with the only exception being the year Congress passed the JOBS Act.

Since 2009, the number of U.S.-listed IPOs, on average, has hovered at fewer than 200 a year, well below the previous decade's average.

While there are a multitude of factors that a company takes into consideration when determining whether to go public, one such calculation is whether or not the current market structure fosters an active and liquid secondary trading environment for that company's securities.

Ensuring there is a place for investors to easily trade and sell their securities is often a key determinant in a decision not to list, if the business owner is not confident that such a marketplace exists.

Small business hesitation when making this determination is not unfounded. According to the U.S. Securities and Exchange Commission, small cap stocks, or those with capitalization below $100 million, typically exhibit the least liquidity, while mid cap stocks, with capitalization between $2 billion and $5 billion, tend to exhibit a greater amount of liquidity.

Recognizing the continued challenges we face in courting new IPOs, and understanding that liquidity is key for small companies interested in going public, as well as securities currently trading in the marketplace, it is clear that we must take steps to better tailor our markets in order to account for the varying size and nature of potential public companies if we are to encourage new capital formation.

Here is where the Main Street Growth Act can help.

Under the Main Street Growth Act, an entity can register with the SEC to establish a venture exchange; a market designed specifically to support the trading of small and emerging companies, as well as currently listed but liquidity-challenged securities.

These venture exchanges will trade venture securities, which include early stage and emerging growth companies, as well as securities currently trading in the marketplace but are below a certain public float or average daily trade volume threshold.

In my home State of Minnesota, there are more than 30 companies currently listed on an exchange that may meet the necessary criteria to explore the benefits of a new venture exchange as envisioned by this legislation.

Additionally, there are over 130 Minnesota-based companies that are not listed publicly and have utilized private means of funding for their businesses, but could qualify to list on a venture exchange to improve their ability to create new growth and employment opportunities.

The Main Street Growth Act includes important provisions to concentrate liquidity by ensuring that the trading of securities listed on a venture exchange may only occur on that venture exchange.

Also, utilizing the current exchange model serves as an efficient way to ensure investor protection while improving their standing in our capital markets.

The Main Street Growth Act is a consensus bill with input from my colleagues on both sides of the aisle and with the administration as well. It directly complements SEC Chairman Clayton's ongoing efforts to ''examine whether the current market structure meets the needs of all types of companies that have the potential to be public companies.''

Mr. Speaker, I would like to extend my gratitude to the chairman and ranking member of the Financial Services Committee and their staff for their tireless work on this legislation and the issues related to improving capital formation in the United States.

Mr. Speaker, I encourage my colleagues to join me in supporting H.R. 5877.

Ms. MAXINE WATERS of California. Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. HUIZENGA. Mr. Speaker, I also have no further speakers, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. HUIZENGA) that the House suspend the rules and pass the bill, H.R. 5877, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

BUILDING UP INDEPENDENT LIVES AND DREAMS ACT

Mr. HUIZENGA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5953) to provide regulatory relief to charitable organizations that provide housing assistance, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5953

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the ''Building Up Independent Lives and Dreams Act'' or the ''BUILD Act''.

SEC. 2. MORTGAGE LOAN TRANSACTION DISCLOSURE REQUIREMENTS.

(a) TILA AMENDMENT.—Section 105 of the Truth in Lending Act (15 U.S.C. 1604) is amended by inserting after subsection (d) the following:

''(e) DISCLOSURE FOR CHARITABLE MORTGAGE LOAN TRANSACTIONS.—With respect to a mortgage loan transaction involving a residential mortgage loan offered at zero percent interest primarily for charitable purposes by an organization having tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, forms HUD–1 and GFE (as defined under section 1024.2(b) of title 12, Code of Federal Regulations), together with a disclosure substantially in the form of the Loan Model Form H–2 (as defined under Appendix H to section 1026 of title 12, Code of Federal Regulations) shall, collectively, be an appropriate model form for purposes of subsection (b).''.

(b) RESPA AMENDMENT.—Section 4 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2603) is amended by adding at the end the following:

''(d) With respect to a mortgage loan transaction involving a residential mortgage loan offered at zero percent interest primarily for charitable purposes, an organization having tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986 may use forms HUD–1 and GFE (as defined under section 1024.2(b) of title 12, Code of Federal Regulations) together with a disclosure substantially in the form of the Loan Model Form H–2 (as defined under Appendix H to section 1026 of title 12, Code of Federal Regulations), collectively, in lieu of the disclosure published under subsection (a).''.

(c) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Director of the Bureau of Consumer Financial Protection shall issue such regulations as may be necessary to implement the amendments made by subsections (a) and (b).

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. HUIZENGA) and the gentlewoman from California (Ms. MAXINE WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

GENERAL LEAVE

Mr. HUIZENGA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HUIZENGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 5953, the Building Up Independent Lives and Dreams, or BUILD, Act, which would cut some of the regulatory red tape and alleviate unnecessary burdens that were created by Dodd-Frank.

The Truth in Lending Act, or TILA, as it is referred to, and the Real Estate Settlements Procedures Act, also known as RESPA, required lenders to provide consumers disclosures about the estimated and actual real estate settlement costs and financial terms of the mortgages that they offer.

Among other requirements, RESPA required standardized disclosures, such as good faith estimates, of the costs that the borrower should expect to pay at closing, and a list of closing costs commonly known as the HUD–1 document.

TILA required lenders to disclose the cost of credit and the repayment terms of mortgage loans before borrowers entered into a transaction. These disclosures were intended to help consumers compare the terms and make informed decisions regarding the suitability of various mortgage products and services that they were looking at purchasing.

However, Dodd-Frank mandated that the Bureau of Consumer Financial Protection promulgate ''a single integrated disclosure for mortgage loan transactions . . . to aid the borrower . . . in understanding the transaction by utilizing readily understandable language to simplify the technical nature of the disclosures.''

It seems to me that in an effort to simplify the language, we might have added some more complicated language. But nonetheless, it remains compliant with both TILA and RESPA, which are very important.

I can tell you, as a former licensed Realtor, these disclosures and these closing documents are extremely important.

What we have seen, though, under this current situation, the TILA-RESPA Integrated Disclosure, or TRID, as it is called, the TRID rule was born out of this.

The final TRID forms combined elements of the good faith estimate, the HUD–1, and the TILA disclosure.

While these new forms were designed to be more consumer friendly—they include sections on balloon loans and adjustable rate mortgages that may be applicable to traditional mortgage lenders—these forms are not relevant to charitable organizations like Habitat for Humanity, however.

Additionally, the TRID integrated disclosure forms pose significant implementation and compliance challenges for these charitable organizations because they include difficult-to-understand timing and delivery requirements and other practical implementation issues that go well beyond the previous content requirements, such as requiring purchasing and training of costly complex software intended for traditional mortgage lenders. Therefore, many charitable organizations have difficulty with fulfilling the needed compliance related to the origination and servicing of their loans.

The BUILD Act, introduced by Representative LOUDERMILK and Representative SHERMAN, would roll back requirements of the TILA-RESPA Integrated Disclosures Rule for charities, and only charities, like Habitat for Humanity and others, and, instead, allow these charities to use the good faith estimate and HUD–1 mortgage forms that had been in place previously.

Groups like Habitat for Humanity and their local State organizations specialize in providing housing for low income and rural communities. The financing that is done at a zero percent interest rate to provide minimal cost to the occupant is commendable and a goal that we all have.

This bill cuts yet another senseless and poorly written provision of Dodd-Frank that will help provide affordable housing for low income Americans in search of the American Dream.

Specifically, this bipartisan bill would provide tax-exempt nonprofit organizations originating these zero interest mortgage loans the flexibility to choose the simplest and most cost effective delivery of the mortgage disclosures.

Now these charitable organizations will be able to use their very scarce resources for building, repairing, and rehabilitating housing instead of spending it on costly compliance software.

Mr. Speaker, I would like to commend the bipartisan work of Representatives LOUDERMILK and SHERMAN on the BUILD Act, which passed the Financial Services Committee by a vote of 35–0. I urge all of my colleagues to vote in favor of H.R. 5953, the BUILD Act, and I reserve the balance of my time.

□ 1545

Ms. MAXINE WATERS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. SHERMAN), a senior member of the Financial Services Committee and the lead Democratic sponsor of this bill.

Mr. SHERMAN. Mr. Speaker, I thank the gentlewoman for yielding.

I would like to thank my colleague from Georgia (Mr. LOUDERMILK) for working with me on this bill, titled the Building Up Independent Lives and Dreams, or BUILD Act. This has been a collaborative process, and I am pleased to serve as the chief Democratic sponsor.

We have heard from a variety of chapters of Habitat for Humanity. They are having difficulty dealing with the new TILA-RESPA Integrated Disclosure form, chiefly because they don't have the software to deal with that form. The new form is a good form. The old forms were pretty good as well, but what is really good for the consumer in this case is that they are getting a zero percent loan.

So what this bill says is that, if you are a bona fide nonprofit organization providing the new homeowner with a zero percent loan, you have the flexibility to either use the new form or to use the old forms.

The new form is good. The old forms were pretty good, too. A zero percent loan is very good for the consumer.

This bill is supported by Habitat for Humanity International and the National Housing Conference. It passed the Financial Services Committee 53–0, and I urge everyone to vote ''yes.''

Mr. HUIZENGA. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LOUDERMILK), my colleague from the Financial Services Committee, the author of the BUILD Act.

Mr. LOUDERMILK. Mr. Speaker, I thank my colleague and the gentleman from Michigan (Mr. HUIZENGA) for yielding time for me to speak on what I think is a very important bill.

Mr. Speaker, I rise today in strong support of this bill, the bill which is entitled Building Up Independent Lives and Dreams Act, also better known as the BUILD Act. This bill is proof that, even in this Chamber, we can rise above politics and let common sense prevail occasionally.

I would like to first start by thanking my colleagues on both sides of the aisle who have worked with me and my staff to make this a very strong, bipartisan effort. I appreciate my colleague Mr. SHERMAN, who just spoke, for negotiating reasonable changes to the bill and for being an original cosponsor. I also want to thank Ms. TENNEY, Ms. VELÁZQUEZ, and Mr. BUDD for their work and for cosponsoring the bill as well.

Mr. Speaker, the Dodd-Frank Act required the Consumer Financial Protection Bureau to combine the TILA loan estimate and the RESPA closing disclosure forms into one integrated form, which, as you have heard, is called the TRID.

While the TRID forms were well intended to help ensure that home buyers receive essential information about the costs and terms of their home loan, the TRID rule has some unintended consequences on nonprofit organizations such as Habitat for Humanity.

The TRID rule is a whopping 1,888 pages long and is very complicated. The forms include sections on balloon loans and adjustable-rate mortgages, things that may be relevant to traditional mortgage lenders but are not applicable to nonprofits that solely offer low-cost housing to needy families. The complex and complicated TRID forms cause confusion to Habitat home buyers, staff, and their volunteers.

Besides the complexity, the TRID disclosures require software for lenders to be able to fill them out, which has been too costly for many local Habitat organizations. The vast majority of the more than 1,200 local Habitat affiliates nationwide are small, community-based organizations with very small mortgage portfolios and few, if any, full-time staff.

These organizations have experienced challenges with the cost and complexity of these new mortgage disclosure forms. To address these problems, the BUILD Act relieves charities from the costs and the complexity of the TRID rule but ensures that the terms of these mortgage loans are disclosed.

Currently, all mortgage lenders making five or fewer loans a year are exempt from TRID and, instead, use the same mortgage disclosure forms that were in place before Dodd-Frank. The BUILD Act simply extends this exemption to nonprofits which are eligible for tax-exempt charitable donations and are making zero interest mortgage loans, regardless of how many mortgage loans they are making per year.

The BUILD Act will allow local Habitat organizations to choose whether to use the previous, simplified reporting or the more complex TRID reporting. The BUILD Act is supported by Habitat for Humanity International and the National Housing Conference.

In closing, I want to reiterate that the purpose of this bill is to help nonprofits spend more time fulfilling their

mission of providing low-cost housing to needy families and less time sitting in an office doing regulatory paperwork. The BUILD Act recognizes that one size does not fit all when it comes to regulating these charities and gives themselves the flexibility to choose which mortgage disclosure forms work best for them.

Mr. Speaker, the BUILD Act passed the Financial Services Committee with a unanimous vote of 53–0. I urge all of my colleagues to support this bill.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank my colleague, Mr. SHERMAN, for working across the aisle to develop H.R. 5953, the Building Up Independent Lives and Dreams Act, or the BUILD Act, which will assist nonprofits in providing affordable housing to those in need.

Some nonprofit organizations, like Habitat for Humanity, help borrowers who would otherwise not be able to afford a home by offering zero percent interest mortgages with terms that ensure the borrowers have the ability to repay the loans while also taking care of other household expenses. Oftentimes, these nonprofits rely heavily on limited staffs or volunteer labor to underwrite mortgages for families in need.

Because of these unique dynamics, some smaller affiliates of these types of organizations have had a bit of difficulty adapting to the current updated disclosure forms that are used to inform mortgage borrowers about the material terms and costs of their loans. This bill would give those nonprofits the flexibility to choose whether to use truth-in-lending, good-faith estimate, and HUD–1 mortgage disclosure forms when originating a mortgage or the TILA-RESPA integrated disclosure, or TRID, forms.

Even though this very narrow exemption already applies to organizations that make five or fewer mortgages annually, I believe we are all in agreement that extending this flexibility to charitable nonprofits with a unique business model like Habitat is a positive change.

Nonprofits like Habitat for Humanity operate with different business models and traditional financing institutions. They are and they serve a different clientele. It is clear that the BUILD Act does not provide any opportunity for other types of lenders to take advantage of the carve-out in a way that could potentially harm borrowers. With that in mind, I support this bill, and I encourage my colleagues to do the same.

Mr. Speaker, I have no more requests for time, and I yield back the balance of my time.

Mr. HUIZENGA. Mr. Speaker, I, too, want to commend our colleagues for working in a bipartisan manner, Mr. LOUDERMILK and Mr. SHERMAN, not only for dealing with this in committee; there was some trust that was shown on all sides to move forward on that, and this is the way the system is supposed to work. Congratulations.

I look forward to supporting this bill and request that all of my colleagues do the same.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. HUIZENGA) that the House suspend the rules and pass the bill, H.R. 5953.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

INTERNATIONAL INSURANCE STANDARDS ACT OF 2018

Mr. HUIZENGA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4537) to preserve the State-based system of insurance regulation and provide greater oversight of and transparency on international insurance standards setting processes, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''International Insurance Standards Act of 2018''.

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds the following:

(1) The State-based system for insurance regulation in the United States has served American consumers well for more than 150 years and has fostered an open and competitive marketplace with a diversity of insurance products to the benefit of policyholders and consumers.

(2) Protecting policyholders by regulating to ensure an insurer's ability to pay claims has been the hallmark of the successful United States system and should be the paramount objective of domestic prudential regulation and emerging international standards.

(3) The Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111–203) reaffirmed the State-based insurance regulatory system.

SEC. 3. REQUIREMENT THAT INSURANCE STANDARDS REFLECT UNITED STATES POLICY.

(a) REQUIREMENT.—

(1) IN GENERAL.—Parties representing the Federal Government in any international regulatory, standard-setting, or supervisory forum or in any negotiations of any international agreements relating to the prudential aspects of insurance shall not agree to, accede to, accept, or establish any proposed agreement or standard if the proposed agreement or standard fails to recognize the United States system of insurance regulation as satisfying such proposals.

(2) INAPPLICABILITY.—Paragraph (1) shall not apply to any forum or negotiations relating to a covered agreement (as such term is defined in section 313(r) of title 31, United States Code).

(b) FEDERAL INSURANCE OFFICE FUNCTIONS.—Subparagraph (E) of section 313(c)(1) of title 31, United States Code, is amended by inserting ''Federal Government'' after ''United States''.

(c) NEGOTIATIONS.—Nothing in this section shall be construed to prevent participation in negotiations of any proposed agreement or standard.

SEC. 4. STATE INSURANCE REGULATOR INVOLVEMENT IN INTERNATIONAL STANDARD SETTING.

In developing international insurance standards pursuant to section 3, and throughout the negotiations of such standards, parties representing the Federal Government shall, on matters related to insurance, closely consult, coordinate with, and seek to include in such meetings State insurance commissioners or, at the option of the State insurance commissioners, designees of the insurance commissioners acting at their direction.

SEC. 5. CONSULTATION WITH CONGRESS.

(a) REQUIREMENT.—Parties representing the Federal Government with respect to any agreement under section 3 shall provide written notice to and consult with the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, and any other relevant committees of jurisdiction—

(1) before initiating negotiations to enter into the agreement, regarding—

(A) the intention of the United States to participate in or enter into such negotiations; and

(B) the nature and objectives of the negotiations; and

(2) during negotiations to enter into the agreement, regarding—

(A) the nature and objectives of the negotiations

(B) the implementation of the agreement, including how it is consistent with and does not materially differ from or otherwise affect Federal or State laws or regulations;

(C) the impact on the competitiveness of United States insurers; and

(D) the impact on United States consumers.

(b) CONSULTATION WITH FEDERAL ADVISORY COMMITTEE ON INSURANCE.—Before entering into an agreement under section 3, the Secretary of the Treasury shall seek to consult with the Federal Advisory Committee on Insurance formed pursuant to section 313(h) of title 31, United States Code.

SEC. 6. REPORT TO CONGRESS ON INTERNATIONAL INSURANCE AGREEMENTS.

Before entering into an agreement under section 3, parties representing the Federal Government shall submit to the appropriate congressional committees and leadership a report that describes —

(1) the implementation of the agreement, including how it is consistent with and does not materially differ from or otherwise affect Federal or State laws or regulations;

(2) the impact on the competitiveness of United States insurers; and

(3) the impact on United States consumers.

SEC. 7. COVERED AGREEMENTS.

(a) PREEMPTION OF STATE INSURANCE MEASURES.—Subsection (f) of section 313 of title 31, United States Code, is amended by striking ''Director'' each place such term appears and inserting ''Secretary''.

(b) DEFINITION.—Paragraph (2) of section 313(r) of title 31, United States Code, is amended—

(1) in subparagraph (A), by striking ''and'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following new subparagraph: