

111TH CONGRESS
1ST SESSION

H. R. 4400

To authorize States to exempt certain nonprofit housing organizations from the licensing requirements of the S.A.F.E. Mortgage Licensing Act of 2008.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 16, 2009

Mr. SHULER (for himself, Mr. MELANCON, Mrs. EMERSON, Mr. PAUL, Ms. FOXX, Mr. POE of Texas, Mr. GONZALEZ, Mr. RYAN of Ohio, Mr. DELAHUNT, Mr. MINNICK, Mr. DINGELL, Mr. QUIGLEY, Mr. TANNER, Mr. SMITH of Texas, Mr. CARNEY, Mr. INGLIS, Ms. JENKINS, Mr. COBLE, Mr. CONAWAY, Mr. HILL, Ms. BEAN, Mr. CHILDERS, Mr. COSTA, and Mr. HARPER) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To authorize States to exempt certain nonprofit housing organizations from the licensing requirements of the S.A.F.E. Mortgage Licensing Act of 2008.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Nonprofit Mortgage
5 Licensing Clarification Act of 2009”.

1 **SEC. 2. EXEMPTION OF NONPROFIT HOUSING ORGANIZA-**
2 **TIONS.**

3 Section 1504 of the S.A.F.E. Mortgage Licensing Act
4 of 2008 (12 U.S.C. 5103) is amended—

5 (1) in subsection (a), by inserting before the
6 first comma the following: “and to subsection (c)”;
7 and

8 (2) by adding at the end the following new sub-
9 section:

10 “(c) **AUTHORITY FOR STATES TO EXEMPT NON-**
11 **PROFIT HOUSING ORGANIZATIONS.**—A State may, by
12 State law, exempt from the requirement under subsection
13 (a)(1) (relating to registration or licensing) organizations
14 that are exempt from taxation pursuant to section
15 501(c)(3) of the Internal Revenue Code of 1986, and any
16 employees and agents of such organizations acting as loan
17 originators for such organizations, but only to the extent
18 that such an organization—

19 “(1) engages in the business of a loan origi-
20 nator for the purpose of promoting or facilitating
21 homeownership for poor or low-income, disabled, or
22 other disadvantaged persons or families, and in origi-
23 nating such loans offers loans—

24 “(A) at interest rates that are lower than
25 the bank prime loan rate, as determined under
26 the Federal Reserve Statistical Release of se-

1 lected interest rates (commonly referred to as
2 the H.15) by the Board of Governors of the
3 Federal Reserve System, for the last day of the
4 most recent weekly release of such rates; or

5 “(B) that are, after adjusting for inflation,
6 no-interest loans or loans with interest rates
7 significantly below the interest rates for loans
8 for purchase of single-family housing generally
9 available in the market; and

10 “(2) does not otherwise engage in the business
11 of a loan originator or mortgage broker.”.

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