

113TH CONGRESS
2D SESSION

H. R. 5667

To exempt small mortgage originators from certain licensing requirements
and debt-to-income requirements for qualified mortgages.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2014

Mr. WILLIAMS introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To exempt small mortgage originators from certain licensing
requirements and debt-to-income requirements for quali-
fied mortgages.

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 “Seller Finance Regula-
5 tion Reduction Act”.

6 **SEC. 2. EXEMPTIONS FOR SELLER FINANCERS.**

7 (a) LOAN ORIGINATOR LICENSE OR REGISTRATION
8 REQUIREMENTS.—Section 1504 of the S.A.F.E. Mortgage
9 Licensing Act of 2008 (12 U.S.C. 5103) is amended by
10 adding at the end the following:

1 “(c) EXCEPTION FOR SELLER FINANCERS.—The re-
 2 quirements of this title shall not apply to any person
 3 (other than a depository institution) who—

4 “(1) has less than \$25,000,000 in assets; and

5 “(2) only originates residential mortgage loans
 6 that—

7 “(A) are with respect to property that is
 8 owned by such person; and

9 “(B) are in an amount of \$150,000 or
 10 less.”.

11 (b) DEBT-TO-INCOME RATIOS UNDER QUALIFIED
 12 MORTGAGES.—Section 129C(b)(2)(A) of the Truth in
 13 Lending Act (15 U.S.C. 1639c(b)(2)(A)) is amended by
 14 inserting at the end the following flush-left text:

15 “In determining whether a residential mortgage
 16 loan is a qualified mortgage, guidelines and reg-
 17 ulations issued pursuant to clause (vi) shall not
 18 apply to a loan originated by a person (other
 19 than a depository institution (as defined under
 20 section 3 of the Federal Deposit Insurance Act)
 21 or a credit union) who has less than
 22 \$25,000,000 in assets and where such loan is
 23 with respect to property that is owned by such

1 person and such loan is in an amount of
2 \$150,000 or less.”.

