

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—115th Cong., 2d Sess.

S. 2155

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

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. CRAPO (for himself, Mr. DONNELLY, Ms. HEITKAMP, Mr. TESTER, and Mr. WARNER)

Viz:

1 Strike all after the enacting clause and insert the following:
2

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

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

7 (b) **TABLE OF CONTENTS.**—The table of contents for
8 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.

2

- 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.
- 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 propriate Federal banking agency”, “company”,
7 “depository institution”, and “depository institution
8 holding company” have the meanings given those
9 terms in section 3 of the Federal Deposit Insurance
10 Act (12 U.S.C. 1813).

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

1 **TITLE I—IMPROVING CON-**
2 **SUMER ACCESS TO MORT-**
3 **GAGE CREDIT**

4 **SEC. 101. MINIMUM STANDARDS FOR RESIDENTIAL MORT-**
5 **GAGE LOANS.**

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

9 “(F) SAFE HARBOR.—

10 “(i) DEFINITIONS.—In this subpara-
11 graph—

12 “(I) the term ‘covered institution’
13 means an insured depository institu-
14 tion or an insured credit union that,
15 together with its affiliates, has less
16 than \$10,000,000,000 in total consoli-
17 dated assets;

18 “(II) the term ‘insured credit
19 union’ has the meaning given the
20 term in section 101 of the Federal
21 Credit Union Act (12 U.S.C. 1752);

22 “(III) the term ‘insured deposi-
23 tory institution’ has the meaning
24 given the term in section 3 of the

1 Federal Deposit Insurance Act (12
2 U.S.C. 1813);

3 “(IV) the term ‘interest-only’
4 means that, under the terms of the
5 legal obligation, one or more of the
6 periodic payments may be applied
7 solely to accrued interest and not to
8 loan principal; and

9 “(V) the term ‘negative amortiza-
10 tion’ means payment of periodic pay-
11 ments that will result in an increase
12 in the principal balance under the
13 terms of the legal obligation.

14 “(ii) SAFE HARBOR.—In this sec-
15 tion—

16 “(I) the term ‘qualified mort-
17 gage’ includes any residential mort-
18 gage loan—

19 “(aa) that is originated and
20 retained in portfolio by a covered
21 institution;

22 “(bb) that is in compliance
23 with the limitations with respect
24 to prepayment penalties de-

1 mortgage loan is sold, assigned, or other-
2 wise transferred—

3 “(I) to another person by reason
4 of the bankruptcy or failure of a cov-
5 ered institution;

6 “(II) to a covered institution so
7 long as the loan is retained in port-
8 folio by the covered institution to
9 which the loan is sold, assigned, or
10 otherwise transferred;

11 “(III) pursuant to a merger of a
12 covered institution with another per-
13 son or the acquisition of a covered in-
14 stitution by another person or of an-
15 other person by a covered institution,
16 so long as the loan is retained in port-
17 folio by the person to whom the loan
18 is sold, assigned, or otherwise trans-
19 ferred; or

20 “(IV) to a wholly owned sub-
21 sidiary of a covered institution, pro-
22 vided that, after the sale, assignment,
23 or transfer, the residential mortgage
24 loan is considered to be an asset of

1 the covered institution for regulatory
2 accounting purposes.

3 “(iv) CONSIDERATION AND DOCU-
4 MENTATION REQUIREMENTS.—The consid-
5 eration and documentation requirements
6 described in clause (ii)(I)(ee) shall—

7 “(I) not be construed to require
8 compliance with, or documentation in
9 accordance with, appendix Q to part
10 1026 of title 12, Code of Federal Reg-
11 ulations, or any successor regulation;
12 and

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

15 **SEC. 102. SAFEGUARDING ACCESS TO HABITAT FOR HU-**
16 **MANITY HOMES.**

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

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

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

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

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

2 “(B) RULE OF CONSTRUCTION RELATED
3 TO APPRAISAL DONATIONS.—If a fee appraiser
4 voluntarily donates appraisal services to an or-
5 ganization eligible to receive tax-deductible
6 charitable contributions, such voluntary dona-
7 tion shall be considered customary and reason-
8 able for the purposes of paragraph (1).”.

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

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

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

16 “(a) DEFINITIONS.—In this section—

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

20 “(2) the term ‘transaction value’ means the
21 amount of a loan or extension of credit, including a
22 loan or extension of credit that is part of a pool of
23 loans or extensions of credit.

24 “(b) APPRAISAL NOT REQUIRED.—Except as pro-
25 vided in subsection (d), notwithstanding any other provi-

1 sion of law, an appraisal in connection with a federally
2 related transaction involving real property or an interest
3 in real property is not required if—

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

8 “(2) not later than 3 days after the date on
9 which the Closing Disclosure Form, made in accord-
10 ance with the final rule of the Bureau of Consumer
11 Financial Protection entitled ‘Integrated Mortgage
12 Disclosures Under the Real Estate Settlement Pro-
13 cedures Act (Regulation X) and the Truth in Lend-
14 ing Act (Regulation Z)’ (78 Fed. Reg. 79730 (De-
15 cember 31, 2013)), relating to the federally related
16 transaction is given to the consumer, the mortgage
17 originator or its agent, directly or indirectly—

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

24 “(B) has documented that no State cer-
25 tified appraiser or State licensed appraiser, as

1 applicable, was available within 5 business days
2 beyond customary and reasonable fee and time-
3 liness standards for comparable appraisal as-
4 signments, as documented by the mortgage
5 originator or its agent;

6 “(3) the transaction value is less than
7 \$400,000; and

8 “(4) the mortgage originator is subject to over-
9 sight by a Federal financial institutions regulatory
10 agency.

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

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

18 “(2) the loan is sold, assigned, or otherwise
19 transferred to another person regulated by a Federal
20 financial institutions regulatory agency, so long as
21 the loan is retained in portfolio by the person;

22 “(3) the sale, assignment, or transfer is pursu-
23 ant to a merger of the mortgage originator with an-
24 other person or the acquisition of the mortgage

1 originator by another person or of another person by
2 the mortgage originator; or

3 “(4) the sale, loan, or transfer is to a wholly
4 owned subsidiary of the mortgage originator, pro-
5 vided that, after the sale, assignment, or transfer,
6 the loan is considered to be an asset of the mortgage
7 originator for regulatory accounting purposes.

8 “(d) EXCEPTION.—Subsection (b) shall not apply
9 if—

10 “(1) a Federal financial institutions regulatory
11 agency requires an appraisal under section
12 225.63(c), 323.3(c), 34.43(c), or 722.3(e) of title
13 12, Code of Federal Regulations; or

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

17 “(e) ANTI-EVASION.—Each Federal financial institu-
18 tions regulatory agency shall ensure that any mortgage
19 originator that the Federal financial institutions regu-
20 latory agency oversees that makes a significant amount
21 of loans under subsection (b) is complying with the re-
22 quirements of subsection (b)(2) with respect to each
23 loan.”.

1 **SEC. 104. HOME MORTGAGE DISCLOSURE ACT ADJUST-**
2 **MENT AND STUDY.**

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

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

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

10 “(i) EXEMPTIONS.—

11 “(1) CLOSED-END MORTGAGE LOANS.—With
12 respect to an insured depository institution or in-
13 sured credit union, the requirements of paragraphs
14 (5) and (6) of subsection (b) shall not apply with re-
15 spect to closed-end mortgage loans if the insured de-
16 pository institution or insured credit union origi-
17 nated fewer than 500 closed-end mortgage loans in
18 each of the 2 preceding calendar years.

19 “(2) OPEN-END LINES OF CREDIT.—With re-
20 spect to an insured depository institution or insured
21 credit union, the requirements of paragraphs (5) and
22 (6) of subsection (b) shall not apply with respect to
23 open-end lines of credit if the insured depository in-
24 stitution or insured credit union originated fewer
25 than 500 open-end lines of credit in each of the 2
26 preceding calendar years.

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

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

13 “(o) DEFINITIONS.—In this section—

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

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

20 (b) LOOKBACK STUDY.—

21 (1) STUDY.—Not earlier than 2 years after the
22 date of enactment of this Act, the Comptroller Gen-
23 eral of the United States shall conduct a study to
24 evaluate the impact of the amendments made by
25 subsection (a) on the amount of data available under

1 the Home Mortgage Disclosure Act of 1975 (12
2 U.S.C. 2801 et seq.) at the national and local level.

3 (2) REPORT.—Not later than 3 years after the
4 date of enactment of this Act, the Comptroller Gen-
5 eral of the United States shall submit to the Com-
6 mittee on Banking, Housing, and Urban Affairs of
7 the Senate and the Committee on Financial Services
8 of the House of Representatives a report that in-
9 cludes the findings and conclusions of the Comp-
10 troller General with respect to the study required
11 under paragraph (1).

12 (c) TECHNICAL CORRECTION.—Section 304(i)(3) of
13 the Home Mortgage Disclosure Act of 1975, as so redesi-
14 gnated by subsection (a)(1), is amended by striking “sec-
15 tion 303(2)(A)” and inserting “section 303(3)(A)”.

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

17 (a) REMOVAL FROM MEMBER BUSINESS LOAN LIM-
18 ITATION.—Section 107A(c)(1)(B)(i) of the Federal Credit
19 Union Act (12 U.S.C. 1757a(c)(1)(B)(i)) is amended by
20 striking “that is the primary residence of a member”.

21 (b) RULE OF CONSTRUCTION.—Nothing in this sec-
22 tion or the amendment made by this section shall preclude
23 the National Credit Union Administration from treating
24 an extension of credit that is fully secured by a lien on
25 a 1- to 4-family dwelling that is not the primary residence

1 of a member as a member business loan for purposes other
2 than the member business loan limitation requirements
3 under section 107A of the Federal Credit Union Act (12
4 U.S.C. 1757a).

5 **SEC. 106. ELIMINATING BARRIERS TO JOBS FOR LOAN**
6 **ORIGINATORS.**

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

10 **“SEC. 1518. EMPLOYMENT TRANSITION OF LOAN ORIGINA-**
11 **TORS.**

12 “(a) DEFINITIONS.—In this section:

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

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

22 “(b) TEMPORARY AUTHORITY TO ORIGINATE LOANS
23 FOR LOAN ORIGINATORS MOVING FROM A DEPOSITORY
24 INSTITUTION TO A NON-DEPOSITORY INSTITUTION.—

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

7 “(A) has not had—

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

10 “(ii) a loan originator license revoked
11 or suspended in any governmental jurisdic-
12 tion;

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

15 “(i) in any governmental jurisdiction;
16 or

17 “(ii) under section 1514(c);

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

21 “(D) has submitted an application to be a
22 State-licensed loan originator in the application
23 State; and

24 “(E) was registered in the Nationwide
25 Mortgage Licensing System and Registry as a

1 loan originator during the 1-year period pre-
2 ceeding the date on which the information re-
3 quired under section 1505(a) is submitted.

4 “(2) PERIOD.—The period described in this
5 paragraph shall begin on the date on which an indi-
6 vidual described in paragraph (1) submits the infor-
7 mation required under section 1505(a) and shall end
8 on the earliest of the date—

9 “(A) on which the individual withdraws the
10 application to be a State-licensed loan origi-
11 nator in the application State;

12 “(B) on which the application State denies,
13 or issues a notice of intent to deny, the applica-
14 tion;

15 “(C) on which the application State grants
16 a State license; or

17 “(D) that is 120 days after the date on
18 which the individual submits the application, if
19 the application is listed on the Nationwide
20 Mortgage Licensing System and Registry as in-
21 complete.

22 “(c) TEMPORARY AUTHORITY TO ORIGINATE LOANS
23 FOR STATE-LICENSED LOAN ORIGINATORS MOVING
24 INTERSTATE.—

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

6 “(A) meets the requirements of subpara-
7 graphs (A), (B), (C), and (D) of subsection
8 (b)(1);

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

11 “(C) was licensed in a State that is not the
12 application State during the 30-day period pre-
13 ceding the date on which the information re-
14 quired under section 1505(a) was submitted in
15 connection with the application submitted to the
16 application State.

17 “(2) PERIOD.—The period described in this
18 paragraph shall begin on the date on which the
19 State-licensed loan originator submits the informa-
20 tion required under section 1505(a) in connection
21 with the application submitted to the application
22 State and end on the earliest of the date—

23 “(A) on which the State-licensed loan
24 originator withdraws the application to be a

1 State-licensed loan originator in the application
2 State;

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

6 “(C) on which the application State grants
7 a State license; or

8 “(D) that is 120 days after the date on
9 which the State-licensed loan originator submits
10 the application, if the application is listed on
11 the Nationwide Mortgage Licensing System and
12 Registry as incomplete.

13 “(d) APPLICABILITY.—

14 “(1) EMPLOYER OF LOAN ORIGINATORS.—Any
15 person employing an individual who is deemed to
16 have temporary authority to act as a loan originator
17 in an application State under this section shall be
18 subject to the requirements of this title and to appli-
19 cable State law to the same extent as if that indi-
20 vidual was a State-licensed loan originator licensed
21 by the application State.

22 “(2) ENGAGING IN MORTGAGE LOAN ACTIVI-
23 TIES.—Any individual who is deemed to have tem-
24 porary authority to act as a loan originator in an ap-
25 plication State under this section and who engages

1 in residential mortgage loan origination activities
2 shall be subject to the requirements of this title and
3 to applicable State law to the same extent as if that
4 individual was a State-licensed loan originator li-
5 censed by the application State.”.

6 (b) TABLE OF CONTENTS AMENDMENT.—Section
7 1(b) of the Housing and Economic Recovery Act of 2008
8 (42 U.S.C. 4501 note) is amended by inserting after the
9 item relating to section 1517 the following:

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

10 (c) CIVIL LIABILITY.—Section 1513 of the S.A.F.E.
11 Mortgage Licensing Act of 2008 (12 U.S.C. 5112) is
12 amended by striking “persons who are loan originators or
13 are applying for licensing or registration as loan origina-
14 tors.” and inserting “persons who—

15 “(1) have applied, are applying, or are licensed
16 or registered through the Nationwide Mortgage Li-
17 censing System and Registry; and

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

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

1 **SEC. 107. PROTECTING ACCESS TO MANUFACTURED**
2 **HOMES.**

3 Section 103 of the Truth in Lending Act (15 U.S.C.
4 1602) is amended—

5 (1) by redesignating the second subsection (cc)
6 (relating to definitions relating to mortgage origina-
7 tion and residential mortgage loans) and subsection
8 (dd) as subsections (dd) and (ee), respectively; and

9 (2) in paragraph (2) of subsection (dd), as so
10 redesignated, by striking subparagraph (C) and in-
11 serting the following:

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

13 “(i) not otherwise described in sub-
14 paragraph (A) or (B) and who performs
15 purely administrative or clerical tasks on
16 behalf of a person who is described in any
17 such subparagraph; or

18 “(ii) a retailer of manufactured or
19 modular homes or an employee of the re-
20 tailer if the retailer or employee, as appli-
21 cable—

22 “(I) does not receive compensa-
23 tion or gain for engaging in activities
24 described in subparagraph (A) that is
25 in excess of any compensation or gain

1 received in a comparable cash trans-
2 action;

3 “(II) discloses to the consumer—

4 “(aa) in writing any cor-
5 porate affiliation with any cred-
6 itor; and

7 “(bb) if the retailer has a
8 corporate affiliation with any
9 creditor, at least 1 unaffiliated
10 creditor; and

11 “(III) does not directly negotiate
12 with the consumer or lender on loan
13 terms (including rates, fees, and other
14 costs).”.

15 **SEC. 108. ESCROW REQUIREMENTS RELATING TO CERTAIN**
16 **CONSUMER CREDIT TRANSACTIONS.**

17 Section 129D of the Truth in Lending Act (15 U.S.C.
18 1639d) is amended—

19 (1) in subsection (c)—

20 (A) by redesignating paragraphs (1)
21 through (4) as subparagraphs (A) through (D),
22 respectively, and adjusting the margins accord-
23 ingly;

1 (B) in the matter preceding subparagraph
2 (A), as so redesignated, by striking “The
3 Board” and inserting the following:

4 “(1) IN GENERAL.—The Bureau”;

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

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

9 “(2) TREATMENT OF LOANS HELD BY SMALLER
10 INSTITUTIONS.—The Bureau shall, by regulation,
11 exempt from the requirements of subsection (a) any
12 loan made by an insured depository institution or an
13 insured credit union secured by a first lien on the
14 principal dwelling of a consumer if—

15 “(A) the insured depository institution or
16 insured credit union has assets of
17 \$10,000,000,000 or less;

18 “(B) during the preceding calendar year,
19 the insured depository institution or insured
20 credit union and its affiliates originated 1,000
21 or fewer loans secured by a first lien on a prin-
22 cipal dwelling; and

23 “(C) the transaction satisfies the criteria
24 in sections 1026.35(b)(2)(iii)(A),
25 1026.35(b)(2)(iii)(D), and 1026.35(b)(2)(v) of

1 title 12, Code of Federal Regulations, or any
2 successor regulation.”; and

3 (2) in subsection (i), by adding at the end the
4 following:

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

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

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

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

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

18 (2) by inserting after paragraph (2) the fol-
19 lowing:

20 “(3) NO WAIT FOR LOWER RATE.—If a creditor
21 extends to a consumer a second offer of credit with
22 a lower annual percentage rate, the transaction may
23 be consummated without regard to the period speci-
24 fied in paragraph (1) with respect to the second
25 offer.”.

1 (b) SENSE OF CONGRESS.—It is the sense of Con-
2 gress that, whereas the Bureau of Consumer Financial
3 Protection issued a final rule entitled “Integrated Mort-
4 gage Disclosures Under the Real Estate Settlement Proce-
5 dures Act (Regulation X) and the Truth in Lending Act
6 (Regulation Z)” (78 Fed. Reg. 79730 (December 31,
7 2013)) (in this subsection referred to as the “TRID
8 Rule”) to combine the disclosures a consumer receives in
9 connection with applying for and closing on a mortgage
10 loan, the Bureau of Consumer Financial Protection should
11 endeavor to provide clearer, authoritative guidance on—

12 (1) the applicability of the TRID Rule to mort-
13 gage assumption transactions;

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

18 (3) the extent to which lenders can rely on
19 model disclosures published by the Bureau of Con-
20 sumer Financial Protection without liability if recent
21 changes to regulations are not reflected in the sam-
22 ple TRID Rule forms published by the Bureau of
23 Consumer Financial Protection.

1 **TITLE II—REGULATORY RELIEF**
2 **AND PROTECTING CONSUMER**
3 **ACCESS TO CREDIT**

4 **SEC. 201. CAPITAL SIMPLIFICATION FOR QUALIFYING COM-**
5 **MUNITY BANKS.**

6 (a) DEFINITIONS.—In this section:

7 (1) COMMUNITY BANK LEVERAGE RATIO.—The
8 term “Community Bank Leverage Ratio” means the
9 ratio of the tangible equity capital of a qualifying
10 community bank, as reported on the qualifying com-
11 munity bank’s applicable regulatory filing with the
12 qualifying community bank’s appropriate Federal
13 banking agency, to the average total consolidated as-
14 sets of the qualifying community bank, as reported
15 on the qualifying community bank’s applicable regu-
16 latory filing with the qualifying community bank’s
17 appropriate Federal banking agency.

18 (2) GENERALLY APPLICABLE LEVERAGE CAP-
19 ITAL REQUIREMENTS; GENERALLY APPLICABLE
20 RISK-BASED CAPITAL REQUIREMENTS.—The terms
21 “generally applicable leverage capital requirements”
22 and “generally applicable risk-based capital require-
23 ments” have the meanings given those terms in sec-
24 tion 171(a) of the Financial Stability Act of 2010
25 (12 U.S.C. 5371(a)).

1 (3) QUALIFYING COMMUNITY BANK.—

2 (A) ASSET THRESHOLD.—The term
3 “qualifying community bank” means a deposi-
4 tory institution or depository institution holding
5 company with total consolidated assets of less
6 than \$10,000,000,000.

7 (B) RISK PROFILE.—The appropriate Fed-
8 eral banking agencies may determine that a de-
9 pository institution or depository institution
10 holding company (or a class of depository insti-
11 tutions or depository institution holding compa-
12 nies) described in subparagraph (A) is not a
13 qualifying community bank based on the deposi-
14 tory institution’s or depository institution hold-
15 ing company’s risk profile, which shall be based
16 on consideration of—

- 17 (i) off-balance sheet exposures;
18 (ii) trading assets and liabilities;
19 (iii) total notional derivatives expo-
20 sures; and
21 (iv) such other factors as the appro-
22 priate Federal banking agencies determine
23 appropriate.

24 (b) COMMUNITY BANK LEVERAGE RATIO.—The ap-
25 propriate Federal banking agencies shall, through notice

1 and comment rule making under section 553 of title 5,
2 United States Code—

3 (1) develop a Community Bank Leverage Ratio
4 of not less than 8 percent and not more than 10
5 percent for qualifying community banks; and

6 (2) establish procedures for treatment of a
7 qualifying community bank that has a Community
8 Bank Leverage Ratio that falls below the percentage
9 developed under paragraph (1) after exceeding the
10 percentage developed under paragraph (1).

11 (c) CAPITAL COMPLIANCE.—

12 (1) IN GENERAL.—Any qualifying community
13 bank that exceeds the Community Bank Leverage
14 Ratio developed under subsection (b)(1) shall be
15 considered to have met—

16 (A) the generally applicable leverage cap-
17 ital requirements and the generally applicable
18 risk-based capital requirements;

19 (B) in the case of a qualifying community
20 bank that is a depository institution, the capital
21 ratio requirements that are required in order to
22 be considered well capitalized under section 38
23 of the Federal Deposit Insurance Act (12
24 U.S.C. 1831o) and any regulation implementing
25 that section; and

1 (C) any other capital or leverage require-
2 ments to which the qualifying community bank
3 is subject.

4 (2) EXISTING AUTHORITIES.—Nothing in para-
5 graph (1) shall limit the authority of the appropriate
6 Federal banking agencies as in effect on the date of
7 enactment of this Act.

8 (d) CONSULTATION.—The appropriate Federal bank-
9 ing agencies shall—

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

12 (2) notify the applicable State bank supervisor
13 of any qualifying community bank that it supervises
14 that exceeds, or does not exceed after previously ex-
15 ceeding, the Community Bank Leverage ratio devel-
16 oped under subsection (b)(1).

17 **SEC. 202. LIMITED EXCEPTION FOR RECIPROCAL DEPOS-**
18 **ITS.**

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

22 “(i) LIMITED EXCEPTION FOR RECIPROCAL DEPOS-
23 ITS.—

24 “(1) IN GENERAL.—Reciprocal deposits of an
25 agent institution shall not be considered to be funds

1 obtained, directly or indirectly, by or through a de-
2 posit broker to the extent that the total amount of
3 such reciprocal deposits does not exceed the lesser
4 of—

5 “(A) \$5,000,000,000; or

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

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

9 “(A) AGENT INSTITUTION.—The term
10 ‘agent institution’ means an insured depository
11 institution that places a covered deposit
12 through a deposit placement network at other
13 insured depository institutions in amounts that
14 are less than or equal to the standard max-
15 imum deposit insurance amount, specifying the
16 interest rate to be paid for such amounts, if the
17 insured depository institution—

18 “(i)(I) when most recently examined
19 under section 10(d) was found to have a
20 composite condition of outstanding or
21 good; and

22 “(II) is well capitalized;

23 “(ii) has obtained a waiver pursuant
24 to subsection (c); or

1 “(iii) does not receive an amount of
2 reciprocal deposits that causes the total
3 amount of reciprocal deposits held by the
4 agent institution to be greater than the av-
5 erage of the total amount of reciprocal de-
6 posits held by the agent institution on the
7 last day of each of the 4 calendar quarters
8 preceding the calendar quarter in which
9 the agent institution was found not to have
10 a composite condition of outstanding or
11 good or was determined to be not well cap-
12 italized.

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

15 “(i) is submitted for placement
16 through a deposit placement network by an
17 agent institution; and

18 “(ii) does not consist of funds that
19 were obtained for the agent institution, di-
20 rectly or indirectly, by or through a deposit
21 broker before submission for placement
22 through a deposit placement network.

23 “(C) DEPOSIT PLACEMENT NETWORK.—
24 The term ‘deposit placement network’ means a
25 network in which an insured depository institu-

1 tion participates, together with other insured
2 depository institutions, for the processing and
3 receipt of reciprocal deposits.

4 “(D) NETWORK MEMBER BANK.—The
5 term ‘network member bank’ means an insured
6 depository institution that is a member of a de-
7 posit placement network.

8 “(E) RECIPROCAL DEPOSITS.—The term
9 ‘reciprocal deposits’ means deposits received by
10 an agent institution through a deposit place-
11 ment network with the same maturity (if any)
12 and in the same aggregate amount as covered
13 deposits placed by the agent institution in other
14 network member banks.

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

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

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

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

24 “(A) the terms ‘agent institution’, ‘recip-
25 rocal deposits’, and ‘well capitalized’ have the

1 meanings given those terms in subsection (i);
2 and

3 “(B) the term ‘covered insured depository
4 institution’ means an insured depository institu-
5 tion that—

6 “(i) under subsection (c) or (d), ac-
7 cepts funds obtained, directly or indirectly,
8 by or through a deposit broker; or

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

12 “(2) PROHIBITION.—A covered insured deposi-
13 tory institution may not pay a rate of interest on
14 funds or reciprocal deposits described in paragraph
15 (1) that, at the time that the funds or reciprocal de-
16 posits are accepted, significantly exceeds the limit
17 set forth in paragraph (3).

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

21 “(A) the rate paid on deposits of similar
22 maturity in the normal market area of the cov-
23 ered insured depository institution for deposits
24 accepted in the normal market area of the cov-
25 ered insured depository institution; or

1 “(B) the national rate paid on deposits of
2 comparable maturity, as established by the Cor-
3 poration, for deposits accepted outside the nor-
4 mal market area of the covered insured deposi-
5 tory institution.”.

6 **SEC. 203. COMMUNITY BANK RELIEF.**

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

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

12 (2) by redesignating subparagraphs (A) through
13 (D) as clauses (i) through (iv), respectively, and ad-
14 justing the margins accordingly;

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

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

22 (4) in clause (iv)(II), as so redesignated, by
23 striking the period at the end and inserting “; or”;
24 and

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

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

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

5 “(ii) total trading assets and trading
6 liabilities, as reported on the most recent
7 applicable regulatory filing filed by the in-
8 stitution, that are more than 5 percent of
9 total consolidated assets.”.

10 **SEC. 204. REMOVING NAMING RESTRICTIONS.**

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

13 (1) in subsection (d)(1)(G)(vi), by inserting be-
14 fore the semicolon the following: “, except that the
15 hedge fund or private equity fund may share the
16 same name or a variation of the same name as a
17 banking entity that is an investment adviser to the
18 hedge fund or private equity fund, if—

19 “(I) such investment adviser is
20 not an insured depository institution,
21 a company that controls an insured
22 depository institution, or a company
23 that is treated as a bank holding com-
24 pany for purposes of section 8 of the

1 International Banking Act of 1978
2 (12 U.S.C. 3106);

3 “(II) such investment adviser
4 does not share the same name or a
5 variation of the same name as an in-
6 sured depository institution, any com-
7 pany that controls an insured deposi-
8 tory institution, or any company that
9 is treated as a bank holding company
10 for purposes of section 8 of the Inter-
11 national Banking Act of 1978 (12
12 U.S.C. 3106); and

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

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

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

19 Section 7(a) of the Federal Deposit Insurance Act
20 (12 U.S.C. 1817(a)) is amended by adding at the end the
21 following:

22 “(12) SHORT FORM REPORTING.—

23 “(A) IN GENERAL.—The appropriate Fed-
24 eral banking agencies shall issue regulations
25 that allow for a reduced reporting requirement

1 for a covered depository institution when the in-
2 stitution makes the first and third report of
3 condition for a year, as required under para-
4 graph (3).

5 “(B) DEFINITION.—In this paragraph, the
6 term ‘covered depository institution’ means an
7 insured depository institution that—

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

10 “(ii) satisfies such other criteria as
11 the appropriate Federal banking agencies
12 determine appropriate.”.

13 **SEC. 206. OPTION FOR FEDERAL SAVINGS ASSOCIATIONS**
14 **TO OPERATE AS COVERED SAVINGS ASSOCIA-**
15 **TIONS.**

16 The Home Owners’ Loan Act (12 U.S.C. 1461 et
17 seq.) is amended by inserting after section 5 (12 U.S.C.
18 1464) the following:

19 **“SEC. 5A. ELECTION TO OPERATE AS A COVERED SAVINGS**
20 **ASSOCIATION.**

21 “(a) DEFINITION.—In this section, the term ‘covered
22 savings association’ means a Federal savings association
23 that makes an election that is approved under subsection
24 (b).

25 “(b) ELECTION.—

1 “(1) IN GENERAL.—In accordance with the
2 rules issued under subsection (f), a Federal savings
3 association with total consolidated assets equal to or
4 less than \$20,000,000,000, as reported by the asso-
5 ciation to the Comptroller as of December 31, 2017,
6 may elect to operate as a covered savings association
7 by submitting a notice to the Comptroller of that
8 election.

9 “(2) APPROVAL.—A Federal savings association
10 shall be deemed to be approved to operate as a cov-
11 ered savings association beginning on the date that
12 is 60 days after the date on which the Comptroller
13 receives the notice submitted under paragraph (1),
14 unless the Comptroller notifies the Federal savings
15 association that the Federal savings association is
16 not eligible.

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

20 “(1) have the same rights and privileges as a
21 national bank that has the main office of the na-
22 tional bank situated in the same location as the
23 home office of the covered savings association; and

24 “(2) be subject to the same duties, restrictions,
25 penalties, liabilities, conditions, and limitations that

1 would apply to a national bank described in para-
2 graph (1).

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

6 “(1) of governance of the covered savings asso-
7 ciation, including incorporation, bylaws, boards of
8 directors, shareholders, and distribution of divi-
9 dends;

10 “(2) of consolidation, merger, dissolution, con-
11 version (including conversion to a stock bank or to
12 another charter), conservatorship, and receivership;
13 and

14 “(3) determined by regulation of the Comp-
15 troller.

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

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

22 “(1) that establish streamlined standards and
23 procedures that clearly identify required documenta-
24 tion and timelines for an election under subsection
25 (b);

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

4 “(A) do not conform to the requirements
5 for assets and subsidiaries of a national bank;
6 and

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

10 “(3) that establish—

11 “(A) a transition process for bringing the
12 assets and subsidiaries described in paragraph
13 (2) into conformance with the requirements for
14 a national bank; and

15 “(B) procedures for allowing the Federal
16 savings association to submit to the Comptroller
17 an application to continue to hold assets and
18 subsidiaries described in paragraph (2) after
19 electing to operate as a covered savings associa-
20 tion;

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

23 “(A) terminate an election under sub-
24 section (b) after an appropriate period of time;
25 and

1 “(B) make a subsequent election under
2 subsection (b) after terminating an election
3 under subparagraph (A);

4 “(5) that clarify requirements for the treatment
5 of covered savings associations, including the provi-
6 sions of law that apply to covered savings associa-
7 tions; and

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

10 “(g) GRANDFATHERED COVERED SAVINGS ASSOCIA-
11 TIONS.—Subject to the rules issued under subsection (f),
12 a covered savings association may continue to operate as
13 a covered savings association if, after the date on which
14 the election is made under subsection (b), the covered sav-
15 ings association has total consolidated assets greater than
16 \$20,000,000,000.”.

17 **SEC. 207. SMALL BANK HOLDING COMPANY POLICY STATE-**
18 **MENT.**

19 (a) DEFINITIONS.—In this section:

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

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

1 (b) CHANGES REQUIRED TO SMALL BANK HOLDING
2 COMPANY POLICY STATEMENT ON ASSESSMENT OF FI-
3 NANCIAL AND MANAGERIAL FACTORS.—Not later than
4 180 days after the date of enactment of this Act, the
5 Board shall revise appendix C to part 225 of title 12, Code
6 of Federal Regulations (commonly known as the “Small
7 Bank Holding Company and Savings and Loan Holding
8 Company Policy Statement”), to raise the consolidated
9 asset threshold under that appendix from \$1,000,000,000
10 to \$3,000,000,000 for any bank holding company or sav-
11 ings and loan holding company that—

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

15 (2) does not conduct significant off-balance
16 sheet activities (including securitization and asset
17 management or administration) either directly or
18 through a nonbank subsidiary; and

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

23 (c) EXCLUSIONS.—The Board may exclude any bank
24 holding company or savings and loan holding company, re-
25 gardless of asset size, from the revision under subsection

1 (b) if the Board determines that such action is warranted
2 for supervisory purposes.

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

7 “(C) any bank holding company or savings
8 and loan holding company that is subject to the
9 application of appendix C to part 225 of title
10 12, Code of Federal Regulations (commonly
11 known as the ‘Small Bank Holding Company
12 and Savings and Loan Holding Company Policy
13 Statement’).”.

14 **SEC. 208. APPLICATION OF THE EXPEDITED FUNDS AVAIL-**
15 **ABILITY ACT.**

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

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

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

21 (B) in paragraph (21), by inserting
22 “American Samoa, the Commonwealth of the
23 Northern Mariana Islands, Guam,” after
24 “Puerto Rico,”; and

1 (C) in paragraph (23), by inserting “Amer-
2 ican Samoa, the Commonwealth of the North-
3 ern Mariana Islands, Guam,” after “Puerto
4 Rico,”; and

5 (2) in section 603(d)(2)(A) (12 U.S.C.
6 4002(d)(2)(A)), by inserting “American Samoa, the
7 Commonwealth of the Northern Mariana Islands,
8 Guam,” after “Puerto Rico,”.

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

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

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

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

17 “(a) DEFINITIONS.—In this section:

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

21 “(2) SMALL PUBLIC HOUSING AGENCY.—The
22 term ‘small public housing agency’ means a public
23 housing agency—

24 “(A) for which the sum of the number of
25 public housing dwelling units administered by

1 the agency and the number of vouchers under
2 section 8(o) administered by the agency is 550
3 or fewer; and

4 “(B) that predominantly operates in a
5 rural area, as described in section
6 1026.35(b)(2)(iv)(A) of title 12, Code of Fed-
7 eral Regulations.

8 “(3) TROUBLED SMALL PUBLIC HOUSING AGEN-
9 CY.—The term ‘troubled small public housing agen-
10 cy’ means a small public housing agency designated
11 by the Secretary as a troubled small public housing
12 agency under subsection (c)(3).

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

16 “(c) PROGRAM INSPECTIONS AND EVALUATIONS.—

17 “(1) PUBLIC HOUSING PROJECTS.—

18 “(A) FREQUENCY OF INSPECTIONS BY
19 SECRETARY.—The Secretary shall carry out an
20 inspection of the physical condition of a small
21 public housing agency’s public housing projects
22 not more frequently than once every 3 years,
23 unless the agency has been designated by the
24 Secretary as a troubled small public housing
25 agency based on deficiencies in the physical

1 condition of its public housing projects. Nothing
2 contained in this subparagraph relieves the Sec-
3 retary from conducting lead safety inspections
4 or assessments in accordance with procedures
5 established by the Secretary under section 302
6 of the Lead-Based Paint Poisoning Prevention
7 Act (42 U.S.C. 4822).

8 “(B) STANDARDS.—The Secretary shall
9 apply to small public housing agencies the same
10 standards for the acceptable condition of public
11 housing projects that apply to projects assisted
12 under section 8.

13 “(2) HOUSING VOUCHER PROGRAM.—Except as
14 required by section 8(o)(8)(F), a small public hous-
15 ing agency administering assistance under section
16 8(o) shall make periodic physical inspections of each
17 assisted dwelling unit not less frequently than once
18 every 3 years to determine whether the unit is main-
19 tained in accordance with the requirements under
20 section 8(o)(8)(A). Nothing contained in this para-
21 graph relieves a small public housing agency from
22 conducting lead safety inspections or assessments in
23 accordance with procedures established by the Sec-
24 retary under section 302 of the Lead-Based Paint
25 Poisoning Prevention Act (42 U.S.C. 4822).

1 “(3) TROUBLED SMALL PUBLIC HOUSING AGEN-
2 CIES.—

3 “(A) PUBLIC HOUSING 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 public housing program
8 of the small public housing agency if the Sec-
9 retary determines that the agency has failed to
10 maintain the public housing units of the small
11 public housing agency in a satisfactory physical
12 condition, based upon an inspection conducted
13 by the Secretary.

14 “(B) HOUSING VOUCHER PROGRAM.—Not-
15 withstanding any other provision of law, the
16 Secretary may designate a small public housing
17 agency as a troubled small public housing agen-
18 cy with respect to the housing voucher program
19 of the small public housing agency if the Sec-
20 retary determines that the agency has failed to
21 comply with the inspection requirements under
22 paragraph (2).

23 “(C) APPEALS.—

24 “(i) ESTABLISHMENT.—The Secretary
25 shall establish an appeals process under

1 which a small public housing agency may
2 dispute a designation as a troubled small
3 public housing agency.

4 “(ii) OFFICIAL.—The appeals process
5 established under clause (i) shall provide
6 for a decision by an official who has not
7 been involved, and is not subordinate to a
8 person who has been involved, in the origi-
9 nal determination to designate a small
10 public housing agency as a troubled small
11 public housing agency.

12 “(D) CORRECTIVE ACTION AGREEMENT.—

13 “(i) AGREEMENT REQUIRED.—Not
14 later than 60 days after the date on which
15 a small public housing agency is des-
16 ignated as a troubled public housing agen-
17 cy under subparagraph (A) or (B), the
18 Secretary and the small public housing
19 agency shall enter into a corrective action
20 agreement under which the small public
21 housing agency shall undertake actions to
22 correct the deficiencies upon which the des-
23 ignation is based.

1 “(ii) TERMS OF AGREEMENT.—A cor-
2 rective action agreement entered into
3 under clause (i) shall—

4 “(I) have a term of 1 year, and
5 shall be renewable at the option of the
6 Secretary;

7 “(II) provide, where feasible, for
8 technical assistance to assist the pub-
9 lic housing agency in curing its defi-
10 ciencies;

11 “(III) provide for—

12 “(aa) reconsideration of the
13 designation of the small public
14 housing agency as a troubled
15 small public housing agency not
16 less frequently than annually;
17 and

18 “(bb) termination of the
19 agreement when the Secretary
20 determines that the small public
21 housing agency is no longer a
22 troubled small public housing
23 agency; and

24 “(IV) provide that in the event of
25 substantial noncompliance by the

1 small public housing agency under the
2 agreement, the Secretary may—

3 “(aa) contract with another
4 public housing agency or a pri-
5 vate entity to manage the public
6 housing of the troubled small
7 public housing agency;

8 “(bb) withhold funds other-
9 wise distributable to the troubled
10 small public housing agency;

11 “(cc) assume possession of,
12 and direct responsibility for,
13 managing the public housing of
14 the troubled small public housing
15 agency;

16 “(dd) petition for the ap-
17 pointment of a receiver, in ac-
18 cordance with section
19 6(j)(3)(A)(ii); and

20 “(ee) exercise any other
21 remedy available to the Secretary
22 in the event of default under the
23 public housing annual contribu-
24 tions contract entered into by the

1 small public housing agency
2 under section 5.

3 “(E) EMERGENCY ACTIONS.—Nothing in
4 this paragraph may be construed to prohibit the
5 Secretary from taking any emergency action
6 necessary to protect Federal financial resources
7 or the health or safety of residents of public
8 housing projects.

9 “(d) REDUCTION OF ADMINISTRATIVE BURDENS.—

10 “(1) EXEMPTION.—Notwithstanding any other
11 provision of law, a small public housing agency shall
12 be exempt from any environmental review require-
13 ments with respect to a development or moderniza-
14 tion project having a total cost of not more than
15 \$100,000.

16 “(2) STREAMLINED PROCEDURES.—The Sec-
17 retary shall, by rule, establish streamlined proce-
18 dures for environmental reviews of small public
19 housing agency development and modernization
20 projects having a total cost of more than
21 \$100,000.”.

22 (b) ENERGY CONSERVATION.—Section 9(e)(2) of the
23 United States Housing Act of 1937 (42 U.S.C.
24 1437g(e)(2)) is amended by adding at the end the fol-
25 lowing:

1 “(D) FREEZE OF CONSUMPTION LEV-
2 ELS.—

3 “(i) IN GENERAL.—A small public
4 housing agency, as defined in section
5 38(a), may elect to be paid for its utility
6 and waste management costs under the
7 formula for a period, at the discretion of
8 the small public housing agency, of not
9 more than 20 years based on the small
10 public housing agency’s average annual
11 consumption during the 3-year period pre-
12 ceding the year in which the election is
13 made (in this subparagraph referred to as
14 the ‘consumption base level’).

15 “(ii) INITIAL ADJUSTMENT IN CON-
16 SUMPTION BASE LEVEL.—The Secretary
17 shall make an initial one-time adjustment
18 in the consumption base level to account
19 for differences in the heating degree day
20 average over the most recent 20-year pe-
21 riod compared to the average in the con-
22 sumption base level.

23 “(iii) ADJUSTMENTS IN CONSUMPTION
24 BASE LEVEL.—The Secretary shall make
25 adjustments in the consumption base level

1 to account for an increase or reduction in
2 units, a change in fuel source, a change in
3 resident controlled electricity consumption,
4 or for other reasons.

5 “(iv) SAVINGS.—All cost savings re-
6 sulting from an election made by a small
7 public housing agency under this subpara-
8 graph—

9 “(I) shall accrue to the small
10 public housing agency; and

11 “(II) may be used for any public
12 housing purpose at the discretion of
13 the small public housing agency.

14 “(v) THIRD PARTIES.—A small public
15 housing agency making an election under
16 this subparagraph—

17 “(I) may use, but shall not be re-
18 quired to use, the services of a third
19 party in its energy conservation pro-
20 gram; and

21 “(II) shall have the sole discre-
22 tion to determine the source, and
23 terms and conditions, of any financing
24 used for its energy conservation pro-
25 gram.”.

1 (c) REPORTING BY AGENCIES OPERATING IN CON-
2 SORTIA.—Not later than 180 days after the date of enact-
3 ment of this Act, the Secretary of Housing and Urban
4 Development shall develop and deploy all electronic infor-
5 mation systems necessary to accommodate full consoli-
6 dated reporting by public housing agencies, as defined in
7 section 3(b)(6) of the United States Housing Act of 1937
8 (42 U.S.C. 1437a(b)(6)), electing to operate in consortia
9 under section 13(a) of such Act (42 U.S.C. 1437k(a)).

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

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

1 **SEC. 210. EXAMINATION CYCLE.**

2 Section 10(d) of the Federal Deposit Insurance Act
3 (12 U.S.C. 1820(d)) is amended—

4 (1) in paragraph (4)(A), by striking
5 “\$1,000,000,000” and inserting “\$3,000,000,000”;
6 and

7 (2) in paragraph (10), by striking
8 “\$1,000,000,000” and inserting “\$3,000,000,000”.

9 **SEC. 211. INTERNATIONAL INSURANCE CAPITAL STAND-**
10 **ARDS ACCOUNTABILITY.**

11 (a) FINDINGS.—Congress finds that—

12 (1) the Secretary of the Treasury, Board of
13 Governors of the Federal Reserve System, and Di-
14 rector of the Federal Insurance Office shall support
15 increasing transparency at any global insurance or
16 international standard-setting regulatory or super-
17 visory forum in which they participate, including
18 supporting and advocating for greater public ob-
19 server access to working groups and committee
20 meetings of the International Association of Insur-
21 ance Supervisors; and

22 (2) to the extent that the Secretary of the
23 Treasury, the Board of Governors of the Federal
24 Reserve System, and the Director of the Federal In-
25 surance Office take a position or reasonably intend
26 to take a position with respect to an insurance pro-

1 posal by a global insurance regulatory or supervisory
2 forum, the Secretary of the Treasury, the Board of
3 Governors of the Federal Reserve System, and the
4 Director of the Federal Insurance Office shall
5 achieve consensus positions with State insurance
6 regulators through the National Association of In-
7 surance Commissioners, when they are United
8 States participants in negotiations on insurance
9 issues before the International Association of Insur-
10 ance Supervisors, Financial Stability Board, or any
11 other international forum of financial regulators or
12 supervisors that considers such issues.

13 (b) INSURANCE POLICY ADVISORY COMMITTEE.—

14 (1) ESTABLISHMENT.—There is established the
15 Insurance Policy Advisory Committee on Inter-
16 national Capital Standards and Other Insurance
17 Issues at the Board of Governors of the Federal Re-
18 serve System.

19 (2) MEMBERSHIP.—The Committee shall be
20 composed of not more than 21 members, all of
21 whom represent a diverse set of expert perspectives
22 from the various sectors of the United States insur-
23 ance industry, including life insurance, property and
24 casualty insurance and reinsurance, agents and bro-
25 kers, academics, consumer advocates, or experts on

1 issues facing underserved insurance communities
2 and consumers.

3 (c) REPORTS.—

4 (1) REPORTS AND TESTIMONY BY SECRETARY
5 OF THE TREASURY AND CHAIRMAN OF THE FED-
6 ERAL RESERVE.—

7 (A) IN GENERAL.—The Secretary of the
8 Treasury and the Chairman of the Board of
9 Governors of the Federal Reserve System, or
10 their designee, shall submit to the Committee
11 on Banking, Housing, and Urban Affairs of the
12 Senate, and the Committee on Financial Serv-
13 ices of the House of Representatives, an annual
14 report and provide annual testimony to the
15 Committee on Banking, Housing, and Urban
16 Affairs of the Senate, and the Committee on
17 Financial Services of the House of Representa-
18 tives on the efforts of the Secretary and the
19 Chairman with the National Association of In-
20 surance Commissioners with respect to global
21 insurance regulatory or supervisory forums, in-
22 cluding—

23 (i) a description of the insurance reg-
24 ulatory or supervisory standard-setting
25 issues under discussion at international

1 standard-setting bodies, including the Fi-
2 nancial Stability Board and the Inter-
3 national Association of Insurance Super-
4 visors;

5 (ii) a description of the effects that
6 proposals discussed at international insur-
7 ance regulatory or supervisory forums of
8 insurance could have on consumer and in-
9 surance markets in the United States;

10 (iii) a description of any position
11 taken by the Secretary of the Treasury,
12 the Board of Governors of the Federal Re-
13 serve System, and the Director of the Fed-
14 eral Insurance Office in international in-
15 surance discussions; and

16 (iv) a description of the efforts by the
17 Secretary of the Treasury, the Board of
18 Governors of the Federal Reserve System,
19 and the Director of the Federal Insurance
20 Office to increase transparency at the Fi-
21 nancial Stability Board with respect to in-
22 surance proposals and the International
23 Association of Insurance Supervisors, in-
24 cluding efforts to provide additional public
25 access to working groups and committees

1 of the International Association of Insur-
2 ance Supervisors.

3 (B) TERMINATION.—This paragraph shall
4 terminate on December 31, 2024.

5 (2) REPORTS AND TESTIMONY BY NATIONAL
6 ASSOCIATION OF INSURANCE COMMISSIONERS.—The
7 National Association of Insurance Commissioners
8 may provide testimony to Congress on the issues de-
9 scribed in paragraph (1)(A).

10 (3) JOINT REPORT BY THE CHAIRMAN OF THE
11 FEDERAL RESERVE AND THE DIRECTOR OF THE
12 FEDERAL INSURANCE OFFICE.—

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

24 (B) NOTICE AND COMMENT.—

1 (i) NOTICE.—The Secretary of the
2 Treasury, the Chairman of the Board of
3 Governors of the Federal Reserve System,
4 and the Director of the Federal Insurance
5 Office shall provide public notice before the
6 date on which drafting a report required
7 under subparagraph (A) is commenced and
8 after the date on which the draft of the re-
9 port is completed.

10 (ii) OPPORTUNITY FOR COMMENT.—
11 There shall be an opportunity for public
12 comment for a period beginning on the
13 date on which the report is submitted
14 under subparagraph (A) and ending on the
15 date that is 60 days after the date on
16 which the report is submitted.

17 (C) REVIEW BY COMPTROLLER GEN-
18 ERAL.—The Secretary of the Treasury, Chair-
19 man of the Board of Governors of the Federal
20 Reserve System, and the Director of the Fed-
21 eral Insurance Office shall submit to the Comp-
22 troller General of the United States the report
23 described in subparagraph (A) for review.

24 (4) REPORT ON INCREASE IN TRANS-
25 PARENCY.—Not later than 180 days after the date

1 of enactment of this Act, the Chairman of the Board
2 of Governors of the Federal Reserve System and the
3 Secretary of the Treasury, or their designees, shall
4 submit to Congress a report and provide testimony
5 to Congress on the efforts of the Chairman and the
6 Secretary to increase transparency at meetings of
7 the International Association of Insurance Super-
8 visors.

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

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

12 (1) by redesignating paragraphs (1) and (2) as
13 paragraphs (2) and (3), respectively;

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

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

19 “(A) make publicly available and publish in
20 the Federal Register a draft of the detailed
21 business-type budget; and

22 “(B) hold a public hearing, with public no-
23 tice provided of the hearing, during which the
24 public may submit comments on the draft of
25 the detailed business-type budget;”; and

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

2 (A) by inserting “detailed” after “submit
3 a”; and

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

7 **SEC. 213. MAKING ONLINE BANKING INITIATION LEGAL**
8 **AND EASY.**

9 (a) DEFINITIONS.—In this section:

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

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

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

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

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

23 (C) subchapter II of chapter 53 of title 31,
24 United States Code.

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

3 (A) an insured depository institution;

4 (B) an insured credit union; or

5 (C) any affiliate of an insured depository
6 institution or insured credit union.

7 (5) FINANCIAL PRODUCT OR SERVICE.—The
8 term “financial product or service” has the meaning
9 given the term in section 1002 of the Consumer Fi-
10 nancial Protection Act of 2010 (12 U.S.C. 5481).

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

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

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

22 (9) PERSONAL IDENTIFICATION CARD.—The
23 term “personal identification card” means an identi-
24 fication document issued by a State or local govern-

1 ment to an individual solely for the purpose of iden-
2 tification of that individual.

3 (10) PERSONAL INFORMATION.—The term
4 “personal information” means the information dis-
5 played on or electronically encoded on a driver’s li-
6 cense or personal identification card that is reason-
7 ably necessary to fulfill the purpose and uses per-
8 mitted by subsection (b).

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

14 (12) STATE.—The term “State” means any
15 State of the United States, the District of Columbia,
16 the Commonwealth of Puerto Rico, and any other
17 commonwealth, possession, or territory of the United
18 States.

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

21 (1) IN GENERAL.—When an individual initiates
22 a request through an online service to open an ac-
23 count with a financial institution or obtain a finan-
24 cial product or service from a financial institution,
25 the financial institution may record personal infor-

1 mation from a scan of the driver's license or per-
2 sonal identification card of the individual, or make
3 a copy or receive an image of the driver's license or
4 personal identification card of the individual, and
5 store or retain such information in any electronic
6 format for the purposes described in paragraph (2).

7 (2) USES OF INFORMATION.—Except as re-
8 quired to comply with Federal bank secrecy laws, a
9 financial institution may only use the information
10 obtained under paragraph (1)—

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

13 (B) to verify the identity of the individual;
14 and

15 (C) to comply with a legal requirement to
16 record, retain, or transmit the personal infor-
17 mation in connection with opening an account
18 or obtaining a financial product or service.

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

1 (A) any image of the driver’s license or
2 personal identification card, as applicable; and

3 (B) any copy of any such image.

4 (4) DISCLOSURE OF PERSONAL INFORMA-
5 TION.—Nothing in this section shall be construed to
6 amend, modify, or otherwise affect any State or
7 Federal law that governs a financial institution’s
8 disclosure and security of personal information that
9 is not publicly available.

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

14 **SEC. 214. PROMOTING CONSTRUCTION AND DEVELOP-**
15 **MENT.**

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

19 **“SEC. 51. CAPITAL REQUIREMENTS FOR CERTAIN ACQUI-**
20 **SION, DEVELOPMENT, OR CONSTRUCTION**
21 **LOANS.**

22 “(a) IN GENERAL.—The appropriate Federal bank-
23 ing agencies may only require a depository institution to
24 assign a heightened risk weight to a high volatility com-
25 mercial real estate (HVCRE) exposure (as such term is

1 defined under section 324.2 of title 12, Code of Federal
2 Regulations, as of October 11, 2017, or if a successor reg-
3 ulation is in effect as of the date of the enactment of this
4 section, such term or any successor term contained in such
5 successor regulation) under any risk-based capital require-
6 ment if such exposure is an HVCRE ADC loan.

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

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

14 “(A) primarily finances, has financed, or
15 refinances the acquisition, development, or con-
16 struction of real property;

17 “(B) has the purpose of providing financ-
18 ing to acquire, develop, or improve such real
19 property into income-producing real property;
20 and

21 “(C) is dependent upon future income or
22 sales proceeds from, or refinancing of, such real
23 property for the repayment of such credit facil-
24 ity;

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

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

5 “(i) one- to four-family residential
6 properties;

7 “(ii) real property that would qualify
8 as an investment in community develop-
9 ment; or

10 “(iii) agricultural land;

11 “(B) the acquisition or refinance of exist-
12 ing income-producing real property secured by
13 a mortgage on such property, if the cash flow
14 being generated by the real property is suffi-
15 cient to support the debt service and expenses
16 of the real property, in accordance with the in-
17 stitution’s applicable loan underwriting criteria
18 for permanent financings;

19 “(C) improvements to existing income-pro-
20 ducing improved real property secured by a
21 mortgage on such property, if the cash flow
22 being generated by the real property is suffi-
23 cient to support the debt service and expenses
24 of the real property, in accordance with the in-

1 stitution’s applicable loan underwriting criteria
2 for permanent financings; or

3 “(D) commercial real property projects in
4 which—

5 “(i) the loan-to-value ratio is less than
6 or equal to the applicable maximum super-
7 visory loan-to-value ratio as determined by
8 the appropriate Federal banking agency;

9 “(ii) the borrower has contributed
10 capital of at least 15 percent of the real
11 property’s appraised, ‘as completed’ value
12 to the project in the form of—

13 “(I) cash;

14 “(II) unencumbered readily mar-
15 ketable assets;

16 “(III) paid development expenses
17 out-of-pocket; or

18 “(IV) contributed real property
19 or improvements; and

20 “(iii) the borrower contributed the
21 minimum amount of capital described
22 under clause (ii) before the depository in-
23 stitution advances funds (other than the
24 advance of a nominal sum made in order
25 to secure the depository institution’s lien

1 against the real property) under the credit
2 facility, and such minimum amount of cap-
3 ital contributed by the borrower is contrac-
4 tually required to remain in the project
5 until the credit facility has been reclassi-
6 fied by the depository institution as a non-
7 HVCRE ADC loan under subsection (d);

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

10 “(4) does not include a credit facility reclassi-
11 fied as a non-HVCRE ADC loan under subsection
12 (d).

13 “(c) VALUE OF CONTRIBUTED REAL PROPERTY.—
14 For purposes of this section, the value of any real property
15 contributed by a borrower as a capital contribution shall
16 be the appraised value of the property as determined
17 under standards prescribed pursuant to section 1110 of
18 the Financial Institutions Reform, Recovery, and Enforce-
19 ment Act of 1989 (12 U.S.C. 3339), in connection with
20 the extension of the credit facility or loan to such bor-
21 rower.

22 “(d) RECLASSIFICATION AS A NON-HVRCE ADC
23 LOAN.—For purposes of this section and with respect to
24 a credit facility and a depository institution, upon—

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

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

7 in accordance with the institution’s applicable loan under-
8 writing criteria for permanent financings, the credit facil-
9 ity may be reclassified by the depository institution as a
10 Non-HVCRE ADC loan.

11 “(e) EXISTING AUTHORITIES.—Nothing in this sec-
12 tion shall limit the supervisory, regulatory, or enforcement
13 authority of an appropriate Federal banking agency to
14 further the safe and sound operation of an institution
15 under the supervision of the appropriate Federal banking
16 agency.”.

17 **SEC. 215. REDUCING IDENTITY FRAUD.**

18 (a) PURPOSE.—The purpose of this section is to re-
19 duce the prevalence of synthetic identity fraud, which
20 disproportionally affects vulnerable populations, such as
21 minors and recent immigrants, by facilitating the valida-
22 tion by permitted entities of fraud protection data, pursu-
23 ant to electronically received consumer consent, through
24 use of a database maintained by the Commissioner.

25 (b) DEFINITIONS.—In this section:

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

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

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

11 (A) The name of the individual (including
12 the first name and any family forename or sur-
13 name of the individual).

14 (B) The social security number of the indi-
15 vidual.

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

18 (4) PERMITTED ENTITY.—The term “permitted
19 entity” means a financial institution or a service
20 provider, subsidiary, affiliate, agent, subcontractor,
21 or assignee of a financial institution.

22 (c) EFFICIENCY.—

23 (1) RELIANCE ON EXISTING METHODS.—The
24 Commissioner shall evaluate the feasibility of mak-
25 ing modifications to any database that is in exist-

1 ence as of the date of enactment of this Act or a
2 similar resource such that the database or re-
3 source—

4 (A) is reasonably designed to effectuate the
5 purpose of this section; and

6 (B) meets the requirements of subsection
7 (d).

8 (2) EXECUTION.—The Commissioner shall
9 make the modifications necessary to any database
10 that is in existence as of the date of enactment of
11 this Act or similar resource, or develop a database
12 or similar resource, to effectuate the requirements
13 described in paragraph (1).

14 (d) PROTECTION OF VULNERABLE CONSUMERS.—
15 The database or similar resource described in subsection
16 (c) shall—

17 (1) compare fraud protection data provided in
18 an inquiry by a permitted entity against such infor-
19 mation maintained by the Commissioner in order to
20 confirm (or not confirm) the validity of the informa-
21 tion provided;

22 (2) be scalable and accommodate reasonably an-
23 ticipated volumes of verification requests from per-
24 mitted entities with commercially reasonable uptime
25 and availability; and

1 (3) allow permitted entities to submit—

2 (A) 1 or more individual requests electroni-
3 cally for real-time machine-to-machine (or simi-
4 lar functionality) accurate responses; and

5 (B) multiple requests electronically, such
6 as those provided in a batch format, for accu-
7 rate electronic responses within a reasonable pe-
8 riod of time from submission, not to exceed 24
9 hours.

10 (e) CERTIFICATION REQUIRED.—Before providing
11 confirmation of fraud protection data to a permitted enti-
12 ty, the Commissioner shall ensure that the Commissioner
13 has a certification from the permitted entity that is dated
14 not more than 2 years before the date on which that con-
15 firmation is provided that includes the following declara-
16 tions:

17 (1) The entity is a permitted entity.

18 (2) The entity is in compliance with this sec-
19 tion.

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

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

4 (f) CONSUMER CONSENT.—

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

9 (A) pursuant to the written, including elec-
10 tronic, consent received by a permitted entity
11 from the individual who is the subject of the re-
12 quest; and

13 (B) in connection with a credit transaction
14 or any circumstance described in section 604 of
15 the Fair Credit Reporting Act (15 U.S.C.
16 1681b).

17 (2) ELECTRONIC CONSENT REQUIREMENTS.—

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

24 (3) EFFECTUATING ELECTRONIC CONSENT.—

25 No provision of law or requirement, including section

1 552a of title 5, United States Code, shall prevent
2 the use of electronic consent for purposes of this
3 subsection or for use in any other consent based
4 verification under the discretion of the Commis-
5 sioner.

6 (g) COMPLIANCE AND ENFORCEMENT.—

7 (1) AUDITS AND MONITORING.—The Commis-
8 sioner may—

9 (A) conduct audits and monitoring to—

10 (i) ensure proper use by permitted en-
11 tities of the database or similar resource
12 described in subsection (c); and

13 (ii) deter fraud and misuse by per-
14 mitted entities with respect to the database
15 or similar resource described in subsection
16 (c); and

17 (B) terminate services for any permitted
18 entity that prevents or refuses to allow the
19 Commissioner to carry out the activities de-
20 scribed in subparagraph (A).

21 (2) ENFORCEMENT.—

22 (A) IN GENERAL.—Notwithstanding any
23 other provision of law, including the matter pre-
24 ceding paragraph (1) of section 505(a) of the
25 Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)),

1 any violation of this section and any certifi-
2 cation made under this section shall be enforced
3 in accordance with paragraphs (1) through (7)
4 of such section 505(a) by the agencies described
5 in those paragraphs.

6 (B) RELEVANT INFORMATION.—Upon dis-
7 covery by the Commissioner, pursuant to an
8 audit described in paragraph (1), of any viola-
9 tion of this section or any certification made
10 under this section, the Commissioner shall for-
11 ward any relevant information pertaining to
12 that violation to the appropriate agency de-
13 scribed in subparagraph (A) for evaluation by
14 the agency for purposes of enforcing this sec-
15 tion.

16 (h) RECOVERY OF COSTS.—

17 (1) IN GENERAL.—

18 (A) IN GENERAL.—Amounts obligated to
19 carry out this section shall be fully recovered
20 from the users of the database or verification
21 system by way of advances, reimbursements,
22 user fees, or other recoveries as determined by
23 the Commissioner. The funds recovered under
24 this paragraph shall be deposited as an offset-
25 ting collection to the account providing appro-

1 priations for the Social Security Administration,
2 to be used for the administration of this section
3 without fiscal year limitation.

4 (B) PRICES FIXED BY COMMISSIONER.—

5 The Commissioner shall establish the amount to
6 be paid by the users under this paragraph, in-
7 cluding the costs of any services or work per-
8 formed, such as any appropriate upgrades,
9 maintenance, and associated direct and indirect
10 administrative costs, in support of carrying out
11 the purposes described in this section, by reim-
12 bursement or in advance as determined by the
13 Commissioner. The amount of such prices shall
14 be periodically adjusted by the Commissioner to
15 ensure that amounts collected are sufficient to
16 fully offset the cost of the administration of this
17 section.

18 (2) INITIAL DEVELOPMENT.—The Commis-
19 sioner shall not begin development of a verification
20 system to carry out this section until the Commis-
21 sioner determines that amounts equal to at least 50
22 percent of program start-up costs have been col-
23 lected under paragraph (1).

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

4 (4) ANNUAL REPORT.—The Commissioner shall
5 annually submit to the Committee on Ways and
6 Means of the House of Representatives and the
7 Committee on Finance of the Senate a report on the
8 amount of indirect costs to the Social Security Ad-
9 ministration arising as a result of the implementa-
10 tion of this section.

11 **SEC. 216. TREASURY REPORT ON RISKS OF CYBER**
12 **THREATS.**

13 Not later than 1 year after the date of enactment
14 of this Act, the Secretary of the Treasury shall submit
15 to the Committee on Banking, Housing, and Urban Af-
16 fairs of the Senate and the Committee on Financial Serv-
17 ices of the House of Representatives a report on the risks
18 of cyber threats to financial institutions and capital mar-
19 kets in the United States, including—

20 (1) an assessment of the material risks of cyber
21 threats to financial institutions and capital markets
22 in the United States;

23 (2) the impact and potential effects of material
24 cyber attacks on financial institutions and capital
25 markets in the United States;

1 (3) an analysis of how the appropriate Federal
2 banking agencies and the Securities and Exchange
3 Commission are addressing the material risks of
4 cyber threats described in paragraph (1), includ-
5 ing—

6 (A) how the appropriate Federal banking
7 agencies and the Securities and Exchange Com-
8 mission are assessing those threats;

9 (B) how the appropriate Federal banking
10 agencies and the Securities and Exchange Com-
11 mission are assessing the cyber vulnerabilities
12 and preparedness of financial institutions;

13 (C) coordination amongst the appropriate
14 Federal banking agencies and the Securities
15 and Exchange Commission, and their coordina-
16 tion with other government agencies (including
17 with respect to regulations, examinations, lexi-
18 con, duplication, and other regulatory tools);
19 and

20 (D) areas for improvement; and

21 (4) a recommendation of whether any appro-
22 priate Federal banking agency or the Securities and
23 Exchange Commission needs additional legal au-
24 thorities or resources to adequately assess and ad-
25 dress the material risks of cyber threats described in

1 paragraph (1), given the analysis required by para-
2 graph (3).

3 **SEC. 217. DISCRETIONARY SURPLUS FUNDS.**

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

7 **TITLE III—PROTECTIONS FOR**
8 **VETERANS, CONSUMERS, AND**
9 **HOMEOWNERS**

10 **SEC. 301. PROTECTING CONSUMERS’ CREDIT.**

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

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

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

16 “(i) NATIONAL SECURITY FREEZE.—

17 “(1) DEFINITIONS.—For purposes of this sub-
18 section:

19 “(A) The term ‘consumer reporting agen-
20 cy’ means a consumer reporting agency de-
21 scribed in section 603(p).

22 “(B) The term ‘proper identification’ has
23 the meaning of such term as used under section
24 610.

1 “(C) The term ‘security freeze’ means a
2 restriction that prohibits a consumer reporting
3 agency from disclosing the contents of a con-
4 sumer report that is subject to such security
5 freeze to any person requesting the consumer
6 report.

7 “(2) PLACEMENT OF SECURITY FREEZE.—

8 “(A) IN GENERAL.—Upon receiving a di-
9 rect request from a consumer that a consumer
10 reporting agency place a security freeze, and
11 upon receiving proper identification from the
12 consumer, the consumer reporting agency shall,
13 free of charge, place the security freeze not
14 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 consumer; or

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

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

1 “(i) send confirmation of the place-
2 ment to the consumer; and

3 “(ii) inform the consumer of—

4 “(I) the process by which the
5 consumer may remove the security
6 freeze, including a mechanism to au-
7 thenticate the consumer; and

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

10 “(C) NOTICE TO THIRD PARTIES.—A con-
11 sumer reporting agency may advise a third
12 party that a security freeze has been placed
13 with respect to a consumer under subparagraph
14 (A).

15 “(3) REMOVAL OF SECURITY FREEZE.—

16 “(A) IN GENERAL.—A consumer reporting
17 agency shall remove a security freeze placed on
18 the consumer report of a consumer only in the
19 following cases:

20 “(i) Upon the direct request of the
21 consumer.

22 “(ii) The security freeze was placed
23 due to a material misrepresentation of fact
24 by the consumer.

1 “(B) NOTICE IF REMOVAL NOT BY RE-
2 QUEST.—If a consumer reporting agency re-
3 moves a security freeze under subparagraph
4 (A)(ii), the consumer reporting agency shall no-
5 tify the consumer in writing prior to removing
6 the security freeze.

7 “(C) REMOVAL OF SECURITY FREEZE BY
8 CONSUMER REQUEST.—Except as provided in
9 subparagraph (A)(ii), a security freeze shall re-
10 main in place until the consumer directly re-
11 quests that the security freeze be removed.
12 Upon receiving a direct request from a con-
13 sumer that a consumer reporting agency re-
14 move a security freeze, and upon receiving
15 proper identification from the consumer, the
16 consumer reporting agency shall, free of charge,
17 remove the security freeze not later than—

18 “(i) in the case of a request that is by
19 toll-free telephone or secure electronic
20 means, 1 hour after receiving the request
21 for removal; or

22 “(ii) in the case of a request that is
23 by mail, 3 business days after receiving the
24 request for removal.

1 “(D) THIRD-PARTY REQUESTS.—If a third
2 party requests access to a consumer report of
3 a consumer with respect to which a security
4 freeze is in effect, where such request is in con-
5 nection with an application for credit, and the
6 consumer does not allow such consumer report
7 to be accessed, the third party may treat the
8 application as incomplete.

9 “(E) TEMPORARY REMOVAL OF SECURITY
10 FREEZE.—Upon receiving a direct request from
11 a consumer under subparagraph (A)(i), if the
12 consumer requests a temporary removal of a se-
13 curity freeze, the consumer reporting agency
14 shall, in accordance with subparagraph (C), re-
15 move the security freeze for the period of time
16 specified by the consumer.

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

20 “(A) A person or entity, or a subsidiary,
21 affiliate, or agent of that person or entity, or an
22 assignee of a financial obligation owed by the
23 consumer to that person or entity, or a prospec-
24 tive assignee of a financial obligation owed by
25 the consumer to that person or entity in con-

1 junction with the proposed purchase of the fi-
2 nancial obligation, with which the consumer has
3 or had prior to assignment an account or con-
4 tract including a demand deposit account, or to
5 whom the consumer issued a negotiable instru-
6 ment, for the purposes of reviewing the account
7 or collecting the financial obligation owed for
8 the account, contract, or negotiable instrument.
9 For purposes of this subparagraph, ‘reviewing
10 the account’ includes activities related to ac-
11 count maintenance, monitoring, credit line in-
12 creases, and account upgrades and enhance-
13 ments.

14 “(B) Any Federal, State, or local agency,
15 law enforcement agency, trial court, or private
16 collection agency acting pursuant to a court
17 order, warrant, or subpoena.

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

21 “(D) A Federal agency or a State or its
22 agents or assigns acting to investigate fraud or
23 acting to investigate or collect delinquent taxes
24 or unpaid court orders or to fulfill any of its
25 other statutory responsibilities, provided such

1 responsibilities are consistent with a permissible
2 purpose under section 604.

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

5 “(F) Any person or entity administering a
6 credit file monitoring subscription or similar
7 service to which the consumer has subscribed.

8 “(G) Any person or entity for the purpose
9 of providing a consumer with a copy of the con-
10 sumer’s consumer report or credit score, upon
11 the request of the consumer.

12 “(H) Any person using the information in
13 connection with the underwriting of insurance.

14 “(I) Any person using the information for
15 employment, tenant, or background screening
16 purposes.

17 “(J) Any person using the information for
18 assessing, verifying, or authenticating a con-
19 sumer’s identity for purposes other than the
20 granting of credit, or for investigating or pre-
21 venting actual or potential fraud.

22 “(5) NOTICE OF RIGHTS.—At any time a con-
23 sumer is required to receive a summary of rights re-
24 quired under section 609, the following notice shall
25 be included:

1 “‘A security freeze does not apply to a person or enti-
2 ty, or its affiliates, or collection agencies acting on behalf
3 of the person or entity, with which you have an existing
4 account that requests information in your credit report for
5 the purposes of reviewing or collecting the account. Re-
6 viewing the account includes activities related to account
7 maintenance, monitoring, credit line increases, and ac-
8 count upgrades and enhancements.’.

9 “(6) WEBPAGE.—

10 “(A) CONSUMER REPORTING AGENCIES.—

11 A consumer reporting agency shall establish a
12 webpage that—

13 “(i) allows a consumer to request a
14 security freeze;

15 “(ii) allows a consumer to request an
16 initial fraud alert;

17 “(iii) allows a consumer to request an
18 extended fraud alert;

19 “(iv) allows a consumer to request an
20 active duty fraud alert;

21 “(v) allows a consumer to opt-out of
22 the use of information in a consumer re-
23 port to send the consumer a solicitation of
24 credit or insurance, in accordance with sec-
25 tion 615(d); and

1 “(vi) shall not be the only mechanism
2 by which a consumer may request a secu-
3 rity freeze.

4 “(B) FTC.—The Federal Trade Commis-
5 sion shall establish a single webpage that in-
6 cludes a link to each webpage established under
7 subparagraph (A) within the Federal Trade
8 Commission’s website www.Identitytheft.gov, or
9 a successor website.

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

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

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 ‘protected consumer’ means
17 an individual who is—

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

21 “(ii) an incapacitated person or a pro-
22 tected person for whom a guardian or con-
23 servator has been appointed.

24 “(C) The term ‘protected consumer’s rep-
25 resentative’ means a person who provides to a

1 consumer reporting agency sufficient proof of
2 authority to act on behalf of a protected con-
3 sumer.

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

6 “(i) identifies a protected consumer;

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

10 “(iii) may not be created or used to
11 consider the protected consumer’s credit
12 worthiness, credit standing, credit capacity,
13 character, general reputation, personal
14 characteristics, or mode of living.

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

1 “(F) The term ‘sufficient proof of author-
2 ity’ means documentation that shows a pro-
3 tected consumer’s representative has authority
4 to act on behalf of a protected consumer and
5 includes—

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

7 “(ii) a lawfully executed and valid
8 power of attorney;

9 “(iii) a document issued by a Federal,
10 State, or local government agency in the
11 United States showing proof of parentage,
12 including a birth certificate; or

13 “(iv) with respect to a protected con-
14 sumer who has been placed in a foster care
15 setting, a written communication from a
16 county welfare department or its agent or
17 designee, or a county probation depart-
18 ment or its agent or designee, certifying
19 that the protected consumer is in a foster
20 care setting under its jurisdiction.

21 “(G) The term ‘sufficient proof of identi-
22 fication’ means information or documentation
23 that identifies a protected consumer and a pro-
24 tected consumer’s representative and includes—

1 “(i) a social security number or a
2 copy of a social security card issued by the
3 Social Security Administration;

4 “(ii) a certified or official copy of a
5 birth certificate issued by the entity au-
6 thorized to issue the birth certificate; or

7 “(iii) a copy of a driver’s license, an
8 identification card issued by the motor ve-
9 hicle administration, or any other govern-
10 ment issued identification.

11 “(2) PLACEMENT OF SECURITY FREEZE FOR A
12 PROTECTED CONSUMER.—

13 “(A) IN GENERAL.—Upon receiving a di-
14 rect request from a protected consumer’s rep-
15 resentative that a consumer reporting agency
16 place a security freeze, and upon receiving suffi-
17 cient proof of identification and sufficient proof
18 of authority, the consumer reporting agency
19 shall, free of charge, place the security freeze
20 not later than—

21 “(i) in the case of a request that is by
22 toll-free telephone or secure electronic
23 means, 1 business day after receiving the
24 request directly from the protected con-
25 sumer’s representative; or

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

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

9 “(i) send confirmation of the place-
10 ment to the protected consumer’s rep-
11 resentative; and

12 “(ii) inform the protected consumer’s
13 representative of the process by which the
14 protected consumer may remove the secu-
15 rity freeze, including a mechanism to au-
16 thenticate the protected consumer’s rep-
17 resentative.

18 “(C) CREATION OF FILE.—If a consumer
19 reporting agency does not have a file pertaining
20 to a protected consumer when the consumer re-
21 porting agency receives a direct request under
22 subparagraph (A), the consumer reporting
23 agency shall create a record for the protected
24 consumer.

1 “(3) PROHIBITION ON RELEASE OF RECORD OR
2 FILE OF PROTECTED CONSUMER.—After a security
3 freeze has been placed under paragraph (2)(A), and
4 unless the security freeze is removed in accordance
5 with this subsection, a consumer reporting agency
6 may not release the protected consumer’s consumer
7 report, any information derived from the protected
8 consumer’s consumer report, or any record created
9 for the protected consumer.

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

12 “(A) IN GENERAL.—A consumer reporting
13 agency shall remove a security freeze placed on
14 the consumer report of a protected consumer
15 only in the following cases:

16 “(i) Upon the direct request of the
17 protected consumer’s representative.

18 “(ii) Upon the direct request of the
19 protected consumer, if the protected con-
20 sumer is not under the age of 16 years at
21 the time of the request.

22 “(iii) The security freeze was placed
23 due to a material misrepresentation of fact
24 by the protected consumer’s representative.

1 “(B) NOTICE IF REMOVAL NOT BY RE-
2 QUEST.—If a consumer reporting agency re-
3 moves a security freeze under subparagraph
4 (A)(iii), the consumer reporting agency shall
5 notify the protected consumer’s representative
6 in writing prior to removing the security freeze.

7 “(C) REMOVAL OF FREEZE BY RE-
8 QUEST.—Except as provided in subparagraph
9 (A)(iii), a security freeze shall remain in place
10 until a protected consumer’s representative or
11 protected consumer described in subparagraph
12 (A)(ii) directly requests that the security freeze
13 be removed. Upon receiving a direct request
14 from the protected consumer’s representative or
15 protected consumer described in subparagraph
16 (A)(ii) that a consumer reporting agency re-
17 move a security freeze, and upon receiving suf-
18 ficient proof of identification and sufficient
19 proof of authority, the consumer reporting
20 agency shall, free of charge, remove the security
21 freeze not later than—

22 “(i) in the case of a request that is by
23 toll-free telephone or secure electronic
24 means, 1 hour after receiving the request
25 for removal; or

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

4 “(D) TEMPORARY REMOVAL OF SECURITY
5 FREEZE.—Upon receiving a direct request from
6 a protected consumer or a protected consumer’s
7 representative under subparagraph (A)(i), if the
8 protected consumer or protected consumer’s
9 representative requests a temporary removal of
10 a security freeze, the consumer reporting agen-
11 cy shall, in accordance with subparagraph (C),
12 remove the security freeze for the period of time
13 specified by the protected consumer or pro-
14 tected consumer’s representative.”.

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

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

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

21 “(J) subsections (i) and (j) of section
22 605A relating to security freezes; or”.

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

1 **SEC. 302. PROTECTING VETERANS' CREDIT.**

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

3 (1) to rectify problematic reporting of medical
4 debt included in a consumer report of a veteran due
5 to inappropriate or delayed payment for hospital
6 care, medical services, or extended care services pro-
7 vided in a non-Department of Veterans Affairs facil-
8 ity under the laws administered by the Secretary of
9 Veterans Affairs; and

10 (2) to clarify the process of debt collection for
11 such medical debt.

12 (b) AMENDMENTS TO FAIR CREDIT REPORTING
13 ACT.—

14 (1) VETERAN'S MEDICAL DEBT DEFINED.—Sec-
15 tion 603 of the Fair Credit Reporting Act (15
16 U.S.C. 1681a) is amended by adding at the end the
17 following:

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

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

23 “(1) means a medical collection debt of a vet-
24 eran owed to a non-Department of Veterans Affairs
25 health care provider that was submitted to the De-

1 partment for payment for health care authorized by
2 the Department of Veterans Affairs; and

3 “(2) includes medical collection debt that the
4 Department of Veterans Affairs has wrongfully
5 charged a veteran.”.

6 (2) EXCLUSION FOR VETERAN’S MEDICAL
7 DEBT.—Section 605(a) of the Fair Credit Reporting
8 Act (15 U.S.C. 1681c(a)) is amended by adding at
9 the end the following:

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

22 “(8) With respect to a consumer reporting
23 agency described in section 603(p), any information
24 related to a fully paid or settled veteran’s medical
25 debt that had been characterized as delinquent,

1 charged off, or in collection if the consumer report-
2 ing agency has actual knowledge that the informa-
3 tion is related to a veteran’s medical debt and the
4 consumer reporting agency is in compliance with its
5 obligation under section 302(c)(5) of the Economic
6 Growth, Regulatory Relief, and Consumer Protection
7 Act.”.

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

12 (A) in subsection (a)(1)(A), by inserting
13 “and except as provided in subsection (g)” after
14 “subsection (f)”; and

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

16 “(g) DISPUTE PROCESS FOR VETERAN’S MEDICAL
17 DEBT.—

18 “(1) IN GENERAL.—With respect to a veteran’s
19 medical debt, the veteran may submit a notice de-
20 scribed in paragraph (2), proof of liability of the De-
21 partment of Veterans Affairs for payment of that
22 debt, or documentation that the Department of Vet-
23 erans Affairs is in the process of making payment
24 for authorized hospital care, medical services, or ex-
25 tended care services rendered to a consumer report-

1 ing agency or a reseller to dispute the inclusion of
2 that debt on a consumer report of the veteran.

3 “(2) NOTIFICATION TO VETERAN.—The De-
4 partment of Veterans Affairs shall submit to a vet-
5 eran a notice that the Department of Veterans Af-
6 fairs has assumed liability for part or all of a vet-
7 eran’s medical debt.

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

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

16 (1) DEFINITIONS.—For purposes of this sub-
17 section—

18 (A) the term “consumer reporting agency”
19 means a consumer reporting agency described
20 in section 603(p) of the Fair Credit Reporting
21 Act (15 U.S.C. 1681a(p)); and

22 (B) the terms “veteran” and “veteran’s
23 medical debt” have the meanings given those
24 terms in section 603 of the Fair Credit Report-

1 ing Act (15 U.S.C. 1681a), as added by sub-
2 section (b)(1).

3 (2) ESTABLISHMENT.—Not later than 1 year
4 after the date of enactment of this Act, the Sec-
5 retary of Veterans Affairs shall establish a database
6 to allow consumer reporting agencies to verify
7 whether a debt furnished to a consumer reporting
8 agency is a veteran’s medical debt.

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

14 (A) sufficiently detailed and specific infor-
15 mation to verify whether a debt being furnished
16 to the consumer reporting agency is a veteran’s
17 medical debt;

18 (B) access to verification information in a
19 secure electronic format;

20 (C) timely access to verification informa-
21 tion; and

22 (D) any other features that would promote
23 the efficient, timely, and secure delivery of in-
24 formation that consumer reporting agencies

1 could use to verify whether a debt is a veteran’s
2 medical debt.

3 (4) STAKEHOLDER INPUT.—Prior to estab-
4 lishing the database for verification under paragraph
5 (2), the Secretary of Veterans Affairs shall publish
6 in the Federal Register a notice and request for
7 comment that solicits input from consumer reporting
8 agencies and other stakeholders.

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

17 (d) CREDIT MONITORING.—

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

22 “(k) CREDIT MONITORING.—

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

1 “(4) APPLICABILITY.—

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

4 “(B) This section shall be enforced exclu-
5 sively under section 621 by the Federal agen-
6 cies and Federal and State officials identified in
7 that section.”.

8 (2) CONFORMING AMENDMENT.—Section
9 625(b)(1) of the Fair Credit Reporting Act (15
10 U.S.C. 1681t(b)(1)), as amended by section 301(b),
11 is amended by adding at the end the following:

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

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

18 **SEC. 303. IMMUNITY FROM SUIT FOR DISCLOSURE OF FI-**
19 **NANCIAL EXPLOITATION OF SENIOR CITI-**
20 **ZENS.**

21 (a) IMMUNITY.—

22 (1) DEFINITIONS.—In this section—

23 (A) the term “Bank Secrecy Act officer”
24 means an individual responsible for ensuring
25 compliance with the requirements mandated by

1 subchapter II of chapter 53 of title 31, United
2 States Code (commonly known as the “Bank
3 Secrecy Act”);

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

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

9 (i) a State financial regulatory agen-
10 cy, including a State securities or law en-
11 forcement authority and a State insurance
12 regulator;

13 (ii) each of the Federal agencies rep-
14 resented in the membership of the Finan-
15 cial Institutions Examination Council es-
16 tablished under section 1004 of the Fed-
17 eral Financial Institutions Examination
18 Council Act of 1978 (12 U.S.C. 3303);

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

22 (iv) the Securities and Exchange
23 Commission;

24 (v) a law enforcement agency; or

1 (vi) a State or local agency respon-
2 sible for administering adult protective
3 service laws;

4 (D) the term “covered financial institu-
5 tion” means—

- 6 (i) a credit union;
7 (ii) a depository institution;
8 (iii) an investment adviser;
9 (iv) a broker-dealer;
10 (v) an insurance company;
11 (vi) an insurance agency; or
12 (vii) a transfer agent;

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

17 (F) the term “depository institution” has
18 the meaning given the term in section 3(c) of
19 the Federal Deposit Insurance Act (12 U.S.C.
20 1813(c));

21 (G) the term “exploitation” means the
22 fraudulent or otherwise illegal, unauthorized, or
23 improper act or process of an individual, includ-
24 ing a caregiver or a fiduciary, that—

1 (i) uses the resources of a senior cit-
2 izen for monetary or personal benefit, prof-
3 it, or gain; or

4 (ii) results in depriving a senior cit-
5 izen of rightful access to or use of benefits,
6 resources, belongings, or assets;

7 (H) the term “insurance agency” means
8 any business entity that sells, solicits, or nego-
9 tiates insurance coverage;

10 (I) the term “insurance company” has the
11 meaning given the term in section 2(a) of the
12 Investment Company Act of 1940 (15 U.S.C.
13 80a-2(a));

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

18 (K) the term “investment adviser” has the
19 meaning given the term in section 202(a) of the
20 Investment Advisers Act of 1940 (15 U.S.C.
21 80b-2(a));

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

24 (i) is employed by, or associated with,
25 an investment adviser; and

1 (ii) does not perform solely clerical or
2 ministerial acts;

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

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

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

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

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

21 (R) the term “transfer agent” has the
22 meaning given the term in section 3(a) of the
23 Securities Exchange Act of 1934 (15 U.S.C.
24 78c(a)).

25 (2) IMMUNITY FROM SUIT.—

1 (A) IMMUNITY FOR INDIVIDUALS.—An in-
2 dividual who has received the training described
3 in subsection (b) shall not be liable, including in
4 any civil or administrative proceeding, for dis-
5 closing the suspected exploitation of a senior
6 citizen to a covered agency if the individual, at
7 the time of the disclosure—

8 (i) served as a supervisor or in a com-
9 pliance or legal function (including as a
10 Bank Secrecy Act officer) for, or, in the
11 case of a registered representative, invest-
12 ment adviser representative, or insurance
13 producer, was affiliated or associated with,
14 a covered financial institution; and

15 (ii) made the disclosure—

16 (I) in good faith; and

17 (II) with reasonable care.

18 (B) IMMUNITY FOR COVERED FINANCIAL
19 INSTITUTIONS.—A covered financial institution
20 shall not be liable, including in any civil or ad-
21 ministrative proceeding, for a disclosure made
22 by an individual described in subparagraph (A)
23 if—

24 (i) the individual was employed by, or,
25 in the case of a registered representative,

1 insurance producer, or investment adviser
2 representative, affiliated or associated
3 with, the covered financial institution at
4 the time of the disclosure; and

5 (ii) before the time of the disclosure,
6 each individual described in subsection
7 (b)(1) received the training described in
8 subsection (b).

9 (C) RULE OF CONSTRUCTION.—Nothing in
10 subparagraph (A) or (B) shall be construed to
11 limit the liability of an individual or a covered
12 financial institution in a civil action for any act,
13 omission, or fraud that is not a disclosure de-
14 scribed in subparagraph (A).

15 (b) TRAINING.—

16 (1) IN GENERAL.—A covered financial institu-
17 tion or a third party selected by a covered financial
18 institution may provide the training described in
19 paragraph (2)(A) to each officer or employee of, or
20 registered representative, insurance producer, or in-
21 vestment adviser representative affiliated or associ-
22 ated with, the covered financial institution who—

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

1 (B) may come into contact with a senior
2 citizen as a regular part of the professional du-
3 ties of the individual; or

4 (C) may review or approve the financial
5 documents, records, or transactions of a senior
6 citizen in connection with providing financial
7 services to a senior citizen.

8 (2) CONTENT.—

9 (A) IN GENERAL.—The content of the
10 training that a covered financial institution or
11 a third party selected by the covered financial
12 institution may provide under paragraph (1)
13 shall—

14 (i) be maintained by the covered fi-
15 nancial institution and made available to a
16 covered agency with examination authority
17 over the covered financial institution, upon
18 request, except that a covered financial in-
19 stitution shall not be required to maintain
20 or make available such content with re-
21 spect to any individual who is no longer
22 employed by, or affiliated or associated
23 with, the covered financial institution;

24 (ii) instruct any individual attending
25 the training on how to identify and report

1 the suspected exploitation of a senior cit-
2 izen internally and, as appropriate, to gov-
3 ernment officials or law enforcement au-
4 thorities, including common signs that in-
5 dicate the financial exploitation of a senior
6 citizen;

7 (iii) discuss the need to protect the
8 privacy and respect the integrity of each
9 individual customer of the covered financial
10 institution; and

11 (iv) be appropriate to the job respon-
12 sibilities of the individual attending the
13 training.

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

16 (i) as soon as reasonably practicable;
17 and

18 (ii) with respect to an individual who
19 begins employment, or becomes affiliated
20 or associated, with a covered financial in-
21 stitution after the date of enactment of
22 this Act, not later than 1 year after the
23 date on which the individual becomes em-
24 ployed by, or affiliated or associated with,
25 the covered financial institution in a posi-

1 tion described in subparagraph (A), (B), or
2 (C) of paragraph (1).

3 (C) RECORDS.—A covered financial insti-
4 tution shall—

5 (i) maintain a record of each indi-
6 vidual who—

7 (I) is employed by, or affiliated
8 or associated with, the covered finan-
9 cial institution in a position described
10 in subparagraph (A), (B), or (C) of
11 paragraph (1); and

12 (II) has completed the training
13 under paragraph (1), regardless of
14 whether the training was—

15 (aa) provided by the covered
16 financial institution or a third
17 party selected by the covered fi-
18 nancial institution;

19 (bb) completed before the in-
20 dividual was employed by, or af-
21 filiated or associated with, the
22 covered financial institution; and

23 (cc) completed before, on, or
24 after the date of enactment of
25 this Act; and

1 (ii) upon request, provide a record de-
2 scribed in clause (i) to a covered agency
3 with examination authority over the cov-
4 ered financial institution.

5 (c) RELATIONSHIP TO STATE LAW.—Nothing in this
6 section shall be construed to preempt or limit any provi-
7 sion of State law, except only to the extent that subsection
8 (a) provides a greater level of protection against liability
9 to an individual described in subsection (a)(2)(A) or to
10 a covered financial institution described in subsection
11 (a)(2)(B) than is provided under State law.

12 **SEC. 304. RESTORATION OF THE PROTECTING TENANTS AT**
13 **FORECLOSURE ACT OF 2009.**

14 (a) REPEAL OF SUNSET PROVISION.—Section 704 of
15 the Protecting Tenants at Foreclosure Act of 2009 (12
16 U.S.C. 5201 note; 12 U.S.C. 5220 note; 42 U.S.C. 1437f
17 note) is repealed.

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

23 (c) EFFECTIVE DATE.—Subsections (a) and (b) shall
24 take effect on the date that is 30 days after the date of
25 enactment of this Act.

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

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

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

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

10 (1) in subsection (a)—

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

12 (B) by striking “the certificate and vouch-
13 er programs under section 8” and inserting
14 “sections 8 and 9”;

15 (2) by amending subsection (b) to read as fol-
16 lows:

17 “(b) CONTINUATION OF PRIOR REQUIRED PRO-
18 GRAMS.—

19 “(1) IN GENERAL.—Each public housing agen-
20 cy that was required to administer a local Family
21 Self-Sufficiency program on the date of enactment of
22 the Economic Growth, Regulatory Relief, and Con-
23 sumer Protection Act shall operate such local pro-
24 gram for, at a minimum, the number of families the
25 agency was required to serve on the date of enact-
26 ment of such Act, subject only to the availability

1 under appropriations Acts of sufficient amounts for
2 housing assistance and the requirements of para-
3 graph (2).

4 “(2) REDUCTION.—The number of families for
5 which a public housing agency is required to operate
6 such local program under paragraph (1) shall be de-
7 creased by 1 for each family from any supported
8 rental housing program administered by such agency
9 that, after October 21, 1998, fulfills its obligations
10 under the contract of participation.

11 “(3) EXCEPTION.—The Secretary shall not re-
12 quire a public housing agency to carry out a manda-
13 tory program for a period of time upon the request
14 of the public housing agency and upon a determina-
15 tion by the Secretary that implementation is not fea-
16 sible because of local circumstances, which may in-
17 clude—

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

23 “(B) lack of funding for reasonable admin-
24 istrative costs;

1 “(C) lack of cooperation by other units of
2 State or local government; or

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

5 (3) by striking subsection (i);

6 (4) by redesignating subsections (c), (d), (e),
7 (f), (g), and (h) as subsections (d), (e), (f), (g), (h),
8 and (i) respectively;

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

11 “(c) ELIGIBILITY.—

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

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

18 “(B) the household member receives direct
19 assistance under section 8 or resides in a unit
20 assisted under section 8 or 9.

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

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

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

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

9 (A) in paragraph (1)—

10 (i) by striking “public housing agen-
11 cy” the first time it appears and inserting
12 “eligible entity”;

13 (ii) in the first sentence, by striking
14 “each leaseholder receiving assistance
15 under the certificate and voucher programs
16 of the public housing agency under section
17 8 or residing in public housing adminis-
18 tered by the agency” and inserting “a
19 household member of an eligible family”;
20 and

21 (iii) by striking the third sentence and
22 inserting the following: “Housing assist-
23 ance may not be terminated as a con-
24 sequence of either successful completion of
25 the contract of participation or failure to

1 complete such contract. A contract of par-
2 ticipation shall remain in effect until the
3 participating family exits the Family Self-
4 Sufficiency program upon successful grad-
5 uation or expiration of the contract of par-
6 ticipation, or for other good cause.”;

7 (B) in paragraph (2)—

8 (i) in the matter preceding subpara-
9 graph (A)—

10 (I) in the first sentence—

11 (aa) by striking “A local
12 program under this section” and
13 inserting “An eligible entity”;

14 (bb) by striking “provide”
15 and inserting “coordinate”; and

16 (cc) by striking “to” and in-
17 serting “for”; and

18 (II) in the second sentence—

19 (aa) by striking “provided
20 during” and inserting “coordi-
21 nated for”;

22 (bb) by striking “under sec-
23 tion 8 or residing in public hous-
24 ing” and inserting “pursuant to
25 section 8 or 9 and for the dura-

1 tion of the contract of participa-
2 tion”; and

3 (cc) by inserting “, but are
4 not limited to” after “may in-
5 clude”;

6 (ii) in subparagraph (D), by inserting
7 “or attainment of a high school equiva-
8 lency certificate” after “high school”;

9 (iii) by striking subparagraph (G);

10 (iv) by redesignating subparagraphs
11 (E), (F), and (J) as subparagraphs (F),
12 (G), and (K) respectively;

13 (v) by inserting after subparagraph
14 (D) the following:

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

17 (vi) in subparagraph (H), by inserting
18 “financial literacy, such as training in fi-
19 nancial management, financial coaching,
20 and asset building, and” after “training
21 in”;

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

24 (viii) by inserting after subparagraph
25 (I) the following:

1 “(J) homeownership education and assist-
2 ance; and”; and

3 (C) in paragraph (3)—

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

7 (ii) in the second sentence—

8 (I) by striking “public housing
9 agency” and inserting “eligible enti-
10 ty”; and

11 (II) by striking “of the agency”;

12 (D) by amending paragraph (4) to read as
13 follows:

14 “(4) EMPLOYMENT.—The contract of partici-
15 pation shall require 1 household member of the partici-
16 pating family to seek and maintain suitable employ-
17 ment.”; and

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

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

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

24 (A) in paragraph (1), by striking “whose
25 monthly adjusted income does not exceed 50

1 percent” and all that follows through the period
2 at the end of the third sentence and inserting
3 “shall be calculated under the rental provisions
4 of section 3 or section 8(o), as applicable.”;

5 (B) in paragraph (2)—

6 (i) by striking the first sentence and
7 inserting the following: “For each partici-
8 pating family, an amount equal to any in-
9 crease in the amount of rent paid by the
10 family in accordance with the provisions of
11 section 3 or 8(o), as applicable, that is at-
12 tributable to increases in earned income by
13 the participating family, shall be placed in
14 an interest-bearing escrow account estab-
15 lished by the eligible entity on behalf of the
16 participating family. Notwithstanding any
17 other provision of law, an eligible entity
18 may use funds it controls under section 8
19 or 9 for purposes of making the escrow de-
20 posit for participating families assisted
21 under, or residing in units assisted under,
22 section 8 or 9, respectively, provided such
23 funds are offset by the increase in the
24 amount of rent paid by the participating
25 family.”;

1 (ii) by striking the second sentence
2 and inserting the following: “All Family
3 Self-Sufficiency programs administered
4 under this section shall include an escrow
5 account.”;

6 (iii) in the fourth sentence, by striking
7 “subsection (c)” and inserting “subsection
8 (d)”; and

9 (iv) in the last sentence—

10 (I) by striking “A public housing
11 agency” and inserting “An eligible en-
12 tity”; and

13 (II) by striking “the public hous-
14 ing agency” and inserting “such eligi-
15 ble entity”; and

16 (C) by amending paragraph (3) to read as
17 follows:

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

1 (8) in subsection (f), as so redesignated, by
2 striking “, unless the income of the family equals or
3 exceeds 80 percent of the median income of the area
4 (as determined by the Secretary with adjustments
5 for smaller and larger families)”;

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

7 (A) in paragraph (1)—

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

10 (ii) by striking “the public housing
11 agency” and inserting “such eligible enti-
12 ty”; and

13 (iii) by striking “subsection (g)” and
14 inserting “subsection (h)”;

15 (B) in paragraph (2)—

16 (i) by striking “public housing agen-
17 cy” and inserting “eligible entity” each
18 place that term appears;

19 (ii) by striking “or the Job Opportu-
20 nities and Basic Skills Training Program
21 under part F of title IV of the Social Secu-
22 rity Act”;

23 (iii) by inserting “primary, secondary,
24 and post-secondary” after “public and pri-
25 vate”; and

1 (iv) in the second sentence, by insert-
2 ing “and tenants served by the program”
3 after “the unit of general local govern-
4 ment”;

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

6 (A) in paragraph (1)—

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

9 (ii) by striking “participating in the”
10 and inserting “carrying out a”; and

11 (iii) by striking “to the Secretary”;

12 (B) in paragraph (2)—

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

15 (ii) by striking “subsection (f)” and
16 inserting “subsection (g)”;

17 (iii) by striking “residents of the pub-
18 lic housing” and inserting “the current
19 and prospective participants of the pro-
20 gram”; and

21 (iv) by striking “or the Job Opportu-
22 nities and Basic Skills Training Program
23 under part F of title IV of the Social Secu-
24 rity Act”; and

25 (C) in paragraph (3)—

1 (i) in subparagraph (C)—

2 (I) by striking “subsection
3 (c)(2)” and inserting “subsection
4 (d)(2)”;

5 (II) by striking “provided to”
6 and inserting “coordinated on behalf
7 of participating”;

8 (III) by inserting “direct” before
9 “assistance”; and

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

13 (ii) in subparagraph (D)—

14 (I) by striking “subsection (d)”
15 and inserting “subsection (e)”; and

16 (II) by striking “public housing
17 agency” and inserting “eligible enti-
18 ty”;

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

21 (iv) in subparagraph (H), by striking
22 “the Job Opportunities and Basic Skills
23 Training Program under part F of title IV
24 of the Social Security Act and”; and

1 (v) in subparagraph (I), by striking
2 “public housing or section 8 assistance”
3 and inserting “assistance under section 8
4 or 9”;

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

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

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

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

17 “(A) BASE AWARD.—An eligible entity
18 serving 25 or more participants in the Family
19 Self-Sufficiency program under this section is
20 eligible to receive an award equal to the costs,
21 as determined by the Secretary, of 1 full-time
22 family self-sufficiency coordinator position. The
23 Secretary may, by regulation or notice, determine
24 the policy concerning the award for an eligible
25 entity serving fewer than 25 such partici-

1 pants, including providing prorated awards or
2 allowing such entities to combine their pro-
3 grams under this section for purposes of em-
4 ploying a coordinator.

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

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

21 “(D) DETERMINATION OF NUMBER OF CO-
22 ORDINATORS.—In determining whether an eligi-
23 ble entity meets a specific threshold for funding
24 pursuant to this paragraph, the Secretary shall
25 consider the number of participants enrolled by

1 the eligible entity in its Family Self-Sufficiency
2 program as well as other criteria determined by
3 the Secretary.

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

17 “(3) RENEWALS AND ALLOCATION.—

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

21 “(i) FIRST PRIORITY.—Renewal of the
22 full cost of all coordinators in the previous
23 year at each eligible entity with an existing
24 Family Self-Sufficiency program that

1 meets applicable performance standards
2 set by the Secretary.

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

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

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

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

21 “(4) RECAPTURE OR OFFSET.—Any awards al-
22 located under this subsection by the Secretary in a
23 fiscal year that have not been spent by the end of
24 the subsequent fiscal year or such other time period
25 as determined by the Secretary may be recaptured

1 by the Secretary and shall be available for providing
2 additional awards pursuant to paragraph (2)(B), or
3 may be offset as determined by the Secretary. Funds
4 appropriated pursuant to this section shall remain
5 available for 3 years in order to facilitate the re-use
6 of any recaptured funds for this purpose.

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

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

23 (12) in subsection (j)—

24 (A) by striking “public housing agency”
25 and inserting “eligible entity”;

1 (B) by striking “public housing” before
2 “units”;

3 (C) by striking “in public housing projects
4 administered by the agency”;

5 (D) by inserting “or coordination” after
6 “provision”; and

7 (E) by striking the last sentence;

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

10 (14) by striking subsection (n);

11 (15) by striking subsection (o);

12 (16) by redesignating subsections (l) and (m) as
13 subsections (m) and (n), respectively;

14 (17) by inserting after subsection (k) the fol-
15 lowing:

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

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

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

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

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

23 “(4) ESCROW.—

24 “(A) COOPERATIVE AGREEMENT.—A coop-
25 erative agreement entered into pursuant to

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

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

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

18 “(6) SUSPENSION OF ENROLLMENT.—In any
19 year, the Secretary may suspend the enrollment of
20 new families in Family Self-Sufficiency programs
21 under this subsection based on a determination that
22 insufficient funding is available for this purpose.”;

23 (18) in subsection (m), as so redesignated—

24 (A) in paragraph (1)—

1 (i) in the first sentence, by striking
2 “Each public housing agency” and insert-
3 ing “Each eligible entity”;

4 (ii) in the second sentence, by striking
5 “The report shall include” and inserting
6 “The contents of the report shall include”;
7 and

8 (iii) in subparagraph (D)—

9 (I) by striking “public housing
10 agency” and inserting “eligible enti-
11 ty”; and

12 (II) by striking “local”; and

13 (B) in paragraph (2), by inserting “and
14 describing any additional research needs of the
15 Secretary to evaluate the effectiveness of the
16 program” after “under paragraph (1)”;

17 (19) in subsection (n), as so redesignated, by
18 striking “may” and inserting “shall”; and

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

20 “(o) DEFINITIONS.—In this section:

21 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
22 tity’ means an entity that meets the requirements
23 under subsection (c)(2) to administer a Family Self-
24 Sufficiency program under this section.

1 “(2) ELIGIBLE FAMILY.—The term ‘eligible
2 family’ means a family that meets the requirements
3 under subsection (c)(1) to participate in the Family
4 Self-Sufficiency program under this section.

5 “(3) PARTICIPATING FAMILY.—The term ‘par-
6 ticipating family’ means an eligible family that is
7 participating in the Family Self-Sufficiency program
8 under this section.”.

9 (b) EFFECTIVE DATE.—Not later than 360 days
10 after the date of enactment of this Act, the Secretary of
11 Housing and Urban Development shall issue regulations
12 to implement this section and any amendments made by
13 this section, and this section and any amendments made
14 by this section shall take effect upon such issuance.

15 **SEC. 307. PROPERTY ASSESSED CLEAN ENERGY FINANC-**
16 **ING.**

17 Section 129C(b)(3) of the Truth in Lending Act (15
18 U.S.C. 1639c(b)(3)) is amended by adding at the end the
19 following:

20 “(C) CONSIDERATION OF UNDERWRITING
21 REQUIREMENTS FOR PROPERTY ASSESSED
22 CLEAN ENERGY FINANCING.—

23 “(i) DEFINITION.—In this subpara-
24 graph, the term ‘Property Assessed Clean
25 Energy financing’ means financing to cover

1 the costs of home improvements that re-
2 sults in a tax assessment on the real prop-
3 erty of the consumer.

4 “(ii) REGULATIONS.—The Bureau
5 shall prescribe regulations that carry out
6 the purposes of subsection (a) and apply
7 section 130 with respect to violations
8 under subsection (a) of this section with
9 respect to Property Assessed Clean Energy
10 financing, which shall account for the
11 unique nature of Property Assessed Clean
12 Energy financing.

13 “(iii) COLLECTION OF INFORMATION
14 AND CONSULTATION.—In prescribing the
15 regulations under this subparagraph, the
16 Bureau—

17 “(I) may collect such information
18 and data that the Bureau determines
19 is necessary; and

20 “(II) shall consult with State and
21 local governments and bond-issuing
22 authorities.”.

1 **SEC. 308. GAO REPORT ON CONSUMER REPORTING AGEN-**
2 **CIES.**

3 (a) DEFINITIONS.—In this section, the terms “con-
4 sumer”, “consumer report”, and “consumer reporting
5 agency” have the meanings given those terms in section
6 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a).

7 (b) REPORT.—Not later than 1 year after the date
8 of enactment of this Act, the Comptroller General of the
9 United States shall submit to the Committee on Banking,
10 Housing, and Urban Affairs of the Senate and the Com-
11 mittee on Financial Services of the House of Representa-
12 tives a comprehensive report that includes—

13 (1) a review of the current legal and regulatory
14 structure for consumer reporting agencies and an
15 analysis of any gaps in that structure, including, in
16 particular, the rulemaking, supervisory, and enforce-
17 ment authority of State and Federal agencies under
18 the Fair Credit Reporting Act (15 U.S.C. 1681 et
19 seq.), the Gramm-Leach-Bliley Act (Public Law
20 106–102; 113 Stat. 1338), and any other relevant
21 statutes;

22 (2) a review of the process by which consumers
23 can appeal and expunge errors on their consumer re-
24 ports;

25 (3) a review of the causes of consumer report-
26 ing errors;

1 (4) a review of the responsibilities of data fur-
2 nishers to ensure that accurate information is ini-
3 tially reported to consumer reporting agencies and to
4 ensure that such information continues to be accu-
5 rate;

6 (5) a review of data security relating to con-
7 sumer reporting agencies and their efforts to safe-
8 guard consumer data;

9 (6) a review of who has access to, and may use,
10 consumer reports;

11 (7) a review of who has control or ownership of
12 a consumer's credit data;

13 (8) an analysis of—

14 (A) which Federal and State regulatory
15 agencies supervise and enforce laws relating to
16 how consumer reporting agencies protect con-
17 sumer data; and

18 (B) all laws relating to data security appli-
19 cable to consumer reporting agencies; and

20 (9) recommendations to Congress on how to im-
21 prove the consumer reporting system, including leg-
22 islative, regulatory, and industry-specific rec-
23 ommendations.

1 **SEC. 309. PROTECTING VETERANS FROM PREDATORY**
2 **LENDING.**

3 (a) PROTECTING VETERANS FROM PREDATORY
4 LENDING.—

5 (1) IN GENERAL.—Subchapter I of chapter 37
6 of title 38, United States Code, is amended by add-
7 ing at the end the following new section:

8 **“§ 3709. Refinancing of housing loans**

9 “(a) FEE RECOUPMENT.—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 being
13 refinanced may not be guaranteed or insured under this
14 chapter unless—

15 “(1) the issuer of the refinanced loan provides
16 the Secretary with a certification of the recoupment
17 period for fees, closing costs, and any expenses
18 (other than taxes, amounts held in escrow, and fees
19 paid under this chapter) that would be incurred by
20 the borrower in the refinancing of the loan;

21 “(2) all of the fees and incurred costs are
22 scheduled to be recouped on or before the date that
23 is 36 months after the date of loan issuance; and

24 “(3) the recoupment is calculated through lower
25 regular monthly payments (other than taxes,

1 amounts held in escrow, and fees paid under this
2 chapter) as a result of the refinanced loan.

3 “(b) NET TANGIBLE BENEFIT TEST.—Except as
4 provided in subsection (d) and notwithstanding section
5 3703 of this title or any other provision of law, a loan
6 to a veteran for a purpose specified in section 3710 of
7 this title that is refinanced may not be guaranteed or in-
8 sured under this chapter unless—

9 “(1) the issuer of the refinanced loan provides
10 the borrower with a net tangible benefit test;

11 “(2) in a case in which the original loan had a
12 fixed rate mortgage interest rate and the refinanced
13 loan will have a fixed rate mortgage interest rate,
14 the refinanced loan has a mortgage interest rate
15 that is not less than 50 basis points less than the
16 previous loan;

17 “(3) in a case in which the original loan had a
18 fixed rate mortgage interest rate and the refinanced
19 loan will have an adjustable rate mortgage interest
20 rate, the refinanced loan has a mortgage interest
21 rate that is not less than 200 basis points less than
22 the previous loan; and

23 “(4) the lower interest rate is not produced
24 solely from discount points, unless—

25 “(A) such points are paid at closing; and

1 “(B) such points are not added to the
2 principal loan amount, unless—

3 “(i) for discount point amounts that
4 are less than or equal to one discount
5 point, the resulting loan balance after any
6 fees and expenses allows the property with
7 respect to which the loan was issued to
8 maintain a loan to value ratio of 100 per-
9 cent or less; and

10 “(ii) for discount point amounts that
11 are greater than one discount point, the re-
12 sulting loan balance after any fees and ex-
13 penses allows the property with respect to
14 which the loan was issued to maintain a
15 loan to value ratio of 90 percent or less.

16 “(c) LOAN SEASONING.—Except as provided in sub-
17 section (d) and notwithstanding section 3703 of this title
18 or any other provision of law, a loan to a veteran for a
19 purpose specified in section 3710 of this title that is refi-
20 nanced may not be guaranteed or insured under this chap-
21 ter until the date that is the later of—

22 “(1) the date that is 210 days after the date on
23 which the first monthly payment is made on the
24 loan; and

1 “(2) the date on which the sixth monthly pay-
2 ment is made on the loan.

3 “(d) CASH-OUT REFINANCES.—(1) Subsections (a)
4 through (c) shall not apply in a case of a loan refinancing
5 in which the amount of the principal for the new loan to
6 be guaranteed or insured under this chapter is larger than
7 the payoff amount of the refinanced loan.

8 “(2) Not later than 180 days after the date of the
9 enactment of this section, the Secretary shall promulgate
10 such rules as the Secretary considers appropriate with re-
11 spect to refinancing described in paragraph (1) to ensure
12 that such refinancing is in the financial interest of the
13 borrower, including rules relating to recoupment, sea-
14 soning, and net tangible benefits.”.

15 (2) REGULATIONS.—

16 (A) IN GENERAL.—In prescribing any reg-
17 ulation to carry out section 3709 of title 38,
18 United States Code, as added by paragraph (1),
19 the Secretary of Veterans Affairs may waive the
20 requirements of sections 551 through 559 of
21 title 5, United States Code, if—

22 (i) the Secretary determines that ur-
23 gent or compelling circumstances make
24 compliance with such requirements imprac-
25 ticable or contrary to the public interest;

1 (ii) the Secretary submits to the Com-
2 mittee on Veterans' Affairs of the Senate
3 and the Committee on Veterans' Affairs of
4 the House of Representatives, and pub-
5 lishes in the Federal Register, notice of
6 such waiver, including a description of the
7 determination made under clause (i); and

8 (iii) a period of 10 days elapses fol-
9 lowing the notification under clause (ii).

10 (B) PUBLIC NOTICE AND COMMENT.—If a
11 regulation prescribed pursuant to a waiver
12 made under subparagraph (A) is in effect for a
13 period exceeding 1 year, the Secretary shall
14 provide the public an opportunity for notice and
15 comment regarding such regulation.

16 (C) EFFECTIVE DATE.—This paragraph
17 shall take effect on the date of the enactment
18 of this Act.

19 (D) TERMINATION DATE.—The authorities
20 under this paragraph shall terminate on the
21 date that is 1 year after the date of the enact-
22 ment of this Act.

23 (3) REPORT ON CASH-OUT REFINANCES.—

24 (A) IN GENERAL.—Not later than 1 year
25 after the date of the enactment of this Act, the

1 Secretary shall, in consultation with the Presi-
2 dent of the Ginnie Mae, submit to Congress a
3 report on refinancing—

4 (i) of loans—

5 (I) made to veterans for purposes
6 specified in section 3710 of title 38,
7 United States Code; and

8 (II) that were guaranteed or in-
9 sured under chapter 37 of such title;
10 and

11 (ii) in which the amount of the prin-
12 cipal for the new loan to be guaranteed or
13 insured under such chapter is larger than
14 the payoff amount of the refinanced loan.

15 (B) CONTENTS.—The report required by
16 subparagraph (A) shall include the following:

17 (i) An assessment of whether addi-
18 tional requirements, including a net tan-
19 gible benefit test, fee recoupment period,
20 and loan seasoning requirement, are nec-
21 essary to ensure that the refinancing de-
22 scribed in subparagraph (A) is in the fi-
23 nancial interest of the borrower.

24 (ii) Such recommendations as the Sec-
25 retary may have for additional legislative

1 or administrative action to ensure that re-
2 financing described in subparagraph (A) is
3 carried out in the financial interest of the
4 borrower.

5 (4) CLERICAL AMENDMENT.—The table of sec-
6 tions at the beginning of chapter 37 of title 38,
7 United States Code, is amended by inserting after
8 the item relating to section 3709 the following new
9 item:

 “3709. Refinancing of housing loans.”.

10 (b) LOAN SEASONING FOR GINNIE MAE MORTGAGE-
11 BACKED SECURITIES.—Section 306(g)(1) of the National
12 Housing Act (12 U.S.C. 1721(g)(1)) is amended by insert-
13 ing “The Association may not guarantee the timely pay-
14 ment of principal and interest on a security that is backed
15 by a mortgage insured or guaranteed under chapter 37
16 of title 38, United States Code, and that was refinanced
17 until the later of the date that is 210 days after the date
18 on which the first monthly payment is made on the mort-
19 gage being refinanced and the date on which 6 full month-
20 ly payments have been made on the mortgage being refi-
21 nanced.” after “Act of 1992.”.

22 (c) REPORT ON LIQUIDITY OF THE DEPARTMENT OF
23 VETERANS AFFAIRS HOUSING LOAN PROGRAM.—

24 (1) REPORT.—Not later than 1 year after the
25 date of the enactment of this Act, the Secretary of

1 Housing and Urban Development and the President
2 of the Ginnie Mae shall submit to the appropriate
3 committees of Congress a report on the liquidity of
4 the housing loan program under chapter 37 of title
5 38, United States Code, in the secondary mortgage
6 market, which shall—

7 (A) assess the loans provided under that
8 chapter that collateralize mortgage-backed secu-
9 rities that are guaranteed by Ginnie Mae; and

10 (B) include recommendations for actions
11 that Ginnie Mae should take to ensure that the
12 liquidity of that housing loan program is main-
13 tained.

14 (2) DEFINITIONS.—In this subsection:

15 (A) APPROPRIATE COMMITTEES OF CON-
16 GRESS.—The term “appropriate committees of
17 Congress” means—

18 (i) the Committee on Veterans’ Af-
19 fairs and the Committee on Banking,
20 Housing, and Urban Affairs of the Senate;
21 and

22 (ii) the Committee on Veterans’ Af-
23 fairs and the Committee on Financial
24 Services of the House of Representatives.

1 (B) GINNIE MAE.—The term “Ginnie
2 Mae” means the Government National Mort-
3 gage Association.

4 (d) ANNUAL REPORT ON DOCUMENT DISCLOSURE
5 AND CONSUMER EDUCATION.—Not less frequently than
6 once each year, the Secretary of Veterans Affairs shall
7 issue a publicly available report that—

8 (1) examines, with respect to loans provided to
9 veterans under chapter 37 of title 38, United States
10 Code—

11 (A) the refinancing of fixed-rate mortgage
12 loans to adjustable rate mortgage loans;

13 (B) whether veterans are informed of the
14 risks and disclosures associated with that refi-
15 nancing; and

16 (C) whether advertising materials for that
17 refinancing are clear and do not contain mis-
18 leading statements or assertions; and

19 (2) includes findings based on any complaints
20 received by veterans and on an ongoing assessment
21 of the refinancing market by the Secretary.

22 **SEC. 310. CREDIT SCORE COMPETITION.**

23 (a) USE OF CREDIT SCORES BY FANNIE MAE IN
24 PURCHASING RESIDENTIAL MORTGAGES.—Section
25 302(b) of the Federal National Mortgage Association

1 Charter Act (12 U.S.C. 1717(b)) is amended by adding
2 at the end the following:

3 “(7)(A) DEFINITIONS.—In this paragraph—

4 “(i) the term ‘credit score’ means a numerical
5 value or a categorization created by a third party de-
6 rived from a statistical tool or modeling system used
7 by a person who makes or arranges a loan to predict
8 the likelihood of certain credit behaviors, including
9 default; and

10 “(ii) the term ‘residential mortgage’ has the
11 meaning given the term in section 302 of the Fed-
12 eral Home Loan Mortgage Corporation Act (12
13 U.S.C. 1451).

14 “(B) USE OF CREDIT SCORES.—The corporation
15 may condition purchase of a residential mortgage by the
16 corporation under this subsection on the provision of a
17 credit score for the borrower only if—

18 “(i) the credit score is derived from any credit
19 scoring model that has been validated and approved
20 by the corporation under this paragraph; and

21 “(ii) the corporation provides for the use of the
22 credit score by all of the automated underwriting
23 systems of the corporation and any other procedures
24 and systems used by the corporation to purchase
25 residential mortgages that use a credit score.

1 “(C) VALIDATION AND APPROVAL PROCESS.—The
2 corporation shall establish a validation and approval pro-
3 cess for the use of credit score models, under which the
4 corporation may not validate and approve a credit score
5 model unless the credit score model—

6 “(i) satisfies minimum requirements of integ-
7 rity, reliability, and accuracy;

8 “(ii) has a historical record of measuring and
9 predicting default rates and other credit behaviors;

10 “(iii) is consistent with the safe and sound op-
11 eration of the corporation;

12 “(iv) complies with any standards and criteria
13 established by the Director of the Federal Housing
14 Finance Agency under section 1328(1) of the Fed-
15 eral Housing Enterprises Financial Safety and
16 Soundness Act of 1992; and

17 “(v) satisfies any other requirements, as deter-
18 mined by the corporation.

19 “(D) REPLACEMENT OF CREDIT SCORE MODEL.—
20 If the corporation has validated and approved 1 or more
21 credit score models under subparagraph (C) and the cor-
22 poration validates and approves an additional credit score
23 model, the corporation may determine that—

1 “(i) the additional credit score model has re-
2 placed the credit score model or credit score models
3 previously validated and approved; and

4 “(ii) 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 subparagraph (B).

8 “(E) PUBLIC DISCLOSURE.—Upon establishing the
9 validation and approval process required under subpara-
10 graph (C), the corporation shall make publicly available
11 a description of the validation and approval process.

12 “(F) APPLICATION.—Not later than 30 days after
13 the effective date of this paragraph, the corporation shall
14 solicit applications from developers of credit scoring mod-
15 els for the validation and approval of those models under
16 the process required under subparagraph (C).

17 “(G) TIMEFRAME FOR DETERMINATION; NOTICE.—

18 “(i) IN GENERAL.—The corporation shall make
19 a determination with respect to any application sub-
20 mitted under subparagraph (F), and provide notice
21 of that determination to the applicant, before a date
22 established by the corporation that is not later than
23 180 days after the date on which an application is
24 submitted to the corporation.

1 “(ii) 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 clause (i), each of which shall not exceed 30 days,
5 upon a written request and a showing of good cause
6 by the corporation.

7 “(iii) STATUS NOTICE.—The corporation shall
8 provide notice to an applicant regarding the status
9 of an application submitted under subparagraph (F)
10 not later than 60 days after the date on which the
11 application was submitted to the corporation.

12 “(iv) REASONS FOR DISAPPROVAL.—If an appli-
13 cation submitted under subparagraph (F) 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 subparagraph.

18 “(H) AUTHORITY OF DIRECTOR.—If the corporation
19 elects to use a credit score model under this paragraph,
20 the Director of the Federal Housing Finance Agency shall
21 require the corporation to periodically review the valida-
22 tion and approval process required under subparagraph
23 (C) as the Director determines necessary to ensure that
24 the process remains appropriate and adequate and com-
25 plies with any standards and criteria established pursuant

1 to section 1328(1) of the Federal Housing Enterprises Fi-
2 nancial Safety and Soundness Act of 1992.

3 “(I) EXTENSION.—If, as of the effective date of this
4 paragraph, a credit score model has not been approved
5 under subparagraph (C), the corporation may use a credit
6 score model that was in use before the effective date of
7 this paragraph, if necessary to prevent substantial market
8 disruptions, until the earlier of—

9 “(i) the date on which a credit score model is
10 validated and approved under subparagraph (C); or

11 “(ii) the date that is 2 years after the effective
12 date of this paragraph.”.

13 (b) USE OF CREDIT SCORES BY FREDDIE MAC IN
14 PURCHASING RESIDENTIAL MORTGAGES.—Section 305 of
15 the Federal Home Loan Mortgage Corporation Act (12
16 U.S.C. 1454) is amended by adding at the end the fol-
17 lowing:

18 “(d)(1) DEFINITION.—In this subsection, the term
19 ‘credit score’ means a numerical value or a categorization
20 created by a third party derived from a statistical tool or
21 modeling system used by a person who makes or arranges
22 a loan to predict the likelihood of certain credit behaviors,
23 including default.

24 “(2) USE OF CREDIT SCORES.—The Corporation
25 shall condition purchase of a residential mortgage by the

1 Corporation under this section on the provision of a credit
2 score for the borrower only if—

3 “(A) the credit score is derived from any credit
4 scoring model that has been validated and approved
5 by the Corporation under this subsection; and

6 “(B) the Corporation provides for use of the
7 credit score by all of the automated underwriting
8 systems of the Corporation and any other procedures
9 and systems used by the Corporation to purchase
10 residential mortgages that uses a credit score.

11 “(3) VALIDATION AND APPROVAL PROCESS.—The
12 Corporation shall establish a validation and approval pro-
13 cess for the use of credit score models, under which the
14 Corporation may not validate and approve a credit score
15 model unless the credit score model—

16 “(A) satisfies minimum requirements of integ-
17 rity, reliability, and accuracy;

18 “(B) has a historical record of measuring and
19 predicting default rates and other credit behaviors;

20 “(C) is consistent with the safe and sound oper-
21 ation of the corporation;

22 “(D) complies with any standards and criteria
23 established by the Director of the Federal Housing
24 Finance Agency under section 1328(1) of the Fed-

1 eral Housing Enterprises Financial Safety and
2 Soundness Act of 1992; and

3 “(E) satisfies any other requirements, as deter-
4 mined by the Corporation.

5 “(4) REPLACEMENT OF CREDIT SCORE MODEL.—If
6 the Corporation has validated and approved 1 or more
7 credit score models under paragraph (3) and if the Cor-
8 poration validates and approves an additional credit score
9 model, the Corporation may determine that—

10 “(A) the additional credit score model has re-
11 placed the credit score model or credit score models
12 previously validated and approved; and

13 “(B) the credit score model or credit score mod-
14 els previously validated and approved shall no longer
15 be considered validated and approved for purposes of
16 paragraph (2).

17 “(5) PUBLIC DISCLOSURE.—Upon establishing the
18 validation and approval process required under paragraph
19 (3), the Corporation shall make publicly available a de-
20 scription of the validation and approval process.

21 “(6) APPLICATION.—Not later than 30 days after the
22 effective date of this subsection, the Corporation shall so-
23 licit applications from developers of credit scoring models
24 for the validation and approval of those models under the
25 process required under paragraph (3).

1 “(7) TIMEFRAME FOR DETERMINATION; NOTICE.—

2 “(A) IN GENERAL.—The Corporation shall
3 make a determination with respect to any applica-
4 tion submitted under paragraph (6), and provide no-
5 tice of that determination to the applicant, before a
6 date established by the Corporation that is not later
7 than 180 days after the date on which an applica-
8 tion is submitted to the Corporation.

9 “(B) EXTENSIONS.—The Director of the Fed-
10 eral Housing Finance Agency may authorize not
11 more than 2 extensions of the date established under
12 subparagraph (A), each of which shall not exceed 30
13 days, upon a written request and a showing of good
14 cause by the Corporation.

15 “(C) STATUS NOTICE.—The Corporation shall
16 provide notice to an applicant regarding the status
17 of an application submitted under paragraph (6) not
18 later than 60 days after the date on which the appli-
19 cation was submitted to the Corporation.

20 “(D) REASONS FOR DISAPPROVAL.—If an ap-
21 plication submitted under paragraph (6) is dis-
22 approved, the Corporation shall provide to the appli-
23 cant the reasons for the disapproval not later than
24 30 days after a determination is made under this
25 paragraph.

1 “(8) AUTHORITY OF DIRECTOR.—If the Corporation
2 elects to use a credit score under this subsection, the Di-
3 rector of the Federal Housing Finance Agency shall re-
4 quire the Corporation to periodically review the validation
5 and approval process required under paragraph (3) as the
6 Director determines necessary to ensure that the process
7 remains appropriate and adequate and complies with any
8 standards and criteria established pursuant to section
9 1328(1) of the Federal Housing Enterprises Financial
10 Safety and Soundness Act of 1992.

11 “(9) EXTENSION.—If, as of the effective date of this
12 subsection, a credit score model has not been approved
13 under paragraph (3), the Corporation may use a credit
14 score model that was in use before the effective date of
15 this subsection, if necessary to prevent substantial market
16 disruptions, until the earlier of—

17 “(A) the date on which a credit score model is
18 validated and approved under paragraph (3); or

19 “(B) the date that is 2 years after the effective
20 date of this subsection.”.

21 (c) AUTHORITY OF THE DIRECTOR.—Subpart A of
22 part 2 of subtitle A of the Federal Housing Enterprises
23 Financial Safety and Soundness Act of 1992 (12 U.S.C.
24 4541 et seq.) is amended by adding at the end the fol-
25 lowing:

1 **“SEC. 1328. REGULATIONS FOR USE OF CREDIT SCORES.**

2 “The Director shall—

3 “(1) by regulation, establish standards and cri-
4 teria for any process used by an enterprise to vali-
5 date and approve credit scoring models pursuant to
6 section 302(b)(7) of the Federal National Mortgage
7 Association Charter Act (12 U.S.C. 1717(b)(7)) and
8 section 305(d) of the Federal Home Loan Mortgage
9 Corporation Act (12 U.S.C. 1454(d)); and

10 “(2) ensure that any credit scoring model that
11 is validated and approved by an enterprise under
12 section 302(b)(7) (12 U.S.C. 1717(b)(7)) of the
13 Federal National Mortgage Association Charter Act
14 or section 305(d) of the Federal Home Loan Mort-
15 gage Corporation Act (12 U.S.C. 1454(d)) meets the
16 requirements of clauses (i), (ii), and (iii) of section
17 302(b)(7)(C) of the Federal National Mortgage As-
18 sociation Charter Act and subparagraphs (A), (B),
19 and (C) of section 305(d)(3) of the Federal Home
20 Loan Mortgage Corporation Act, respectively.”.

21 (d) **EFFECTIVE DATE.**—The amendments made by
22 subsections (a) and (b) shall take effect on the date that
23 is 180 days after the date of enactment of this Act.

24 **SEC. 311. GAO REPORT ON PUERTO RICO FORECLOSURES.**

25 Not earlier than 1 year after the date of enactment
26 of this Act, the Comptroller General of the United States

1 shall submit to the Committee on Banking, Housing, and
2 Urban Affairs of the Senate and the Committee on Finan-
3 cial Services of the House of Representatives a report on
4 foreclosures in the Commonwealth of Puerto Rico, includ-
5 ing—

6 (1) the rate of foreclosures in the Common-
7 wealth of Puerto Rico before and after Hurricane
8 Maria;

9 (2) the rate of return for housing developers in
10 the Commonwealth of Puerto Rico before and after
11 Hurricane Maria;

12 (3) the rate of delinquency in the Common-
13 wealth of Puerto Rico before and after Hurricane
14 Maria;

15 (4) the rate of homeownership in the Common-
16 wealth of Puerto Rico before and after Hurricane
17 Maria; and

18 (5) the rate of defaults on federally insured
19 mortgages in the Commonwealth of Puerto Rico be-
20 fore and after Hurricane Maria.

21 **SEC. 312. REPORT ON CHILDREN'S LEAD-BASED PAINT HAZ-**

22 **ARD PREVENTION AND ABATEMENT.**

23 (a) DEFINITIONS.—In this section—

24 (1) the term “Department” means the Depart-
25 ment of Housing and Urban Development; and

1 (2) the term “public housing agency” has the
2 meaning given the term in section 3(b) of the United
3 States Housing Act of 1937 (42 U.S.C. 1437a(b)).

4 (b) REPORT.—Not later than 1 year after the date
5 of enactment of this Act, the Secretary of Housing and
6 Urban Development shall submit to Congress a report that
7 includes—

8 (1) an overview of existing policies and enforce-
9 ment of the Department, including public outreach,
10 relating to lead-based paint hazard prevention and
11 abatement;

12 (2) recommendations and best practices for the
13 Department, public housing agencies, and landlords
14 for improving lead-based paint hazard prevention
15 standards and Federal lead prevention and abate-
16 ment policies to protect the environmental health
17 and safety of children, including within housing re-
18 ceiving assistance from or occupied by families re-
19 ceiving housing assistance from the Department;
20 and

21 (3) recommendations for legislation to improve
22 lead-based paint hazard prevention and abatement.

1 **SEC. 313. FORECLOSURE RELIEF AND EXTENSION FOR**
2 **SERVICEMEMBERS.**

3 Section 710(d) of the Honoring America’s Veterans
4 and Caring for Camp Lejeune Families Act of 2012 (Pub-
5 lic Law 112–154; 50 U.S.C. 3953 note) is amended by
6 striking paragraphs (1) and (3).

7 **TITLE IV—TAILORING REGULA-**
8 **TIONS FOR CERTAIN BANK**
9 **HOLDING COMPANIES**

10 **SEC. 401. ENHANCED SUPERVISION AND PRUDENTIAL**
11 **STANDARDS FOR CERTAIN BANK HOLDING**
12 **COMPANIES.**

13 (a) IN GENERAL.—Section 165 of the Financial Sta-
14 bility Act of 2010 (12 U.S.C. 5365) is amended—

15 (1) in subsection (a)—

16 (A) in paragraph (1), in the matter pre-
17 ceeding subparagraph (A), by striking
18 “\$50,000,000,000” and inserting
19 “\$250,000,000,000”; and

20 (B) in paragraph (2)—

21 (i) in subparagraph (A), by striking
22 “may” and inserting “shall”;

23 (ii) in subparagraph (B), by striking
24 “\$50,000,000,000” and inserting “the ap-
25 plicable threshold”; and

1 (iii) by adding at the end the fol-
2 lowing:

3 “(C) RISKS TO FINANCIAL STABILITY AND
4 SAFETY AND SOUNDNESS.—The Board of Gov-
5 ernors may by order or rule promulgated pursu-
6 ant to section 553 of title 5, United States
7 Code, apply any prudential standard established
8 under this section to any bank holding company
9 or bank holding companies with total consoli-
10 dated assets equal to or greater than
11 \$100,000,000,000 to which the prudential
12 standard does not otherwise apply provided that
13 the Board of Governors—

14 “(i) determines that application of the
15 prudential standard is appropriate—

16 “(I) to prevent or mitigate risks
17 to the financial stability of the United
18 States, as described in paragraph (1);
19 or

20 “(II) to promote the safety and
21 soundness of the bank holding com-
22 pany or bank holding companies; and

23 “(ii) takes into consideration the bank
24 holding company’s or bank holding compa-
25 nies’ capital structure, riskiness, com-

1 plexity, financial activities (including finan-
2 cial activities of subsidiaries), size, and any
3 other risk-related factors that the Board of
4 Governors deems appropriate.”;

5 (2) in subsection (b)(1)—

6 (A) in subparagraph (A)(iv), by striking
7 “and credit exposure report”; and

8 (B) in subparagraph (B)(ii), by inserting
9 “, including credit exposure reports” before the
10 semicolon at the end;

11 (3) in subsection (d)(2), in the matter pre-
12 ceding subparagraph (A), by striking “shall” and in-
13 serting “may”;

14 (4) in subsection (h)(2), by striking
15 “\$10,000,000,000” each place that term appears
16 and inserting “\$50,000,000,000”;

17 (5) in subsection (i)—

18 (A) in paragraph (1)(B)(i)—

19 (i) by striking “3” and inserting “2”;

20 and

21 (ii) by striking “, adverse,”; and

22 (B) in paragraph (2)—

23 (i) in subparagraph (A)—

1 (I) in the first sentence, by strik-
2 ing “semiannual” and inserting “peri-
3 odic”; and

4 (II) in the second sentence—

5 (aa) by striking
6 “\$10,000,000,000” and inserting
7 “\$250,000,000,000”; and

8 (bb) by striking “annual”
9 and inserting “periodic”; and

10 (ii) in subparagraph (C)(ii)—

11 (I) by striking “3” and inserting
12 “2”; and

13 (II) by striking “, adverse,”; and

14 (6) in subsection (j)(1), in the first sentence, by
15 striking “\$50,000,000,000” and inserting
16 “\$250,000,000,000”.

17 (b) RULE OF CONSTRUCTION.—Nothing in sub-
18 section (a) shall be construed to limit—

19 (1) the authority of the Board of Governors of
20 the Federal Reserve System, in prescribing pruden-
21 tial standards under section 165 of the Financial
22 Stability Act of 2010 (12 U.S.C. 5365) or any other
23 law, to tailor or differentiate among companies on
24 an individual basis or by category, taking into con-
25 sideration their capital structure, riskiness, com-

1 plexity, financial activities (including financial activi-
2 ties of their subsidiaries), size, and any other risk-
3 related factors that the Board of Governors deems
4 appropriate; or

5 (2) the supervisory, regulatory, or enforcement
6 authority of an appropriate Federal banking agency
7 to further the safe and sound operation of an insti-
8 tution under the supervision of the appropriate Fed-
9 eral banking agency.

10 (c) TECHNICAL AND CONFORMING AMENDMENTS.—

11 (1) FINANCIAL STABILITY ACT OF 2010.—The
12 Financial Stability Act of 2010 (12 U.S.C. 5311 et
13 seq.) is amended—

14 (A) in section 115(a)(2)(B) (12 U.S.C.
15 5325(a)(2)(B)), by striking “\$50,000,000,000”
16 and inserting “the applicable threshold”;

17 (B) in section 116(a) (12 U.S.C. 5326(a)),
18 in the matter preceding paragraph (1), by strik-
19 ing “\$50,000,000,000” and inserting
20 “\$250,000,000,000”;

21 (C) in section 121(a) (12 U.S.C. 5331(a)),
22 in the matter preceding paragraph (1), by strik-
23 ing “\$50,000,000,000” and inserting
24 “\$250,000,000,000”;

1 (D) in section 155(d) (12 U.S.C. 5345(d)),
2 by striking “50,000,000,000” and inserting
3 “\$250,000,000,000”;

4 (E) in section 163(b) (12 U.S.C. 5363(b)),
5 by striking “\$50,000,000,000” each place that
6 term appears and inserting
7 “\$250,000,000,000”; and

8 (F) in section 164 (12 U.S.C. 5364), by
9 striking “\$50,000,000,000” and inserting
10 “\$250,000,000,000”.

11 (2) FEDERAL RESERVE ACT.—The second sub-
12 section (s) (relating to assessments) of section 11 of
13 the Federal Reserve Act (12 U.S.C. 248(s)) is
14 amended—

15 (A) in paragraph (2)—

16 (i) in subparagraph (A), by striking
17 “\$50,000,000,000” and inserting
18 “\$100,000,000,000”; and

19 (ii) in subparagraph (B), by striking
20 “\$50,000,000,000” and inserting
21 “\$100,000,000,000”; and

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

23 “(3) TAILORING ASSESSMENTS.—In collecting
24 assessments, fees, or other charges under paragraph
25 (1) from each company described in paragraph (2)

1 with total consolidated assets of between
2 \$100,000,000,000 and \$250,000,000,000, the Board
3 shall adjust the amount charged to reflect any
4 changes in supervisory and regulatory responsibil-
5 ities resulting from the Economic Growth, Regu-
6 latory Relief, and Consumer Protection Act with re-
7 spect to each such company.”.

8 (d) EFFECTIVE DATE.—

9 (1) IN GENERAL.—Except as provided in para-
10 graph (2), the amendments made by this section
11 shall take effect on the date that is 18 months after
12 the date of enactment of this Act.

13 (2) EXCEPTION.—Notwithstanding paragraph
14 (1), the amendments made by this section shall take
15 effect on the date of enactment of this Act with re-
16 spect to any bank holding company with total con-
17 solidated assets of less than \$100,000,000,000.

18 (3) ADDITIONAL AUTHORITY.—Before the effec-
19 tive date described in paragraph (1), the Board of
20 Governors of the Federal Reserve System may by
21 order exempt any bank holding company with total
22 consolidated assets of less than \$250,000,000,000
23 from any prudential standard under section 165 of
24 the Financial Stability Act of 2010 (12 U.S.C.
25 5365).

1 (4) RULE OF CONSTRUCTION.—Nothing in this
2 section shall be construed to prohibit the Board of
3 Governors of the Federal Reserve System from
4 issuing an order or rule making under section
5 165(a)(2)(C) of the Financial Stability Act of 2010
6 (12 U.S.C. 5365(a)(2)(C)), as added by this section,
7 before the effective date described in paragraph (1).

8 (e) SUPERVISORY STRESS TEST.—Beginning on the
9 effective date described in subsection (d)(1), the Board of
10 Governors of the Federal Reserve System shall, on a peri-
11 odic basis, conduct supervisory stress tests of bank holding
12 companies with total consolidated assets equal to or great-
13 er than \$100,000,000,000 and total consolidated assets
14 of less than \$250,000,000,000 to evaluate whether such
15 bank holding companies have the capital, on a total con-
16 solidated basis, necessary to absorb losses as a result of
17 adverse economic conditions.

18 (f) GLOBAL SYSTEMICALLY IMPORTANT BANK
19 HOLDING COMPANIES.—Any bank holding company, re-
20 gardless of asset size, that has been identified as a global
21 systemically important BHC under section 217.402 of
22 title 12, Code of Federal Regulations, shall be considered
23 a bank holding company with total consolidated assets
24 equal to or greater than \$250,000,000,000 with respect
25 to the application of standards or requirements under—

1 (1) this section;

2 (2) sections 116(a), 121(a), 155(d), 163(b),
3 164, and 165 of the Financial Stability Act of 2010
4 (12 U.S.C. 5326(a), 5331(a), 5345(d), 5363(b),
5 5364, 5365); and

6 (3) paragraph (2)(A) of the second subsection
7 (s) (relating to assessments) of section 11 of the
8 Federal Reserve Act (12 U.S.C. 248(s)(2)).

9 (g) CLARIFICATION FOR FOREIGN BANKS.—Nothing
10 in this section shall be construed to—

11 (1) affect the legal effect of the final rule of the
12 Board of Governors of the Federal Reserve System
13 entitled “Enhanced Prudential Standards for Bank
14 Holding Companies and Foreign Banking Organiza-
15 tions” (79 Fed. Reg. 17240 (March 27, 2014)) as
16 applied to foreign banking organizations with total
17 consolidated assets equal to or greater than
18 \$100,000,000,000; or

19 (2) limit the authority of the Board of Gov-
20 ernors of the Federal Reserve System to require the
21 establishment of an intermediate holding company
22 under, implement enhanced prudential standards
23 with respect to, or tailor the regulation of a foreign
24 banking organization with total consolidated assets
25 equal to or greater than \$100,000,000,000.

1 **SEC. 402. SUPPLEMENTARY LEVERAGE RATIO FOR CUSTO-**
2 **DIAL BANKS.**

3 (a) DEFINITION.—In this section, the term “custo-
4 dial bank” means any depository institution holding com-
5 pany predominantly engaged in custody, safekeeping, and
6 asset servicing activities, including any insured depository
7 institution subsidiary of such a holding company.

8 (b) REGULATIONS.—

9 (1) DEFINITION.—In this subsection, the term
10 “central bank” means—

11 (A) the Federal Reserve System;

12 (B) the European Central Bank; and

13 (C) central banks of member countries of
14 the Organisation for Economic Co-operation
15 and Development, if—

16 (i) the member country has been as-
17 signed a zero percent risk weight under
18 sections 3.32, 217.32, and 324.32 of title
19 12, Code of Federal Regulations, or any
20 successor regulation; and

21 (ii) the sovereign debt of such member
22 country is not in default or has not been
23 in default during the previous 5 years.

24 (2) REGULATIONS.—The appropriate Federal
25 banking agencies shall promulgate regulations to

1 amend sections 3.10, 217.10, and 324.10 of title 12,
2 Code of Federal Regulations, to specify that—

3 (A) subject to subparagraph (B), funds of
4 a custodial bank that are deposited with a cen-
5 tral bank shall not be taken into account when
6 calculating the supplementary leverage ratio as
7 applied to the custodial bank; and

8 (B) with respect to the funds described in
9 subparagraph (A), any amount that exceeds the
10 total value of deposits of the custodial bank
11 that are linked to fiduciary or custodial and
12 safekeeping accounts shall be taken into ac-
13 count when calculating the supplementary lever-
14 age ratio as applied to the custodial bank.

15 (c) **RULE OF CONSTRUCTION.**—Nothing in sub-
16 section (b) shall be construed to limit the authority of the
17 appropriate Federal banking agencies to tailor or adjust
18 the supplementary leverage ratio or any other leverage
19 ratio for any company that is not a custodial bank.

20 **SEC. 403. TREATMENT OF CERTAIN MUNICIPAL OBLIGA-**
21 **TIONS.**

22 (a) **IN GENERAL.**—Section 18 of the Federal Deposit
23 Insurance Act (12 U.S.C. 1828) is amended—

24 (1) by moving subsection (z) so that it appears
25 after subsection (y); and

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

2 “(aa) TREATMENT OF CERTAIN MUNICIPAL OBLIGA-
3 TIONS.—

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

5 “(A) the term ‘investment grade’, with re-
6 spect to an obligation, has the meaning given
7 the term in section 1.2 of title 12, Code of Fed-
8 eral Regulations, or any successor thereto;

9 “(B) the term ‘liquid and readily-market-
10 able’ has the meaning given the term in section
11 249.3 of title 12, Code of Federal Regulations,
12 or any successor thereto; and

13 “(C) the term ‘municipal obligation’ means
14 an obligation of—

15 “(i) a State or any political subdivi-
16 sion thereof; or

17 “(ii) any agency or instrumentality of
18 a State or any political subdivision thereof.

19 “(2) MUNICIPAL OBLIGATIONS.—For purposes
20 of the final rule entitled ‘Liquidity Coverage Ratio:
21 Liquidity Risk Measurement Standards’ (79 Fed.
22 Reg. 61439 (October 10, 2014)), the final rule enti-
23 tled ‘Liquidity Coverage Ratio: Treatment of U.S.
24 Municipal Securities as High-Quality Liquid Assets’
25 (81 Fed. Reg. 21223 (April 11, 2016)), and any

1 other regulation that incorporates a definition of the
2 term ‘high-quality liquid asset’ or another substan-
3 tially similar term, the appropriate Federal banking
4 agencies shall treat a municipal obligation as a high-
5 quality liquid asset that is a level 2B liquid asset if
6 that obligation is, as of the date of calculation—

7 “(A) liquid and readily-marketable; and

8 “(B) investment grade.”.

9 (b) AMENDMENT TO LIQUIDITY COVERAGE RATIO
10 REGULATIONS.—Not later than 90 days after the date of
11 enactment of this Act, the Federal Deposit Insurance Cor-
12 poration, the Board of Governors of the Federal Reserve
13 System, and the Comptroller of the Currency shall amend
14 the final rule entitled “Liquidity Coverage Ratio: Liquidity
15 Risk Measurement Standards” (79 Fed. Reg. 61439 (Oc-
16 tober 10, 2014)) and the final rule entitled “Liquidity
17 Coverage Ratio: Treatment of U.S. Municipal Securities
18 as High-Quality Liquid Assets” (81 Fed. Reg. 21223
19 (April 11, 2016)) to implement the amendments made by
20 this section.

1 **TITLE V—ENCOURAGING**
2 **CAPITAL FORMATION**

3 **SEC. 501. NATIONAL SECURITIES EXCHANGE REGULATORY**
4 **PARITY.**

5 Section 18(b)(1) of the Securities Act of 1933 (15
6 U.S.C. 77r(b)(1)) is amended—

7 (1) by striking subparagraph (A);

8 (2) in subparagraph (B)—

9 (A) by inserting “a security designated as
10 qualified for trading in the national market sys-
11 tem pursuant to section 11A(a)(2) of the Secu-
12 rities Exchange Act of 1934 (15 U.S.C. 78k-
13 1(a)(2)) that is” before “listed”; and

14 (B) by striking “that has listing standards
15 that the Commission determines by rule (on its
16 own initiative or on the basis of a petition) are
17 substantially similar to the listing standards ap-
18 plicable to securities described in subparagraph
19 (A)”;

20 (3) in subparagraph (C), by striking “or (B)”;

21 and

22 (4) by redesignating subparagraphs (B) and
23 (C) as subparagraphs (A) and (B), respectively.

1 **SEC. 502. SEC STUDY ON ALGORITHMIC TRADING.**

2 (a) IN GENERAL.—Not later than 18 months after
3 the date of enactment of this Act, the staff of the Securi-
4 ties and Exchange Commission shall submit to the Com-
5 mittee on Banking, Housing, and Urban Affairs of the
6 Senate and the Committee on Financial Services of the
7 House of Representatives a report on the risks and bene-
8 fits of algorithmic trading in capital markets in the United
9 States.

10 (b) MATTERS REQUIRED TO BE INCLUDED.—The
11 matters covered by the report required by subsection (a)
12 shall include the following:

13 (1) An assessment of the effect of algorithmic
14 trading in equity and debt markets in the United
15 States on the provision of liquidity in stressed and
16 normal market conditions.

17 (2) An assessment of the benefits and risks to
18 equity and debt markets in the United States by al-
19 gorithmic trading.

20 (3) An analysis of whether the activity of algo-
21 rithmic trading and entities that engage in algo-
22 rithmic trading are subject to appropriate Federal
23 supervision and regulation.

24 (4) A recommendation of whether—

1 (A) based on the analysis described in
2 paragraphs (1), (2), and (3), any changes
3 should be made to regulations; and

4 (B) the Securities and Exchange Commis-
5 sion needs additional legal authorities or re-
6 sources to effect the changes described in sub-
7 paragraph (A).

8 **SEC. 503. ANNUAL REVIEW OF GOVERNMENT-BUSINESS**
9 **FORUM ON CAPITAL FORMATION.**

10 Section 503 of the Small Business Investment Incen-
11 tive Act of 1980 (15 U.S.C. 80c-1) is amended by adding
12 at the end the following:

13 “(e) The Commission shall—

14 “(1) review the findings and recommendations
15 of the forum; and

16 “(2) each time the forum submits a finding or
17 recommendation to the Commission, promptly issue
18 a public statement—

19 “(A) assessing the finding or recommenda-
20 tion of the forum; and

21 “(B) disclosing the action, if any, the Com-
22 mission intends to take with respect to the find-
23 ing or recommendation.”.

1 **SEC. 504. SUPPORTING AMERICA’S INNOVATORS.**

2 Section 3(c)(1) of the Investment Company Act of
3 1940 (15 U.S.C. 80a–3(c)(1)) is amended—

4 (1) in the matter preceding subparagraph (A),
5 by inserting “(or, in the case of a qualifying venture
6 capital fund, 250 persons)” after “one hundred per-
7 sons”; and

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

9 “(C)(i) The term ‘qualifying venture cap-
10 ital fund’ means a venture capital fund that has
11 not more than \$10,000,000 in aggregate capital
12 contributions and uncalled committed capital,
13 with such dollar amount to be indexed for infla-
14 tion once every 5 years by the Commission, be-
15 ginning from a measurement made by the Com-
16 mission on a date selected by the Commission,
17 rounded to the nearest \$1,000,000.

18 “(ii) The term ‘venture capital fund’ has
19 the meaning given the term in section
20 275.203(l)–1 of title 17, Code of Federal Regu-
21 lations, or any successor regulation.”.

22 **SEC. 505. SECURITIES AND EXCHANGE COMMISSION OVER-**
23 **PAYMENT CREDIT.**

24 (a) DEFINITIONS.—In this section—

25 (1) the term “Commission” means the Securi-
26 ties and Exchange Commission;

1 (2) the term “national securities association”
2 means an association that is registered under section
3 15A of the Securities Exchange Act of 1934 (15
4 U.S.C. 78o–3); and

5 (3) the term “national securities exchange”
6 means an exchange that is registered as a national
7 securities exchange under section 6 of the Securities
8 Exchange Act of 1934 (15 U.S.C. 78f).

9 (b) CREDIT FOR OVERPAYMENT OF FEES.—Notwith-
10 standing section 31(j) of the Securities Exchange Act of
11 1934 (15 U.S.C. 78ee(j)), and subject to subsection (c)
12 of this section, if a national securities exchange or a na-
13 tional securities association has paid fees and assessments
14 to the Commission in an amount that is more than the
15 amount that the exchange or association was required to
16 pay under section 31 of the Securities Exchange Act of
17 1934 (15 U.S.C. 78ee) and, not later than 10 years after
18 the date of such payment, the exchange or association in-
19 forms the Commission about the payment of such excess
20 amount, the Commission shall offset future fees and as-
21 sessments due by that exchange or association in an
22 amount that is equal to the difference between the amount
23 that the exchange or association paid and the amount that
24 the exchange or association was required to pay under
25 such section 31.

1 (c) APPLICABILITY.—Subsection (b) shall apply only
2 to fees and assessments that a national securities ex-
3 change or a national securities association was required
4 to pay to the Commission before the date of enactment
5 of this Act.

6 **SEC. 506. U.S. TERRITORIES INVESTOR PROTECTION.**

7 (a) IN GENERAL.—Section 6(a) of the Investment
8 Company Act of 1940 (15 U.S.C. 80a–6(a)) is amended—
9 (1) by striking paragraph (1); and
10 (2) by redesignating paragraphs (2) through
11 (5) as paragraphs (1) through (4), respectively.

12 (b) EFFECTIVE DATE AND SAFE HARBOR.—

13 (1) EFFECTIVE DATE.—Except as provided in
14 paragraph (2), the amendment made by subsection
15 (a) shall take effect on the date of enactment of this
16 Act.

17 (2) SAFE HARBOR.—With respect to a company
18 that is exempt under section 6(a)(1) of the Invest-
19 ment Company Act of 1940 (15 U.S.C. 80a–6(a)(1))
20 on the day before the date of enactment of this Act,
21 the amendment made by subsection (a) shall take ef-
22 fect on the date that is 3 years after the date of en-
23 actment of this Act.

24 (3) EXTENSION OF SAFE HARBOR.—The Secu-
25 rities and Exchange Commission, by rule or regula-

1 tion upon its own motion, or by order upon applica-
2 tion, may conditionally or unconditionally, under sec-
3 tion 6(c) of the Investment Company Act of 1940
4 (15 U.S.C. 80a-6(c)), further delay the effective
5 date for a company described in paragraph (2) for
6 a maximum of 3 years following the initial 3-year
7 period if, before the end of the initial 3-year period,
8 the Commission determines that such a rule, regula-
9 tion, motion, or order is necessary or appropriate in
10 the public interest and for the protection of inves-
11 tors.

12 **SEC. 507. ENCOURAGING EMPLOYEE OWNERSHIP.**

13 Not later than 60 days after the date of the enact-
14 ment of this Act, the Securities and Exchange Commission
15 shall revise section 230.701(e) of title 17, Code of Federal
16 Regulations, so as to increase from \$5,000,000 to
17 \$10,000,000 the aggregate sales price or amount of secu-
18 rities sold during any consecutive 12-month period in ex-
19 cess of which the issuer is required under such section to
20 deliver an additional disclosure to investors. The Commis-
21 sion shall index for inflation such aggregate sales price
22 or amount every 5 years to reflect the change in the Con-
23 sumer Price Index for All Urban Consumers published by
24 the Bureau of Labor Statistics, rounding to the nearest
25 \$1,000,000.

1 **SEC. 508. IMPROVING ACCESS TO CAPITAL.**

2 The Securities and Exchange Commission shall
3 amend—

4 (1) section 230.251 of title 17, Code of Federal
5 Regulations, to remove the requirement that the
6 issuer not be subject to section 13 or 15(d) of the
7 Securities Exchange Act of 1934 (15 U.S.C. 78a et
8 seq.) immediately before the offering; and

9 (2) section 230.257 of title 17, Code of Federal
10 Regulations, with respect to an offering described in
11 section 230.251(a)(2) of title 17, Code of Federal
12 Regulations, to deem any issuer that is subject to
13 section 13 or 15(d) of the Securities Exchange Act
14 of 1934 as having met the periodic and current re-
15 porting requirements of section 230.257 of title 17,
16 Code of Federal Regulations, if such issuer meets
17 the reporting requirements of section 13 of the Se-
18 curities Exchange Act of 1934.

19 **SEC. 509. PARITY FOR CLOSED-END COMPANIES REGARD-**
20 **ING OFFERING AND PROXY RULES.**

21 (a) REVISION TO RULES.—Not later than the end of
22 the 1-year period beginning on the date of enactment of
23 this Act, the Securities and Exchange Commission shall
24 propose and, not later than 2 years after the date of enact-
25 ment of this Act, the Securities and Exchange Commission
26 shall finalize any rules, as appropriate, to allow any closed-

1 end company, as defined in section 5(a)(2) of the Invest-
2 ment Company Act of 1940 (15 U.S.C. 80a-5), that is
3 registered as an investment company under such Act, and
4 is listed on a national securities exchange or that makes
5 periodic repurchase offers pursuant to section 270.23c-
6 3 of title 17, Code of Federal Regulations, to use the secu-
7 rities offering and proxy rules, subject to conditions the
8 Commission determines appropriate, that are available to
9 other issuers that are required to file reports under section
10 13 or section 15(d) of the Securities Exchange Act of
11 1934 (15 U.S.C. 78m; 78o(d)). Any action that the Com-
12 mission takes pursuant to this subsection shall consider
13 the availability of information to investors, including what
14 disclosures constitute adequate information to be des-
15 ignated as a “well-known seasoned issuer”.

16 (b) TREATMENT IF REVISIONS NOT COMPLETED IN
17 A TIMELY MANNER.—If the Commission fails to complete
18 the revisions required by subsection (a) by the time re-
19 quired by such subsection, any registered closed-end com-
20 pany that is listed on a national securities exchange or
21 that makes periodic repurchase offers pursuant to section
22 270.23c-3 of title 17, Code of Federal Regulations, shall
23 be deemed to be an eligible issuer under the final rule of
24 the Commission titled “Securities Offering Reform” (70
25 Fed. Reg. 44722; published August 3, 2005).

1 (c) RULES OF CONSTRUCTION.—

2 (1) NO EFFECT ON RULE 482.—Nothing in this
3 section or the amendments made by this section
4 shall be construed to impair or limit in any way a
5 registered closed-end company from using section
6 230.482 of title 17, Code of Federal Regulations, to
7 distribute sales material.

8 (2) REFERENCES.—Any reference in this sec-
9 tion to a section of title 17, Code of Federal Regula-
10 tions, or to any form or schedule means such rule,
11 section, form, or schedule, or any successor to any
12 such rule, section, form, or schedule.

13 **TITLE VI—PROTECTIONS FOR**
14 **STUDENT BORROWERS**

15 **SEC. 601. PROTECTIONS IN THE EVENT OF DEATH OR**
16 **BANKRUPTCY.**

17 (a) IN GENERAL.—Section 140 of the Truth in Lend-
18 ing Act (15 U.S.C. 1650) is amended—

19 (1) in subsection (a)—

20 (A) by redesignating paragraphs (1)
21 through (8) as paragraphs (2) through (9), re-
22 spectively; and

23 (B) by inserting before paragraph (2), as
24 so redesignated, the following:

25 “(1) the term ‘cosigner’—

1 “(A) means any individual who is liable for
2 the obligation of another without compensation,
3 regardless of how designated in the contract or
4 instrument with respect to that obligation,
5 other than an obligation under a private edu-
6 cation loan extended to consolidate a con-
7 sumer’s pre-existing private education loans;

8 “(B) includes any person the signature of
9 which is requested as condition to grant credit
10 or to forbear on collection; and

11 “(C) does not include a spouse of an indi-
12 vidual described in subparagraph (A), the sig-
13 nature of whom is needed to perfect the secu-
14 rity interest in a loan.”; and

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

16 “(g) ADDITIONAL PROTECTIONS RELATING TO BOR-
17 ROWER OR COSIGNER OF A PRIVATE EDUCATION LOAN.—

18 “(1) PROHIBITION ON AUTOMATIC DEFAULT IN
19 CASE OF DEATH OR BANKRUPTCY OF NON-STUDENT
20 OBLIGOR.—With respect to a private education loan
21 involving a student obligor and 1 or more cosigners,
22 the creditor shall not declare a default or accelerate
23 the debt against the student obligor on the sole basis
24 of a bankruptcy or death of a cosigner.

1 “(2) COSIGNER RELEASE IN CASE OF DEATH
2 OF BORROWER.—

3 “(A) RELEASE OF COSIGNER.—The holder
4 of a private education loan, when notified of the
5 death of a student obligor, shall release within
6 a reasonable timeframe any cosigner from the
7 obligations of the cosigner under the private
8 education loan.

9 “(B) NOTIFICATION OF RELEASE.—A
10 holder or servicer of a private education loan,
11 as applicable, shall within a reasonable time-
12 frame notify any cosigners for the private edu-
13 cation loan if a cosigner is released from the
14 obligations of the cosigner for the private edu-
15 cation loan under this paragraph.

16 “(C) DESIGNATION OF INDIVIDUAL TO ACT
17 ON BEHALF OF THE BORROWER.—Any lender
18 that extends a private education loan shall pro-
19 vide the student obligor an option to designate
20 an individual to have the legal authority to act
21 on behalf of the student obligor with respect to
22 the private education loan in the event of the
23 death of the student obligor.”.

24 (b) APPLICABILITY.—The amendments made by sub-
25 section (a) shall only apply to private education loan

1 agreements entered into on or after the date that is 180
2 days after the date of enactment of this Act.

3 **SEC. 602. REHABILITATION OF PRIVATE EDUCATION**
4 **LOANS.**

5 (a) IN GENERAL.—Section 623(a)(1) of the Fair
6 Credit Reporting Act (15 U.S.C. 1681s-2(a)(1)) is
7 amended by adding at the end the following:

8 “(E) REHABILITATION OF PRIVATE EDU-
9 CATION LOANS.—

10 “(i) IN GENERAL.—Notwithstanding
11 any other provision of this section, a con-
12 sumer may request a financial institution
13 to remove from a consumer report a re-
14 ported default regarding a private edu-
15 cation loan, and such information shall not
16 be considered inaccurate, if—

17 “(I) the financial institution
18 chooses to offer a loan rehabilitation
19 program which includes, without limi-
20 tation, a requirement of the consumer
21 to make consecutive on-time monthly
22 payments in a number that dem-
23 onstrates, in the assessment of the fi-
24 nancial institution offering the loan
25 rehabilitation program, a renewed

1 ability and willingness to repay the
2 loan; and

3 “(II) the requirements of the
4 loan rehabilitation program described
5 in subclause (I) are successfully met.

6 “(ii) BANKING AGENCIES.—

7 “(I) IN GENERAL.—If a financial
8 institution is supervised by a Federal
9 banking agency, the financial institu-
10 tion shall seek written approval con-
11 cerning the terms and conditions of
12 the loan rehabilitation program de-
13 scribed in clause (i) from the appro-
14 priate Federal banking agency.

15 “(II) FEEDBACK.—An appro-
16 priate Federal banking agency shall
17 provide feedback to a financial institu-
18 tion within 120 days of a request for
19 approval under subclause (I).

20 “(iii) LIMITATION.—

21 “(I) IN GENERAL.—A consumer
22 may obtain the benefits available
23 under this subsection with respect to
24 rehabilitating a loan only 1 time per
25 loan.

1 “(II) RULE OF CONSTRUC-
2 TION.—Nothing in this subparagraph
3 may be construed to require a finan-
4 cial institution to offer a loan rehabili-
5 tation program or to remove any re-
6 ported default from a consumer report
7 as a consideration of a loan rehabilita-
8 tion program, except as described in
9 clause (i).

10 “(iv) DEFINITIONS.—For purposes of
11 this subparagraph—

12 “(I) the term ‘appropriate Fed-
13 eral banking agency’ has the meaning
14 given the term in section 3 of the
15 Federal Deposit Insurance Act (12
16 U.S.C. 1813); and

17 “(II) the term ‘private education
18 loan’ has the meaning given the term
19 in section 140(a) of the Truth in
20 Lending Act (15 U.S.C. 1650(a)).”.

21 (b) GAO STUDY.—

22 (1) STUDY.—The Comptroller General of the
23 United States shall conduct a study, in consultation
24 with the appropriate Federal banking agencies, re-
25 garding—

1 (A) the implementation of subparagraph
2 (E) of section 623(a)(1) of the Fair Credit Re-
3 porting Act (15 U.S.C. 1681s-2(a)(1)) (re-
4 ferred to in this paragraph as “the provision”),
5 as added by subsection (a);

6 (B) the estimated operational, compliance,
7 and reporting costs associated with the require-
8 ments of the provision;

9 (C) the effects of the requirements of the
10 provision on the accuracy of credit reporting;

11 (D) the risks to safety and soundness, if
12 any, created by the loan rehabilitation programs
13 described in the provision; and

14 (E) a review of the effectiveness and im-
15 pact on the credit of participants in any loan
16 rehabilitation programs described in the provi-
17 sion and whether such programs improved the
18 ability of participants in the programs to access
19 credit products.

20 (2) REPORT.—Not later than 1 year after the
21 date of enactment of this Act, the Comptroller Gen-
22 eral of the United States shall submit to Congress
23 a report that contains all findings and determina-
24 tions made in conducting the study required under
25 paragraph (1).

1 **SEC. 603. BEST PRACTICES FOR HIGHER EDUCATION FI-**
2 **NANCIAL LITERACY.**

3 Section 514(a) of the Financial Literacy and Edu-
4 cation Improvement Act (20 U.S.C. 9703(a)) is amended
5 by adding at the end the following:

6 “(3) BEST PRACTICES FOR TEACHING FINAN-
7 CIAL LITERACY.—

8 “(A) IN GENERAL.—After soliciting public
9 comments and consulting with and receiving
10 input from relevant parties, including a diverse
11 set of institutions of higher education and other
12 parties, the Commission shall, by not later than
13 1 year after the date of enactment of the Eco-
14 nomic Growth, Regulatory Relief, and Con-
15 sumer Protection Act, establish best practices
16 for institutions of higher education regarding
17 methods to—

18 “(i) teach financial literacy skills; and

19 “(ii) provide useful and necessary in-
20 formation to assist students at institutions
21 of higher education when making financial
22 decisions related to student borrowing.

23 “(B) BEST PRACTICES.—The best prac-
24 tices described in subparagraph (A) shall in-
25 clude the following:

1 “(i) Methods to ensure that each stu-
2 dent has a clear sense of the student’s
3 total borrowing obligations, including
4 monthly payments, and repayment options.

5 “(ii) The most effective ways to en-
6 gage students in financial literacy edu-
7 cation, including frequency and timing of
8 communication with students.

9 “(iii) Information on how to target
10 different student populations, including
11 part-time students, first-time students, and
12 other nontraditional students.

13 “(iv) Ways to clearly communicate the
14 importance of graduating on a student’s
15 ability to repay student loans.

16 “(C) MAINTENANCE OF BEST PRAC-
17 TICES.—The Commission shall maintain and
18 periodically update the best practices informa-
19 tion required under this paragraph and make
20 the best practices available to the public.

21 “(D) RULE OF CONSTRUCTION.—Nothing
22 in this paragraph shall be construed to require
23 an institution of higher education to adopt the
24 best practices required under this paragraph.”.