENSION FOR**
19 **SERVICEMEMBERS.**

20 Section 710(d) of the Honoring America's Veterans
21 and Caring for Camp Lejeune Families Act of 2012 (Pub-
22 lic Law 112–154; 50 U.S.C. 3953 note) is amended by
23 striking paragraphs (1) and (3).

1 **TITLE IV—TAILORING REGULA-**
2 **TIONS FOR CERTAIN BANK**
3 **HOLDING COMPANIES**

4 **SEC. 401. ENHANCED SUPERVISION AND PRUDENTIAL**
5 **STANDARDS FOR CERTAIN BANK HOLDING**
6 **COMPANIES.**

7 (a) IN GENERAL.—Section 165 of the Financial Sta-
8 bility Act of 2010 (12 U.S.C. 5365) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (1), in the matter pre-
11 ceding subparagraph (A), by striking
12 “\$50,000,000,000” and inserting
13 “\$250,000,000,000”; and

14 (B) in paragraph (2)—

15 (i) in subparagraph (A), by striking
16 “may” and inserting “shall”;

17 (ii) in subparagraph (B), by striking
18 “\$50,000,000,000” and inserting “the ap-
19 plicable threshold”; and

20 (iii) by adding at the end the fol-
21 lowing:

22 “(C) RISKS TO FINANCIAL STABILITY AND
23 SAFETY AND SOUNDNESS.—The Board of Gov-
24 ernors may by order or rule promulgated pursu-
25 ant to section 553 of title 5, United States

1 Code, apply any prudential standard established
2 under this section to any bank holding company
3 or bank holding companies with total consoli-
4 dated assets equal to or greater than
5 \$100,000,000,000 to which the prudential
6 standard does not otherwise apply provided that
7 the Board of Governors—

8 “(i) determines that application of the
9 prudential standard is appropriate—

10 “(I) to prevent or mitigate risks
11 to the financial stability of the United
12 States, as described in paragraph (1);
13 or

14 “(II) to promote the safety and
15 soundness of the bank holding com-
16 pany or bank holding companies; and

17 “(ii) takes into consideration the bank
18 holding company’s or bank holding compa-
19 nies’ capital structure, riskiness, com-
20 plexity, financial activities (including finan-
21 cial activities of subsidiaries), size, and any
22 other risk-related factors that the Board of
23 Governors deems appropriate.”;

24 (2) in subsection (b)(1)—

1 (A) in subparagraph (A)(iv), by striking
2 “and credit exposure report”; and

3 (B) in subparagraph (B)(ii), by inserting
4 “, including credit exposure reports” before the
5 semicolon at the end;

6 (3) in subsection (d)(2), in the matter pre-
7 ceding subparagraph (A), by striking “shall” and in-
8 serting “may”;

9 (4) in subsection (h)(2), by striking
10 “\$10,000,000,000” each place that term appears
11 and inserting “\$50,000,000,000”;

12 (5) in subsection (i)—

13 (A) in paragraph (1)(B)(i)—

14 (i) by striking “3” and inserting “2”;

15 and

16 (ii) by striking “, adverse,”; and

17 (B) in paragraph (2)—

18 (i) in subparagraph (A)—

19 (I) in the first sentence, by strik-
20 ing “semiannual” and inserting “peri-
21 odic”; and

22 (II) in the second sentence—

23 (aa) by striking

24 “\$10,000,000,000” and inserting

25 “\$250,000,000,000”; and

1 (bb) by striking “annual”
2 and inserting “periodic”; and
3 (ii) in subparagraph (C)(ii)—
4 (I) by striking “3” and inserting
5 “2”; and
6 (II) by striking “, adverse,”; and
7 (6) in subsection (j)(1), in the first sentence, by
8 striking “\$50,000,000,000” and inserting
9 “\$250,000,000,000”.

10 (b) RULE OF CONSTRUCTION.—Nothing in sub-
11 section (a) shall be construed to limit—

12 (1) the authority of the Board of Governors of
13 the Federal Reserve System, in prescribing pruden-
14 tial standards under section 165 of the Financial
15 Stability Act of 2010 (12 U.S.C. 5365) or any other
16 law, to tailor or differentiate among companies on
17 an individual basis or by category, taking into con-
18 sideration their capital structure, riskiness, com-
19 plexity, financial activities (including financial activi-
20 ties of their subsidiaries), size, and any other risk-
21 related factors that the Board of Governors deems
22 appropriate; or

23 (2) the supervisory, regulatory, or enforcement
24 authority of an appropriate Federal banking agency
25 to further the safe and sound operation of an insti-

1 tution under the supervision of the appropriate Fed-
2 eral banking agency.

3 (c) TECHNICAL AND CONFORMING AMENDMENTS.—

4 (1) FINANCIAL STABILITY ACT OF 2010.—The
5 Financial Stability Act of 2010 (12 U.S.C. 5311 et
6 seq.) is amended—

7 (A) in section 115(a)(2)(B) (12 U.S.C.
8 5325(a)(2)(B)), by striking “\$50,000,000,000”
9 and inserting “the applicable threshold”;

10 (B) in section 116(a) (12 U.S.C. 5326(a)),
11 in the matter preceding paragraph (1), by strik-
12 ing “\$50,000,000,000” and inserting
13 “\$250,000,000,000”;

14 (C) in section 121(a) (12 U.S.C. 5331(a)),
15 in the matter preceding paragraph (1), by strik-
16 ing “\$50,000,000,000” and inserting
17 “\$250,000,000,000”;

18 (D) in section 155(d) (12 U.S.C. 5345(d)),
19 by striking “50,000,000,000” and inserting
20 “\$250,000,000,000”;

21 (E) in section 163(b) (12 U.S.C. 5363(b)),
22 by striking “\$50,000,000,000” each place that
23 term appears and inserting
24 “\$250,000,000,000”; and

1 (F) in section 164 (12 U.S.C. 5364), by
2 striking “\$50,000,000,000” and inserting
3 “\$250,000,000,000”.

4 (2) FEDERAL RESERVE ACT.—The second sub-
5 section (s) (relating to assessments) of section 11 of
6 the Federal Reserve Act (12 U.S.C. 248(s)) is
7 amended—

8 (A) in paragraph (2)—

9 (i) in subparagraph (A), by striking
10 “\$50,000,000,000” and inserting
11 “\$100,000,000,000”; and

12 (ii) in subparagraph (B), by striking
13 “\$50,000,000,000” and inserting
14 “\$100,000,000,000”; and

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

16 “(3) TAILORING ASSESSMENTS.—In collecting
17 assessments, fees, or other charges under paragraph
18 (1) from each company described in paragraph (2)
19 with total consolidated assets of between
20 \$100,000,000,000 and \$250,000,000,000, the Board
21 shall adjust the amount charged to reflect any
22 changes in supervisory and regulatory responsibil-
23 ities resulting from the Economic Growth, Regu-
24 latory Relief, and Consumer Protection Act with re-
25 spect to each such company.”.

1 (d) EFFECTIVE DATE.—

2 (1) IN GENERAL.—Except as provided in para-
3 graph (2), the amendments made by this section
4 shall take effect on the date that is 18 months after
5 the date of enactment of this Act.

6 (2) EXCEPTION.—Notwithstanding paragraph
7 (1), the amendments made by this section shall take
8 effect on the date of enactment of this Act with re-
9 spect to any bank holding company with total con-
10 solidated assets of less than \$100,000,000,000.

11 (3) ADDITIONAL AUTHORITY.—Before the effec-
12 tive date described in paragraph (1), the Board of
13 Governors of the Federal Reserve System may by
14 order exempt any bank holding company with total
15 consolidated assets of less than \$250,000,000,000
16 from any prudential standard under section 165 of
17 the Financial Stability Act of 2010 (12 U.S.C.
18 5365).

19 (4) RULE OF CONSTRUCTION.—Nothing in this
20 section shall be construed to prohibit the Board of
21 Governors of the Federal Reserve System from
22 issuing an order or rule making under section
23 165(a)(2)(C) of the Financial Stability Act of 2010
24 (12 U.S.C. 5365(a)(2)(C)), as added by this section,
25 before the effective date described in paragraph (1).

1 (e) SUPERVISORY STRESS TEST.—Beginning on the
2 effective date described in subsection (d)(1), the Board of
3 Governors of the Federal Reserve System shall, on a peri-
4 odic basis, conduct supervisory stress tests of bank holding
5 companies with total consolidated assets equal to or great-
6 er than \$100,000,000,000 and total consolidated assets
7 of less than \$250,000,000,000 to evaluate whether such
8 bank holding companies have the capital, on a total con-
9 solidated basis, necessary to absorb losses as a result of
10 adverse economic conditions.

11 (f) GLOBAL SYSTEMICALLY IMPORTANT BANK
12 HOLDING COMPANIES.—Any bank holding company, re-
13 gardless of asset size, that has been identified as a global
14 systemically important BHC under section 217.402 of
15 title 12, Code of Federal Regulations, shall be considered
16 a bank holding company with total consolidated assets
17 equal to or greater than \$250,000,000,000 with respect
18 to the application of standards or requirements under—

19 (1) this section;

20 (2) sections 116(a), 121(a), 155(d), 163(b),
21 164, and 165 of the Financial Stability Act of 2010
22 (12 U.S.C. 5326(a), 5331(a), 5345(d), 5363(b),
23 5364, 5365); and

1 (3) paragraph (2)(A) of the second subsection
2 (s) (relating to assessments) of section 11 of the
3 Federal Reserve Act (12 U.S.C. 248(s)(2)).

4 (g) CLARIFICATION FOR FOREIGN BANKS.—Nothing
5 in this section shall be construed to—

6 (1) affect the legal effect of the final rule of the
7 Board of Governors of the Federal Reserve System
8 entitled “Enhanced Prudential Standards for Bank
9 Holding Companies and Foreign Banking Organiza-
10 tions” (79 Fed. Reg. 17240 (March 27, 2014)) as
11 applied to foreign banking organizations with total
12 consolidated assets equal to or greater than
13 \$100,000,000,000; or

14 (2) limit the authority of the Board of Gov-
15 ernors of the Federal Reserve System to require the
16 establishment of an intermediate holding company
17 under, implement enhanced prudential standards
18 with respect to, or tailor the regulation of a foreign
19 banking organization with total consolidated assets
20 equal to or greater than \$100,000,000,000.

21 **SEC. 402. SUPPLEMENTARY LEVERAGE RATIO FOR CUSTO-**
22 **DIAL BANKS.**

23 (a) DEFINITION.—In this section, the term “custo-
24 dial bank” means any depository institution holding com-
25 pany predominantly engaged in custody, safekeeping, and

1 asset servicing activities, including any insured depository
2 institution subsidiary of such a holding company.

3 (b) REGULATIONS.—

4 (1) DEFINITION.—In this subsection, the term
5 “central bank” means—

6 (A) the Federal Reserve System;

7 (B) the European Central Bank; and

8 (C) central banks of member countries of
9 the Organisation for Economic Co-operation
10 and Development, if—

11 (i) the member country has been as-
12 signed a zero percent risk weight under
13 sections 3.32, 217.32, and 324.32 of title
14 12, Code of Federal Regulations, or any
15 successor regulation; and

16 (ii) the sovereign debt of such member
17 country is not in default or has not been
18 in default during the previous 5 years.

19 (2) REGULATIONS.—The appropriate Federal
20 banking agencies shall promulgate regulations to
21 amend sections 3.10, 217.10, and 324.10 of title 12,
22 Code of Federal Regulations, to specify that—

23 (A) subject to subparagraph (B), funds of
24 a custodial bank that are deposited with a cen-
25 tral bank shall not be taken into account when

1 calculating the supplementary leverage ratio as
 2 applied to the custodial bank; and

3 (B) with respect to the funds described in
 4 subparagraph (A), any amount that exceeds the
 5 total value of deposits of the custodial bank
 6 that are linked to fiduciary or custodial and
 7 safekeeping accounts shall be taken into ac-
 8 count when calculating the supplementary lever-
 9 age ratio as applied to the custodial bank.

10 (c) **RULE OF CONSTRUCTION.**—Nothing in sub-
 11 section (b) shall be construed to limit the authority of the
 12 appropriate Federal banking agencies to tailor or adjust
 13 the supplementary leverage ratio or any other leverage
 14 ratio for any company that is not a custodial bank.

15 **SEC. 403. TREATMENT OF CERTAIN MUNICIPAL OBLIGA-**
 16 **TIONS.**

17 (a) **IN GENERAL.**—Section 18 of the Federal Deposit
 18 Insurance Act (12 U.S.C. 1828) is amended—

19 (1) by moving subsection (z) so that it appears
 20 after subsection (y); and

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

22 “(aa) **TREATMENT OF CERTAIN MUNICIPAL OBLIGA-**
 23 **TIONS.**—

24 “(1) **DEFINITIONS.**—In this subsection—

1 “(A) the term ‘investment grade’, with re-
2 spect to an obligation, has the meaning given
3 the term in section 1.2 of title 12, Code of Fed-
4 eral Regulations, or any successor thereto;

5 “(B) the term ‘liquid and readily-market-
6 able’ has the meaning given the term in section
7 249.3 of title 12, Code of Federal Regulations,
8 or any successor thereto; and

9 “(C) the term ‘municipal obligation’ means
10 an obligation of—

11 “(i) a State or any political subdivi-
12 sion thereof; or

13 “(ii) any agency or instrumentality of
14 a State or any political subdivision thereof.

15 “(2) MUNICIPAL OBLIGATIONS.—For purposes
16 of the final rule entitled ‘Liquidity Coverage Ratio:
17 Liquidity Risk Measurement Standards’ (79 Fed.
18 Reg. 61439 (October 10, 2014)), the final rule enti-
19 tled ‘Liquidity Coverage Ratio: Treatment of U.S.
20 Municipal Securities as High-Quality Liquid Assets’
21 (81 Fed. Reg. 21223 (April 11, 2016)), and any
22 other regulation that incorporates a definition of the
23 term ‘high-quality liquid asset’ or another substan-
24 tially similar term, the appropriate Federal banking
25 agencies shall treat a municipal obligation as a high-

1 quality liquid asset that is a level 2B liquid asset if
 2 that obligation is, as of the date of calculation—

3 “(A) liquid and readily-marketable; and

4 “(B) investment grade.”.

5 (b) AMENDMENT TO LIQUIDITY COVERAGE RATIO
 6 REGULATIONS.—Not later than 90 days after the date of
 7 enactment of this Act, the Federal Deposit Insurance Cor-
 8 poration, the Board of Governors of the Federal Reserve
 9 System, and the Comptroller of the Currency shall amend
 10 the final rule entitled “Liquidity Coverage Ratio: Liquidity
 11 Risk Measurement Standards” (79 Fed. Reg. 61439 (Oc-
 12 tober 10, 2014)) and the final rule entitled “Liquidity
 13 Coverage Ratio: Treatment of U.S. Municipal Securities
 14 as High-Quality Liquid Assets” (81 Fed. Reg. 21223
 15 (April 11, 2016)) to implement the amendments made by
 16 this section.

17 **TITLE V—ENCOURAGING**
 18 **CAPITAL FORMATION**

19 **SEC. 501. NATIONAL SECURITIES EXCHANGE REGULATORY**
 20 **PARITY.**

21 Section 18(b)(1) of the Securities Act of 1933 (15
 22 U.S.C. 77r(b)(1)) is amended—

23 (1) by striking subparagraph (A);

24 (2) in subparagraph (B)—

1 (A) by inserting “a security designated as
2 qualified for trading in the national market sys-
3 tem pursuant to section 11A(a)(2) of the Secu-
4 rities Exchange Act of 1934 (15 U.S.C. 78k-
5 1(a)(2)) that is” before “listed”; and

6 (B) by striking “that has listing standards
7 that the Commission determines by rule (on its
8 own initiative or on the basis of a petition) are
9 substantially similar to the listing standards ap-
10 plicable to securities described in subparagraph
11 (A)”;

12 (3) in subparagraph (C), by striking “or (B)”;

13 and

14 (4) by redesignating subparagraphs (B) and
15 (C) as subparagraphs (A) and (B), respectively.

16 **SEC. 502. SEC STUDY ON ALGORITHMIC TRADING.**

17 (a) IN GENERAL.—Not later than 18 months after
18 the date of enactment of this Act, the staff of the Securi-
19 ties and Exchange Commission shall submit to the Com-
20 mittee on Banking, Housing, and Urban Affairs of the
21 Senate and the Committee on Financial Services of the
22 House of Representatives a report on the risks and bene-
23 fits of algorithmic trading in capital markets in the United
24 States.

1 (b) MATTERS REQUIRED TO BE INCLUDED.—The
2 matters covered by the report required by subsection (a)
3 shall include the following:

4 (1) An assessment of the effect of algorithmic
5 trading in equity and debt markets in the United
6 States on the provision of liquidity in stressed and
7 normal market conditions.

8 (2) An assessment of the benefits and risks to
9 equity and debt markets in the United States by al-
10 gorithmic trading.

11 (3) An analysis of whether the activity of algo-
12 rithmic trading and entities that engage in algo-
13 rithmic trading are subject to appropriate Federal
14 supervision and regulation.

15 (4) A recommendation of whether—

16 (A) based on the analysis described in
17 paragraphs (1), (2), and (3), any changes
18 should be made to regulations; and

19 (B) the Securities and Exchange Commis-
20 sion needs additional legal authorities or re-
21 sources to effect the changes described in sub-
22 paragraph (A).

1 **SEC. 503. ANNUAL REVIEW OF GOVERNMENT-BUSINESS**
2 **FORUM ON CAPITAL FORMATION.**

3 Section 503 of the Small Business Investment Incen-
4 tive Act of 1980 (15 U.S.C. 80c-1) is amended by adding
5 at the end the following:

6 “(e) The Commission shall—

7 “(1) review the findings and recommendations
8 of the forum; and

9 “(2) each time the forum submits a finding or
10 recommendation to the Commission, promptly issue
11 a public statement—

12 “(A) assessing the finding or recommenda-
13 tion of the forum; and

14 “(B) disclosing the action, if any, the Com-
15 mission intends to take with respect to the find-
16 ing or recommendation.”.

17 **SEC. 504. SUPPORTING AMERICA’S INNOVATORS.**

18 Section 3(c)(1) of the Investment Company Act of
19 1940 (15 U.S.C. 80a-3(c)(1)) is amended—

20 (1) in the matter preceding subparagraph (A),
21 by inserting “(or, in the case of a qualifying venture
22 capital fund, 250 persons)” after “one hundred per-
23 sons”; and

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

25 “(C)(i) The term ‘qualifying venture cap-
26 ital fund’ means a venture capital fund that has

1 not more than \$10,000,000 in aggregate capital
2 contributions and uncalled committed capital,
3 with such dollar amount to be indexed for infla-
4 tion once every 5 years by the Commission, be-
5 ginning from a measurement made by the Com-
6 mission on a date selected by the Commission,
7 rounded to the nearest \$1,000,000.

8 “(ii) The term ‘venture capital fund’ has
9 the meaning given the term in section
10 275.203(l)–1 of title 17, Code of Federal Regu-
11 lations, or any successor regulation.”.

12 **SEC. 505. SECURITIES AND EXCHANGE COMMISSION OVER-**
13 **PAYMENT CREDIT.**

14 (a) DEFINITIONS.—In this section—

15 (1) the term “Commission” means the Securi-
16 ties and Exchange Commission;

17 (2) the term “national securities association”
18 means an association that is registered under section
19 15A of the Securities Exchange Act of 1934 (15
20 U.S.C. 78o–3); and

21 (3) the term “national securities exchange”
22 means an exchange that is registered as a national
23 securities exchange under section 6 of the Securities
24 Exchange Act of 1934 (15 U.S.C. 78f).

1 (b) CREDIT FOR OVERPAYMENT OF FEES.—Notwith-
2 standing section 31(j) of the Securities Exchange Act of
3 1934 (15 U.S.C. 78ee(j)), and subject to subsection (c)
4 of this section, if a national securities exchange or a na-
5 tional securities association has paid fees and assessments
6 to the Commission in an amount that is more than the
7 amount that the exchange or association was required to
8 pay under section 31 of the Securities Exchange Act of
9 1934 (15 U.S.C. 78ee) and, not later than 10 years after
10 the date of such payment, the exchange or association in-
11 forms the Commission about the payment of such excess
12 amount, the Commission shall offset future fees and as-
13 sessments due by that exchange or association in an
14 amount that is equal to the difference between the amount
15 that the exchange or association paid and the amount that
16 the exchange or association was required to pay under
17 such section 31.

18 (c) APPLICABILITY.—Subsection (b) shall apply only
19 to fees and assessments that a national securities ex-
20 change or a national securities association was required
21 to pay to the Commission before the date of enactment
22 of this Act.

23 **SEC. 506. U.S. TERRITORIES INVESTOR PROTECTION.**

24 (a) IN GENERAL.—Section 6(a) of the Investment
25 Company Act of 1940 (15 U.S.C. 80a–6(a)) is amended—

1 (1) by striking paragraph (1); and

2 (2) by redesignating paragraphs (2) through
3 (5) as paragraphs (1) through (4), respectively.

4 (b) EFFECTIVE DATE AND SAFE HARBOR.—

5 (1) EFFECTIVE DATE.—Except as provided in
6 paragraph (2), the amendment made by subsection
7 (a) shall take effect on the date of enactment of this
8 Act.

9 (2) SAFE HARBOR.—With respect to a company
10 that is exempt under section 6(a)(1) of the Invest-
11 ment Company Act of 1940 (15 U.S.C. 80a-6(a)(1))
12 on the day before the date of enactment of this Act,
13 the amendment made by subsection (a) shall take ef-
14 fect on the date that is 3 years after the date of en-
15 actment of this Act.

16 (3) EXTENSION OF SAFE HARBOR.—The Secu-
17 rities and Exchange Commission, by rule or regula-
18 tion upon its own motion, or by order upon applica-
19 tion, may conditionally or unconditionally, under sec-
20 tion 6(c) of the Investment Company Act of 1940
21 (15 U.S.C. 80a-6(c)), further delay the effective
22 date for a company described in paragraph (2) for
23 a maximum of 3 years following the initial 3-year
24 period if, before the end of the initial 3-year period,
25 the Commission determines that such a rule, regula-

1 tion, motion, or order is necessary or appropriate in
2 the public interest and for the protection of inves-
3 tors.

4 **SEC. 507. ENCOURAGING EMPLOYEE OWNERSHIP.**

5 Not later than 60 days after the date of the enact-
6 ment of this Act, the Securities and Exchange Commission
7 shall revise section 230.701(e) of title 17, Code of Federal
8 Regulations, so as to increase from \$5,000,000 to
9 \$10,000,000 the aggregate sales price or amount of secu-
10 rities sold during any consecutive 12-month period in ex-
11 cess of which the issuer is required under such section to
12 deliver an additional disclosure to investors. The Commis-
13 sion shall index for inflation such aggregate sales price
14 or amount every 5 years to reflect the change in the Con-
15 sumer Price Index for All Urban Consumers published by
16 the Bureau of Labor Statistics, rounding to the nearest
17 \$1,000,000.

18 **SEC. 508. IMPROVING ACCESS TO CAPITAL.**

19 The Securities and Exchange Commission shall
20 amend—

21 (1) section 230.251 of title 17, Code of Federal
22 Regulations, to remove the requirement that the
23 issuer not be subject to section 13 or 15(d) of the
24 Securities Exchange Act of 1934 (15 U.S.C. 78a et
25 seq.) immediately before the offering; and

1 (2) section 230.257 of title 17, Code of Federal
2 Regulations, with respect to an offering described in
3 section 230.251(a)(2) of title 17, Code of Federal
4 Regulations, to deem any issuer that is subject to
5 section 13 or 15(d) of the Securities Exchange Act
6 of 1934 as having met the periodic and current re-
7 porting requirements of section 230.257 of title 17,
8 Code of Federal Regulations, if such issuer meets
9 the reporting requirements of section 13 of the Se-
10 curities Exchange Act of 1934.

11 **SEC. 509. PARITY FOR CLOSED-END COMPANIES REGARD-**
12 **ING OFFERING AND PROXY RULES.**

13 (a) REVISION TO RULES.—Not later than the end of
14 the 1-year period beginning on the date of enactment of
15 this Act, the Securities and Exchange Commission shall
16 propose and, not later than 2 years after the date of enact-
17 ment of this Act, the Securities and Exchange Commission
18 shall finalize any rules, as appropriate, to allow any closed-
19 end company, as defined in section 5(a)(2) of the Invest-
20 ment Company Act of 1940 (15 U.S.C. 80a-5), that is
21 registered as an investment company under such Act, and
22 is listed on a national securities exchange or that makes
23 periodic repurchase offers pursuant to section 270.23c-
24 3 of title 17, Code of Federal Regulations, to use the secu-
25 rities offering and proxy rules, subject to conditions the

1 Commission determines appropriate, that are available to
2 other issuers that are required to file reports under section
3 13 or section 15(d) of the Securities Exchange Act of
4 1934 (15 U.S.C. 78m; 78o(d)). Any action that the Com-
5 mission takes pursuant to this subsection shall consider
6 the availability of information to investors, including what
7 disclosures constitute adequate information to be des-
8 ignated as a “well-known seasoned issuer”.

9 (b) TREATMENT IF REVISIONS NOT COMPLETED IN
10 A TIMELY MANNER.—If the Commission fails to complete
11 the revisions required by subsection (a) by the time re-
12 quired by such subsection, any registered closed-end com-
13 pany that is listed on a national securities exchange or
14 that makes periodic repurchase offers pursuant to section
15 270.23e-3 of title 17, Code of Federal Regulations, shall
16 be deemed to be an eligible issuer under the final rule of
17 the Commission titled “Securities Offering Reform” (70
18 Fed. Reg. 44722; published August 3, 2005).

19 (c) RULES OF CONSTRUCTION.—

20 (1) NO EFFECT ON RULE 482.—Nothing in this
21 section or the amendments made by this section
22 shall be construed to impair or limit in any way a
23 registered closed-end company from using section
24 230.482 of title 17, Code of Federal Regulations, to
25 distribute sales material.

1 (2) REFERENCES.—Any reference in this sec-
2 tion to a section of title 17, Code of Federal Regula-
3 tions, or to any form or schedule means such rule,
4 section, form, or schedule, or any successor to any
5 such rule, section, form, or schedule.

6 **TITLE VI—PROTECTIONS FOR**
7 **STUDENT BORROWERS**

8 **SEC. 601. PROTECTIONS IN THE EVENT OF DEATH OR**
9 **BANKRUPTCY.**

10 (a) IN GENERAL.—Section 140 of the Truth in Lend-
11 ing Act (15 U.S.C. 1650) is amended—

12 (1) in subsection (a)—

13 (A) by redesignating paragraphs (1)
14 through (8) as paragraphs (2) through (9), re-
15 spectively; and

16 (B) by inserting before paragraph (2), as
17 so redesignated, the following:

18 “(1) the term ‘cosigner’—

19 “(A) means any individual who is liable for
20 the obligation of another without compensation,
21 regardless of how designated in the contract or
22 instrument with respect to that obligation,
23 other than an obligation under a private edu-
24 cation loan extended to consolidate a con-
25 sumer’s pre-existing private education loans;

1 “(B) includes any person the signature of
2 which is requested as condition to grant credit
3 or to forbear on collection; and

4 “(C) does not include a spouse of an indi-
5 vidual described in subparagraph (A), the sig-
6 nature of whom is needed to perfect the secu-
7 rity interest in a loan.”; and

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

9 “(g) **ADDITIONAL PROTECTIONS RELATING TO BOR-**
10 **ROWER OR COSIGNER OF A PRIVATE EDUCATION LOAN.—**

11 “(1) **PROHIBITION ON AUTOMATIC DEFAULT IN**
12 **CASE OF DEATH OR BANKRUPTCY OF NON-STUDENT**
13 **OBLIGOR.—**With respect to a private education loan
14 involving a student obligor and 1 or more cosigners,
15 the creditor shall not declare a default or accelerate
16 the debt against the student obligor on the sole basis
17 of a bankruptcy or death of a cosigner.

18 “(2) **COSIGNER RELEASE IN CASE OF DEATH**
19 **OF BORROWER.—**

20 “(A) **RELEASE OF COSIGNER.—**The holder
21 of a private education loan, when notified of the
22 death of a student obligor, shall release within
23 a reasonable timeframe any cosigner from the
24 obligations of the cosigner under the private
25 education loan.

1 “(B) NOTIFICATION OF RELEASE.—A
2 holder or servicer of a private education loan,
3 as applicable, shall within a reasonable time-
4 frame notify any cosigners for the private edu-
5 cation loan if a cosigner is released from the
6 obligations of the cosigner for the private edu-
7 cation loan under this paragraph.

8 “(C) DESIGNATION OF INDIVIDUAL TO ACT
9 ON BEHALF OF THE BORROWER.—Any lender
10 that extends a private education loan shall pro-
11 vide the student obligor an option to designate
12 an individual to have the legal authority to act
13 on behalf of the student obligor with respect to
14 the private education loan in the event of the
15 death of the student obligor.”.

16 (b) APPLICABILITY.—The amendments made by sub-
17 section (a) shall only apply to private education loan
18 agreements entered into on or after the date that is 180
19 days after the date of enactment of this Act.

20 **SEC. 602. REHABILITATION OF PRIVATE EDUCATION**
21 **LOANS.**

22 (a) IN GENERAL.—Section 623(a)(1) of the Fair
23 Credit Reporting Act (15 U.S.C. 1681s-2(a)(1)) is
24 amended by adding at the end the following:

1 “(E) REHABILITATION OF PRIVATE EDU-
2 CATION LOANS.—

3 “(i) IN GENERAL.—Notwithstanding
4 any other provision of this section, a con-
5 sumer may request a financial institution
6 to remove from a consumer report a re-
7 ported default regarding a private edu-
8 cation loan, and such information shall not
9 be considered inaccurate, if—

10 “(I) the financial institution
11 chooses to offer a loan rehabilitation
12 program which includes, without limi-
13 tation, a requirement of the consumer
14 to make consecutive on-time monthly
15 payments in a number that dem-
16 onstrates, in the assessment of the fi-
17 nancial institution offering the loan
18 rehabilitation program, a renewed
19 ability and willingness to repay the
20 loan; and

21 “(II) the requirements of the
22 loan rehabilitation program described
23 in subclause (I) are successfully met.

24 “(ii) BANKING AGENCIES.—

1 “(I) IN GENERAL.—If a financial
2 institution is supervised by a Federal
3 banking agency, the financial institu-
4 tion shall seek written approval con-
5 cerning the terms and conditions of
6 the loan rehabilitation program de-
7 scribed in clause (i) from the appro-
8 priate Federal banking agency.

9 “(II) FEEDBACK.—An appro-
10 priate Federal banking agency shall
11 provide feedback to a financial institu-
12 tion within 120 days of a request for
13 approval under subclause (I).

14 “(iii) LIMITATION.—

15 “(I) IN GENERAL.—A consumer
16 may obtain the benefits available
17 under this subsection with respect to
18 rehabilitating a loan only 1 time per
19 loan.

20 “(II) RULE OF CONSTRUC-
21 TION.—Nothing in this subparagraph
22 may be construed to require a finan-
23 cial institution to offer a loan rehabili-
24 tation program or to remove any re-
25 ported default from a consumer report

1 as a consideration of a loan rehabilita-
2 tion program, except as described in
3 clause (i).

4 “(iv) DEFINITIONS.—For purposes of
5 this subparagraph—

6 “(I) the term ‘appropriate Fed-
7 eral banking agency’ has the meaning
8 given the term in section 3 of the
9 Federal Deposit Insurance Act (12
10 U.S.C. 1813); and

11 “(II) the term ‘private education
12 loan’ has the meaning given the term
13 in section 140(a) of the Truth in
14 Lending Act (15 U.S.C. 1650(a)).”.

15 (b) GAO STUDY.—

16 (1) STUDY.—The Comptroller General of the
17 United States shall conduct a study, in consultation
18 with the appropriate Federal banking agencies, re-
19 garding—

20 (A) the implementation of subparagraph
21 (E) of section 623(a)(1) of the Fair Credit Re-
22 porting Act (15 U.S.C. 1681s–2(a)(1)) (re-
23 ferred to in this paragraph as “the provision”),
24 as added by subsection (a);

1 (B) the estimated operational, compliance,
2 and reporting costs associated with the require-
3 ments of the provision;

4 (C) the effects of the requirements of the
5 provision on the accuracy of credit reporting;

6 (D) the risks to safety and soundness, if
7 any, created by the loan rehabilitation programs
8 described in the provision; and

9 (E) a review of the effectiveness and im-
10 pact on the credit of participants in any loan
11 rehabilitation programs described in the provi-
12 sion and whether such programs improved the
13 ability of participants in the programs to access
14 credit products.

15 (2) REPORT.—Not later than 1 year after the
16 date of enactment of this Act, the Comptroller Gen-
17 eral of the United States shall submit to Congress
18 a report that contains all findings and determina-
19 tions made in conducting the study required under
20 paragraph (1).

21 **SEC. 603. BEST PRACTICES FOR HIGHER EDUCATION FI-**
22 **NANCIAL LITERACY.**

23 Section 514(a) of the Financial Literacy and Edu-
24 cation Improvement Act (20 U.S.C. 9703(a)) is amended
25 by adding at the end the following:

1 “(3) BEST PRACTICES FOR TEACHING FINAN-
2 CIAL LITERACY.—

3 “(A) IN GENERAL.—After soliciting public
4 comments and consulting with and receiving
5 input from relevant parties, including a diverse
6 set of institutions of higher education and other
7 parties, the Commission shall, by not later than
8 1 year after the date of enactment of the Eco-
9 nomic Growth, Regulatory Relief, and Con-
10 sumer Protection Act, establish best practices
11 for institutions of higher education regarding
12 methods to—

13 “(i) teach financial literacy skills; and

14 “(ii) provide useful and necessary in-
15 formation to assist students at institutions
16 of higher education when making financial
17 decisions related to student borrowing.

18 “(B) BEST PRACTICES.—The best prac-
19 tices described in subparagraph (A) shall in-
20 clude the following:

21 “(i) Methods to ensure that each stu-
22 dent has a clear sense of the student’s
23 total borrowing obligations, including
24 monthly payments, and repayment options.

1 “(ii) The most effective ways to en-
2 gage students in financial literacy edu-
3 cation, including frequency and timing of
4 communication with students.

5 “(iii) Information on how to target
6 different student populations, including
7 part-time students, first-time students, and
8 other nontraditional students.

9 “(iv) Ways to clearly communicate the
10 importance of graduating on a student’s
11 ability to repay student loans.

12 “(C) MAINTENANCE OF BEST PRAC-
13 TICES.—The Commission shall maintain and
14 periodically update the best practices informa-
15 tion required under this paragraph and make
16 the best practices available to the public.

17 “(D) RULE OF CONSTRUCTION.—Nothing
18 in this paragraph shall be construed to require
19 an institution of higher education to adopt the
20 best practices required under this paragraph.”.

Passed the Senate March 14, 2018.

Attest:

Secretary.

115TH CONGRESS
2^D SESSION

S. 2155

AN ACT

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