

The MOBILE Act provides consumers easier access to the highly regulated financial services industry by simplifying their ability to open an account through the process of scanning or copying their State-issued identification card. As one State banking association wrote to me:

This legislation is mutually beneficial to both financial institutions and their customers. The MOBILE Act will help expand access to critical banking services for underbanked populations by offering similar retail services through mobile technology.

Increasing access for mobile financial services products also means giving rural communities, like many of the small towns I represent in Colorado, access to financial success. While many of us can drive a short distance, walk into a bank, and open an account, there are rural communities where physical bank locations are few and far between. By allowing those with smartphones to essentially have their bank accounts in their pocket, geography is no longer a constraint to accessing financial services products.

All families should have the tools they need to be able to achieve the financial stability and the prosperity the MOBILE Act will provide.

Mr. Speaker, this legislation is important for the future financial health of our Nation's customers. I urge its passage here today, and I reserve the balance of my time.

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

Mr. Speaker, H.R. 1457, the Making Online Banking Initiation Legal and Easy, or MOBILE, Act, permits financial institutions to copy or scan a consumer's driver's license or personal ID card when a consumer decides to obtain a financial product or service.

At a time when more Americans are conducting their business online and through their phones, the MOBILE Act will help expand access to banking products and financial services for those consumers who do not have access to a traditional brick-and-mortar financial institution by allowing consumers to utilize their smartphones to open a checking or savings account.

While financial inclusion has increased significantly over the past 20 years, still, too many Americans do not get their basic financial needs met by traditional financial service providers. For example, in June 2016, the Obama administration released a report indicating that about 7 percent of American households still lack access to a bank account, and another 20 percent supplement their bank account with nontraditional financial services like check cashing or payday loans.

Technological innovations in the financial industry and commonsense proposals like the MOBILE Act here in Congress will continue to help us close this gap. The bill will expand credit opportunities for consumers who cannot easily get to a bank in person and provides them access to innovative new

products that can improve their overall financial health.

An amendment in the nature of a substitute was adopted in committee that makes the MOBILE Act even stronger, and I want to thank Mr. TIPTON for putting these improvements forward.

These improvements require financial institutions to permanently delete copies of consumers' ID cards within a reasonable amount of time after they have opened the account, made clarifying changes to better harmonize the bill's requirements with Federal bank secrecy laws, and recognized identification cards issued by federally recognized Indian Tribes as an acceptable identification card.

Perhaps most importantly, the bill also prohibits financial institutions from selling or otherwise sharing the personally identifiable information they collect from consumers with unaffiliated third parties.

The bill is supported by several financial technology and industry groups, including the Innovative Lending Platform Association and the Financial Services Roundtable.

Again, in a day and age when more and more Americans are conducting their business online and through their smartphones but still continue to lack access to traditional banking services and financial products, we need to be doing all we can to simplify the process and encourage account openings through these platforms.

The MOBILE Act is a strong step in that direction, and I have been proud to join the bill as a cosponsor. I encourage Members to vote "yes."

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado (Mr. TIPTON) that the House suspend the rules and pass the bill, H.R. 1457, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. TIPTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

#### FEDERAL SAVINGS ASSOCIATION CHARTER FLEXIBILITY ACT OF 2017

Mr. TIPTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1426) to amend the Home Owners' Loan Act to allow Federal savings associations to elect to operate as national banks, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1426

*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 "Federal Savings Association Charter Flexibility Act of 2017".

#### SEC. 2. OPTION FOR FEDERAL SAVINGS ASSOCIATIONS TO OPERATE AS A COVERED SAVINGS ASSOCIATION.

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

#### "SEC. 5A. ELECTION TO OPERATE AS A COVERED SAVINGS ASSOCIATION.

"(a) DEFINITION.—In this section, the term 'covered savings association' means a Federal savings association that makes an election approved under subsection (b).

"(b) ELECTION.—

"(1) IN GENERAL.—Upon issuance of the rules described in subsection (f), a Federal savings association may elect to operate as a covered savings association by submitting a notice to the Comptroller of such election.

"(2) APPROVAL.—A Federal savings association shall be deemed to be approved to operate as a covered savings association on the date that is 60 days after the date on which the Comptroller receives the notice under paragraph (1), unless the Comptroller notifies the Federal savings association otherwise.

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

"(1) have the same rights and privileges as a national bank that has its main office situated in the same location as the home office of the covered savings association; and

"(2) be subject to the same duties, restrictions, penalties, liabilities, conditions, and limitations that would apply to such a national bank.

"(d) TREATMENT OF COVERED SAVINGS ASSOCIATIONS.—A covered savings association shall be treated as a Federal savings association for the purposes—

"(1) of governance of the covered savings association, including incorporation, bylaws, boards of directors, shareholders, and distribution of dividends;

"(2) of consolidation, merger, dissolution, conversion (including conversion to a stock bank or to another charter), conservatorship, and receivership; and

"(3) determined by regulation of the Comptroller.

"(e) EXISTING BRANCHES.—A covered savings association may continue to operate any branch or agency the covered savings association operated on the date on which an election under subsection (b) is approved.

"(f) RULEMAKING.—The Comptroller shall issue rules to carry out this section—

"(1) that establish streamlined standards and procedures that clearly identify required documentation or timelines for an election under subsection (b);

"(2) that require a Federal savings association that makes an election under subsection (b) to identify specific assets and subsidiaries—

"(A) that do not conform to the requirements for assets and subsidiaries of a national bank; and

"(B) that are held by the Federal savings association on the date on which the Federal savings association submits a notice of such election;

"(3) that establish—

"(A) a transition process for bringing such assets and subsidiaries into conformance with the requirements for a national bank; and

“(B) procedures for allowing the Federal savings association to provide a justification for grandfathering such assets and subsidiaries after electing to operate as a covered savings association;

“(4) that establish standards and procedures to allow a covered savings association to terminate an election under subsection (b) after an appropriate period of time or to make a subsequent election;

“(5) that clarify requirements for the treatment of covered savings associations, including the provisions of law that apply to covered savings associations; and

“(6) as the Comptroller deems necessary and in the interests of safety and soundness.”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado (Mr. TIPTON) and the gentlewoman from New York (Ms. VELÁZQUEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Colorado.

#### GENERAL LEAVE

Mr. TIPTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in 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 Colorado?

There was no objection.

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

Mr. Speaker, mutual savings banks, cooperative banks, and mutual savings and loan associations are essential community-based financial institutions that have a long history of serving their neighbors and promoting small-town economic growth.

However, many of the benefits once given to Federal savings associations, also known as thrifts, that encouraged community growth and financial well-being have been stifled by changes initiated under the Dodd-Frank Act. While Dodd-Frank eliminated many of the benefits provided to Federal savings associations, the HOLA restrictions, unfortunately, remain.

These restrictions have left Federal savings associations at a disadvantage and without the flexibility needed to adapt to meet community needs and, as a result, are forcing many mutual banks to either close or merge with other institutions, meaning fewer and more expensive choices for consumers hoping to finance important purchases.

H.R. 1426, Mr. ROTHFUS' bipartisan legislation that passed out of the Financial Services Committee unanimously, would help to preserve these important community financial institutions by providing mutual banks with a framework to become covered savings associations. This process would provide thrifts the ability to operate with the same rights and duties as national banks without subjecting them to a complex, time-consuming, and costly charter conversion process.

Providing thrifts the flexibility to exercise national bank powers without changing their charters would give in-

stitutions the ability to exceed the commercial and consumer loan limits that apply under the Home Owners' Loan Act but continue to benefit from their structure for purposes of consolidation, merger, dissolution, conservatorship, and receivership.

Because the Office of the Comptroller of the Currency already supervises both national bank and Federal savings association charters, it is uniquely positioned to provide the structural framework for the election process that would transition the rights and duties of a national bank to a thrift.

Mr. ROTHFUS' bill instructs the OCC to develop a series of rulemakings to outline this election process, while also requiring safeguards to prevent malpractice in the transition process, as well as abuses in the new structure once it has been instituted.

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Community financial institutions should be given the tools they need to lend effectively to their communities, and this bill creates the legislative landscape for savings associations to do just that.

Ultimately, the bill creates opportunities for families and small businesses to access financing for their important purchases, from buying a home to expanding a business.

Federal savings associations have a long, proud history of being responsive to their communities' needs, and this legislation will help them to enhance and continue that record.

I cannot give more emphatic support for this commonsense, bipartisan legislation, and I urge my colleagues to support this measure.

Mr. Speaker, I reserve the balance of my time.

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

Mr. Speaker, currently, the Home Owners' Loan Act imposes limitations on the portfolio mix of loans and investments that a thrift institution can make. Such limitations include the amount of commercial and consumer loans that a thrift can hold and a requirement that they hold a certain percentage of qualified thrift investments. These restrictions are not currently faced by national banks and other financial institutions.

If a thrift decides that it wants to engage in more commercial lending or otherwise seeks to expand its product offerings beyond what is allowed under current law, they have to undergo a time-consuming process of converting the stock form of their organization in order to apply for a national bank charter. For smaller thrifts in particular, the charter conversion process can be costly.

H.R. 1426 solves this problem by amending the Home Owners' Loan Act and creating an election process for thrifts to operate as a national bank without having to convert their charter to a national bank.

This proposal originated from former Comptroller Curry in 2014 to give thrifts flexibility with respect to the current limitations on the amount of commercial and consumer loans that a thrift can hold.

While the terms and conditions of a charter are important, we should be careful about blurring lines. Therefore, I am pleased that the OCC can reject providing the flexibility to a particular thrift under this bill and can take other supervisory actions to promote safety and soundness.

According to the FDIC, there were 768 thrifts as of last September, compared to nearly 5,000 State and national banks, and all but 15 of these thrifts have less than \$10 billion in assets, which underscores that this bill will mostly help small institutions better serve their communities.

Former Comptroller Curry described the proposal as a tool for enabling “Federal thrifts to diversify their loan portfolios, maintain their Federal charter, and retain the OCC as their regulator.”

I thank Mr. ROTHFUS and Mr. HIMES for introducing this bipartisan bill, and I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. TIPTON. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. ROTHFUS), vice chairman of the Financial Services Subcommittee on Financial Institutions and Consumer Credit. He is also the sponsor of this legislation.

Mr. ROTHFUS. Mr. Speaker, I thank my good friend for yielding.

I thank my colleagues on both sides of the aisle for their support of this important bipartisan legislation, and especially the lead Democratic cosponsor, Representative JIM HIMES from Connecticut.

The Federal Savings Association Charter Flexibility Act is a commonsense reform bill that will help to ensure that community banks, many of which have histories stretching back generations, can continue to serve the needs of Main Street businesses and families.

Specifically, this bill focuses on Federal savings associations, also known as thrifts. These institutions are similar to national banks in the sense that they are both chartered and regulated by the Office of the Comptroller of the Currency and the FDIC.

But these banks are constrained in their ability to pursue certain lines of business under the Home Owners' Loan Act, also known as HOLA. Specifically, HOLA subjects Federal thrifts to commercial lending limits.

Under what is known as the qualified thrift lender test, at least 65 percent of a Federal thrift's portfolio assets must comprise certain mortgage and consumer-related assets. These institutions are also constrained in their ability to hold commercial loans, paper, or corporate debt. In contrast, national banks enjoy the ability to engage in a much wider range of lending activities.

These restrictions originally made sense because thrifts also enjoyed advantages not afforded to national banks. But changes in law have eliminated or curtailed many of those benefits, and some thrifts have expressed frustration that these restrictions prevent them from being able to meet the changing needs of their local communities. Unfortunately, thrifts have not been immune to the industrywide trend of consolidations and closures that has accelerated over the last decade.

The Federal Savings Association Charter Flexibility Act provides these banks with additional flexibility to adjust to changing times and continue to serve their communities, despite these persistent headwinds.

Under current law, the only option available to Federal savings associations is a costly and complicated conversion to a national bank charter. This is a particularly burdensome process for mutually chartered Federal thrifts since it requires that they first convert to stock form before converting their charter.

The Federal Savings Association Charter Flexibility Act provides another, less disruptive option. Under my bill, Federal thrifts will have the ability to pursue a path that will allow them to operate with the same rights and duties as a national bank. But these banks will not have to go through the costly and cumbersome process of converting to stock form and then rechartering. Instead, the bill sets up a simple 60-day election process that will allow these institutions to become covered savings associations.

It will also require the OCC, which has been supportive of this legislation and has responsibility for regulating Federal savings associations and national banks, to establish an orderly and streamlined transition process.

This bill also includes important safeguards to prevent potential fire sales of assets and subsidiaries during the transition process, and it protects the OCC's ability to prevent firms from abusing the new structure.

Altogether, this effort will help to ensure that time-tested community financial institutions will continue to be able to serve their customers for years to come.

The Federal Savings Association Charter Flexibility Act has the support of the American Bankers Association and the Independent Community Bankers of America. It is also bipartisan, and it passed the Financial Services Committee with a 55-0 vote. Similar language has been included in the bipartisan Senate Banking Committee package, also.

In short, this bill represents the sort of reasonable, commonsense, across-the-aisle reform that our constituents want to see.

I want to briefly share some comments from the Pennsylvania Bankers Association, which represents a wide range of banks in the Commonwealth of Pennsylvania. In their letter of sup-

port for this bill, they wrote: “. . . this legislation represents sound, sensible regulatory relief.”

They also added that “Federal savings associations are known for being responsive to their communities’ needs, and this legislation will help them to expand and continue to do so.”

I ask that my colleagues support H.R. 1426, the Federal Savings Association Charter Flexibility Act.

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

Mr. TIPTON. 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 Colorado (Mr. TIPTON) that the House suspend the rules and pass the bill, H.R. 1426.

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.

#### CLARIFYING ACCEPTANCE OF DONATED MORTGAGE APPRAISALS BY NONPROFIT ORGANIZATIONS

Mr. TIPTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2255), to clarify that nonprofit organizations may accept donated mortgage appraisals, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2255

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

#### TITLE I—HOUSING OPPORTUNITIES MADE EASIER

##### SEC. 101. EXEMPTION FROM TRUTH IN LENDING ACT.

Section 129E(i) of the Truth in Lending Act (15 U.S.C. 1639e(i)) is amended by adding at the end the following:

“(4) **RULE OF CONSTRUCTION RELATED TO APPRAISAL DONATIONS.**—For purposes of paragraph (1), if a fee appraiser voluntarily donates appraisal services to an organization described in section 170(c)(2) of the Internal Revenue Code of 1986, such voluntary donation shall be deemed customary and reasonable.”.

#### TITLE II—EXPANDING ACCESS TO CAPITAL FOR RURAL JOB CREATORS

##### SEC. 201. ACCESS TO CAPITAL FOR RURAL-AREA SMALL BUSINESSES.

Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended—

(1) in subsection (j)(4)(C), by striking “and women-owned small businesses” and inserting “, women-owned, and rural-area small businesses”; and

(2) in subsection (j)(6)(B)(iii), by striking “and women-owned small businesses” and inserting “, women-owned, and rural-area small businesses”.

#### TITLE III—SENIOR SAFE

##### SEC. 301. IMMUNITY.

(a) **DEFINITIONS.**—In this title—

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

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

(3) the term “covered agency” means—

(A) a state financial regulatory agency, including a State securities or law enforcement authority and a State insurance regulator;

(B) each of the entities represented in the membership of the Federal Financial Institutions Examination Council established under section 1004 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3303);

(C) the Securities and Exchange Commission;

(D) a securities association registered under section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o-3);

(E) a law enforcement agency; and

(F) a State or local agency responsible for administering adult protective service laws;

(4) the term “covered financial institution” means—

(A) a credit union;

(B) a depository institution;

(C) an investment adviser;

(D) a broker-dealer;

(E) an insurance company;

(F) an insurance agency; and

(G) a transfer agent;

(5) the term “credit union” has the meaning given the term in section 2 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5301);

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

(7) the term “exploitation” means the fraudulent or otherwise illegal, unauthorized, or improper act or process of an individual, including a caregiver or a fiduciary, that—

(A) uses the resources of a senior citizen for monetary or personal benefit, profit, or gain; or

(B) results in depriving a senior citizen of rightful access to or use of benefits, resources, belongings, or assets;

(8) the term “insurance agency” means any business entity that sells, solicits, or negotiates insurance coverage;

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

(10) the term “insurance producer” means an individual who is required under State law to be licensed in order to sell, solicit, or negotiate insurance coverage;

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

(12) the term “investment adviser representative” means an individual who—

(A) is employed by or associated with an investment adviser; and

(B) does not perform solely clerical or ministerial acts;

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

(14) the term “senior citizen” means an individual who is not younger than 65 years of age;

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

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