

115TH CONGRESS
1ST SESSION

S. 2155

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

IN THE SENATE OF THE UNITED STATES

NOVEMBER 16, 2017

Mr. CRAPO (for himself, Mr. DONNELLY, Ms. HEITKAMP, Mr. TESTER, Mr. WARNER, Mr. CORKER, Mr. SCOTT, Mr. COTTON, Mr. ROUNDS, Mrs. McCASKILL, Mr. PERDUE, Mr. MANCHIN, Mr. TILLIS, Mr. KING, Mr. KENNEDY, Mr. KAINE, Mr. MORAN, Mr. PETERS, Mr. RISCH, and Mr. BENNET) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

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

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

3 **SECTION 1. SHORT TITLE; 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.

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. Property Assessed Clean Energy financing.

Sec. 109. Escrow requirements relating to certain consumer credit transactions.

Sec. 110. 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. Mutual holding company dividend waivers.

Sec. 210. Small public housing agencies.

Sec. 211. Examination cycle.

Sec. 212. National securities exchange regulatory parity.

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.

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—STUDIES

Sec. 501. Treasury report on risks of cyber threats.

Sec. 502. SEC study on algorithmic trading.

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).

15 **TITLE I—IMPROVING CON-**
 16 **SUMER ACCESS TO MORT-**
 17 **GAGE CREDIT**

18 **SEC. 101. MINIMUM STANDARDS FOR RESIDENTIAL MORT-**
 19 **GAGE LOANS.**

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

23 “(F) SAFE HARBOR.—

24 “(i) DEFINITIONS.—In this subpara-
 25 graph—

1 “(I) the term ‘covered institution’
2 means an insured depository institu-
3 tion or an insured credit union that,
4 together with its affiliates, has less
5 than \$10,000,000,000 in total consoli-
6 dated assets;

7 “(II) the term ‘insured credit
8 union’ has the meaning given the
9 term in section 101 of the Federal
10 Credit Union Act (12 U.S.C. 1752);

11 “(III) the term ‘insured deposi-
12 tory institution’ has the meaning
13 given the term in section 3 of the
14 Federal Deposit Insurance Act (12
15 U.S.C. 1813);

16 “(IV) the term ‘interest-only’
17 means that, under the terms of the
18 legal obligation, one or more of the
19 periodic payments may be applied
20 solely to accrued interest and not to
21 loan principal; and

22 “(V) the term ‘negative amortiza-
23 tion’ means payment of periodic pay-
24 ments that will result in an increase

1 in the principal balance under the
2 terms of the legal obligation.

3 “(ii) SAFE HARBOR.—In this sec-
4 tion—

5 “(I) the term ‘qualified mort-
6 gage’ includes any residential mort-
7 gage loan—

8 “(aa) that is originated and
9 retained in portfolio by a covered
10 institution;

11 “(bb) that is in compliance
12 with the limitations with respect
13 to prepayment penalties de-
14 scribed in subsections (c)(1) and
15 (c)(3);

16 “(cc) that is in compliance
17 with the requirements of clause
18 (vii) of subparagraph (A);

19 “(dd) that does not have
20 negative amortization or interest-
21 only features; and

22 “(ee) for which the covered
23 institution considers and docu-
24 ments the debt, income, and fi-
25 nancial resources of the con-

1 sumer in accordance with clause
2 (iv); and

3 “(II) a residential mortgage loan
4 described in subclause (I) shall be
5 deemed to meet the requirements of
6 subsection (a).

7 “(iii) EXCEPTION FOR CERTAIN
8 TRANSFERS.—A residential mortgage loan
9 described in clause (ii)(I) shall not qualify
10 for the safe harbor under clause (ii) if the
11 legal title to the residential mortgage loan
12 is sold, assigned, or otherwise transferred
13 to another person unless the residential
14 mortgage loan is sold, assigned, or other-
15 wise transferred—

16 “(I) to another person by reason
17 of the bankruptcy or failure of a cov-
18 ered institution;

19 “(II) to a covered institution so
20 long as the loan is retained in port-
21 folio by the covered institution to
22 which the loan is sold, assigned, or
23 otherwise transferred; or

24 “(III) pursuant to a merger of a
25 covered institution with another per-

1 son or the acquisition of a covered in-
2 stitution by another person or of an-
3 other person by a covered institution,
4 so long as the loan is retained in port-
5 folio by the person to whom the loan
6 is sold, assigned, or otherwise trans-
7 ferred.

8 “(iv) CONSIDERATION AND DOCU-
9 MENTATION REQUIREMENTS.—The consid-
10 eration and documentation requirements
11 described in clause (ii)(I)(ee) shall—

12 “(I) not be construed to require
13 compliance with, or documentation in
14 accordance with, appendix Q to part
15 1026 of title 12, Code of Federal Reg-
16 ulations, or any successor regulation;
17 and

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

20 **SEC. 102. SAFEGUARDING ACCESS TO HABITAT FOR HU-**
21 **MANITY HOMES.**

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

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

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

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

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

9 “(B) RULE OF CONSTRUCTION RELATED
10 TO APPRAISAL DONATIONS.—If a fee appraiser
11 voluntarily donates appraisal services to an or-
12 ganization eligible to receive tax-deductible
13 charitable contributions, such voluntary dona-
14 tion shall be considered customary and reason-
15 able for the purposes of paragraph (1).”.

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

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

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

23 “(a) DEFINITION.—In this section, the term ‘mort-
24 gage originator’ has the meaning given the term in section
25 103 of the Truth in Lending Act (15 U.S.C. 1602).

1 “(b) APPRAISAL NOT REQUIRED.—Except as pro-
2 vided in subsection (d), notwithstanding any other provi-
3 sion of law, an appraisal in connection with a federally
4 related transaction involving real property or an interest
5 in real property is not required if—

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

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

20 “(A) has contacted not fewer than 3 State
21 certified appraisers or State licensed appraisers,
22 as applicable; and

23 “(B) has documented that no State cer-
24 tified appraiser or State licensed appraiser, as
25 applicable, was available within a reasonable

1 amount of time, as determined by the Federal
2 financial institutions regulatory agency with
3 oversight of the mortgage originator, to perform
4 the appraisal in connection with the federally
5 related transaction;

6 “(3) the balance of the loan 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; or

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.

3 “(d) EXCEPTION.—Subsection (b) shall not apply
4 if—

5 “(1) a Federal financial institutions regulatory
6 agency requires an appraisal under section
7 225.63(c), 323.3(c), 34.43(e), or 722.3(e) of title
8 12, Code of Federal Regulations; or

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

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

19 **SEC. 104. HOME MORTGAGE DISCLOSURE ACT ADJUST-**
20 **MENT AND STUDY.**

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

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

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

3 “(i) EXEMPTIONS.—

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

12 “(2) OPEN-END LINES OF CREDIT.—With re-
13 spect to an insured depository institution or insured
14 credit union, the requirements of paragraphs (5) and
15 (6) of subsection (b) shall not apply with respect to
16 open-end lines of credit if the insured depository in-
17 stitution or insured credit union originated fewer
18 than 500 open-end lines of credit in each of the 2
19 preceding calendar years.”; and

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

21 “(o) DEFINITIONS.—In this section—

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

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

4 (b) LOOKBACK STUDY.—

5 (1) STUDY.—Not earlier than 2 years after the
6 date of enactment of this Act, the Comptroller Gen-
7 eral of the United States shall conduct a study to
8 evaluate the impact of the amendments made by
9 subsection (a) on the amount of data available under
10 the Home Mortgage Disclosure Act of 1975 (12
11 U.S.C. 2801 et seq.) at the national and local level.

12 (2) REPORT.—Not later than 3 years after the
13 date of enactment of this Act, the Comptroller Gen-
14 eral of the United States shall submit to the Com-
15 mittee on Banking, Housing, and Urban Affairs of
16 the Senate and the Committee on Financial Services
17 of the House of Representatives a report that in-
18 cludes the findings and conclusions of the Comp-
19 troller General with respect to the study required
20 under paragraph (1).

21 (c) TECHNICAL CORRECTION.—Section 304(i)(3) of
22 the Home Mortgage Disclosure Act of 1975, as so redesign-
23 ated by subsection (a)(1), is amended by striking “sec-
24 tion 303(2)(A)” and inserting “section 303(3)(A)”.

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

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

6 (b) RULE OF CONSTRUCTION.—Nothing in this sec-
 7 tion or the amendment made by this section shall preclude
 8 the National Credit Union Administration from treating
 9 an extension of credit that is fully secured by a lien on
 10 a 1- to 4-family dwelling that is not the primary residence
 11 of a member as a member business loan for purposes other
 12 than the member business loan limitation requirements
 13 under section 107A of the Federal Credit Union Act (12
 14 U.S.C. 1757a).

15 **SEC. 106. ELIMINATING BARRIERS TO JOBS FOR LOAN**
 16 **ORIGINATORS.**

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

20 **“SEC. 1518. EMPLOYMENT TRANSITION OF LOAN ORIGINA-**
 21 **TORS.**

22 “(a) DEFINITIONS.—In this section:

23 “(1) APPLICATION STATE.—The term ‘applica-
 24 tion State’ means a State in which a registered loan
 25 originator or a State-licensed loan originator seeks
 26 to be licensed.

1 “(2) STATE-LICENSED MORTGAGE COMPANY.—

2 The term ‘State-licensed mortgage company’ means
3 an entity that is licensed or registered under the law
4 of any State to engage in residential mortgage loan
5 origination and processing activities.

6 “(b) TEMPORARY AUTHORITY TO ORIGINATE LOANS
7 FOR LOAN ORIGINATORS MOVING FROM A DEPOSITORY
8 INSTITUTION TO A NON-DEPOSITORY INSTITUTION.—

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

15 “(A) has not had—

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

18 “(ii) a loan originator license revoked
19 or suspended in any governmental jurisdic-
20 tion;

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

23 “(i) in any governmental jurisdiction;

24 or

25 “(ii) under section 1514(c);

1 “(C) has not been convicted of a felony
2 that would preclude licensure under the law of
3 the application State;

4 “(D) has submitted an application to be a
5 State-licensed loan originator in the application
6 State; and

7 “(E) was registered in the Nationwide
8 Mortgage Licensing System and Registry as a
9 loan originator during the 1-year period pre-
10 ceding the date on which the information re-
11 quired under section 1505(a) is submitted.

12 “(2) PERIOD.—The period described in this
13 paragraph shall begin on the date on which an indi-
14 vidual described in paragraph (1) submits the infor-
15 mation required under section 1505(a) and shall end
16 on the earliest of the date—

17 “(A) on which the individual withdraws the
18 application to be a State-licensed loan origi-
19 nator in the application State;

20 “(B) on which the application State denies,
21 or issues a notice of intent to deny, the applica-
22 tion;

23 “(C) on which the application State grants
24 a State license; or

1 “(D) that is 120 days after the date on
2 which the individual submits the application, if
3 the application is listed on the Nationwide
4 Mortgage Licensing System and Registry as in-
5 complete.

6 “(c) TEMPORARY AUTHORITY TO ORIGINATE LOANS
7 FOR STATE-LICENSED LOAN ORIGINATORS MOVING
8 INTERSTATE.—

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

14 “(A) meets the requirements of subpara-
15 graphs (A), (B), (C), and (D) of subsection
16 (b)(1);

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

19 “(C) was licensed in a State that is not the
20 application State during the 30-day period pre-
21 ceding the date on which the information re-
22 quired under section 1505(a) was submitted in
23 connection with the application submitted to the
24 application State.

1 “(2) PERIOD.—The period described in this
2 paragraph shall begin on the date on which the
3 State-licensed loan originator submits the informa-
4 tion required under section 1505(a) in connection
5 with the application submitted to the application
6 State and end on the earliest of the date—

7 “(A) on which the State-licensed loan
8 originator withdraws the application to be a
9 State-licensed loan originator in the application
10 State;

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

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

16 “(D) that is 120 days after the date on
17 which the State-licensed loan originator submits
18 the application, if the application is listed on
19 the Nationwide Mortgage Licensing System and
20 Registry as incomplete.

21 “(d) APPLICABILITY.—

22 “(1) EMPLOYER OF LOAN ORIGINATORS.—Any
23 person employing an individual who is deemed to
24 have temporary authority to act as a loan originator
25 in an application State under this section shall be

1 subject to the requirements of this title and to appli-
 2 cable State law to the same extent as if that indi-
 3 vidual was a State-licensed loan originator licensed
 4 by the application State.

5 “(2) ENGAGING IN MORTGAGE LOAN ACTIVI-
 6 TIES.—Any individual who is deemed to have tem-
 7 porary authority to act as a loan originator in an ap-
 8 plication State under this section and who engages
 9 in residential mortgage loan origination activities
 10 shall be subject to the requirements of this title and
 11 to applicable State law to the same extent as if that
 12 individual was a State-licensed loan originator li-
 13 censed by the application State.”.

14 (b) TABLE OF CONTENTS AMENDMENT.—Section
 15 1(b) of the Housing and Economic Recovery Act of 2008
 16 (42 U.S.C. 4501 note) is amended by inserting after the
 17 item relating to section 1517 the following:

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

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

21 **SEC. 107. PROTECTING ACCESS TO MANUFACTURED**
 22 **HOMES.**

23 Section 103 of the Truth in Lending Act (15 U.S.C.
 24 1602) is amended—

1 (1) by redesignating the second subsection (cc)
2 (relating to definitions relating to mortgage origina-
3 tion and residential mortgage loans) and subsection
4 (dd) as subsections (dd) and (ee), respectively; and

5 (2) in paragraph (2) of subsection (dd), as so
6 redesignated, by striking subparagraph (C) and in-
7 serting the following:

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

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

14 “(ii) a retailer of manufactured or
15 modular homes or an employee of the re-
16 tailer if the retailer or employee, as appli-
17 cable—

18 “(I) does not receive compensa-
19 tion or gain for engaging in activities
20 described in subparagraph (A) that is
21 in excess of any compensation or gain
22 received in a comparable cash trans-
23 action;

24 “(II) discloses to the consumer—

1 “(aa) in writing any cor-
 2 porate affiliation with any lender;
 3 and

4 “(bb) if the retailer has a
 5 corporate affiliation with any
 6 lender, at least 1 unaffiliated
 7 lender; and

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

12 **SEC. 108. PROPERTY ASSESSED CLEAN ENERGY FINANC-**
 13 **ING.**

14 Section 129C(b)(3) of the Truth in Lending Act (15
 15 U.S.C. 1639c(b)(3)) is amended by adding at the end the
 16 following:

17 “(C) CONSIDERATION OF UNDERWRITING
 18 REQUIREMENTS FOR PROPERTY ASSESSED
 19 CLEAN ENERGY FINANCING.—

20 “(i) DEFINITION.—In this subpara-
 21 graph, the term ‘Property Assessed Clean
 22 Energy financing’ means financing to cover
 23 the costs of home improvements that re-
 24 sults in a tax assessment on the real prop-
 25 erty of the consumer.

1 “(ii) REGULATIONS.—The Bureau
2 shall prescribe regulations that carry out
3 the purposes of subsection (a) and apply
4 section 130 with respect to violations
5 under subsection (a) of this section with
6 respect to Property Assessed Clean Energy
7 financing, which shall account for the
8 unique nature of Property Assessed Clean
9 Energy financing.

10 “(iii) COLLECTION OF INFORMATION
11 AND CONSULTATION.—In prescribing the
12 regulations under this subparagraph, the
13 Bureau—

14 “(I) may collect such information
15 and data that the Bureau determines
16 is necessary; and

17 “(II) shall consult with State and
18 local governments and bond-issuing
19 authorities.”.

20 **SEC. 109. ESCROW REQUIREMENTS RELATING TO CERTAIN**
21 **CONSUMER CREDIT TRANSACTIONS.**

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

1 (1) by redesignating paragraphs (1) through
2 (4) as subparagraphs (A) through (D), respectively,
3 and adjusting the margins accordingly;

4 (2) in the matter preceding subparagraph (A),
5 as so redesignated, by striking “The Board” and in-
6 serting the following:

7 “(1) IN GENERAL.—The Bureau”;

8 (3) in paragraph (1), as so redesignated, by
9 striking “the Board” each place that term appears
10 and inserting “the Bureau”; and

11 (4) by adding at the end the following:

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

18 “(A) the insured depository institution or
19 insured credit union has assets of
20 \$10,000,000,000 or less;

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

1 “(C) the transaction otherwise satisfies the
2 criteria in sections 1026.35(b)(2)(iii) and
3 1026.35(b)(2)(v) of title 12, Code of Federal
4 Regulations, or any successor regulation.”.

5 **SEC. 110. NO WAIT FOR LOWER MORTGAGE RATES.**

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

8 (1) by redesignating paragraph (3) as para-
9 graph (4); and

10 (2) by inserting after paragraph (2) the fol-
11 lowing:

12 “(3) NO WAIT FOR LOWER RATE.—If a creditor
13 extends to a consumer a second offer of credit with
14 a lower annual percentage rate, the transaction may
15 be consummated without regard to the period speci-
16 fied in paragraph (1) with respect to the second
17 offer.”.

18 (b) SENSE OF CONGRESS.—It is the sense of Con-
19 gress that, whereas the Bureau of Consumer Financial
20 Protection issued a final rule entitled “Integrated Mort-
21 gage Disclosures Under the Real Estate Settlement Proce-
22 dures Act (Regulation X) and the Truth in Lending Act
23 (Regulation Z)” (78 Fed. Reg. 79730 (December 31,
24 2013)) (in this subsection referred to as the “TRID
25 Rule”) to combine the disclosures a consumer receives in

1 connection with applying for and closing on a mortgage
2 loan, the Bureau of Consumer Financial Protection should
3 endeavor to provide clearer, authoritative guidance on—

4 (1) the applicability of the TRID Rule to mort-
5 gage assumption transactions;

6 (2) the applicability of the TRID Rule to con-
7 struction-to-permanent home loans, and the condi-
8 tions under which those loans can be properly origi-
9 nated; and

10 (3) the extent to which lenders can rely on
11 model disclosures published by the Bureau of Con-
12 sumer Financial Protection without liability if recent
13 changes to regulations are not reflected in the sam-
14 ple TRID Rule forms published by the Bureau of
15 Consumer Financial Protection.

16 **TITLE II—REGULATORY RELIEF**
17 **AND PROTECTING CONSUMER**
18 **ACCESS TO CREDIT**

19 **SEC. 201. CAPITAL SIMPLIFICATION FOR QUALIFYING COM-**
20 **MUNITY BANKS.**

21 (a) DEFINITIONS.—In this section:

22 (1) COMMUNITY BANK LEVERAGE RATIO.—The
23 term “Community Bank Leverage Ratio” means the
24 ratio of the tangible equity capital of a qualifying
25 community bank, as reported on the qualifying com-

1 community bank’s applicable regulatory filing with the
2 qualifying community bank’s appropriate Federal
3 banking agency, to the average total consolidated as-
4 sets of the qualifying community bank, as reported
5 on the qualifying community bank’s applicable regu-
6 latory filing with the qualifying community bank’s
7 appropriate Federal banking agency.

8 (2) GENERALLY APPLICABLE LEVERAGE CAP-
9 ITAL REQUIREMENTS; GENERALLY APPLICABLE
10 RISK-BASED CAPITAL REQUIREMENTS.—The terms
11 “generally applicable leverage capital requirements”
12 and “generally applicable risk-based capital require-
13 ments” have the meanings given those terms in sec-
14 tion 171(a) of the Financial Stability Act of 2010
15 (12 U.S.C. 5371(a)).

16 (3) QUALIFYING COMMUNITY BANK.—

17 (A) ASSET THRESHOLD.—The term
18 “qualifying community bank” means a deposi-
19 tory institution or depository institution holding
20 company with total consolidated assets of less
21 than \$10,000,000,000.

22 (B) RISK PROFILE.—The appropriate Fed-
23 eral banking agencies may determine that a de-
24 pository institution or depository institution
25 holding company (or a class of depository insti-

1 tutions or depository institution holding compa-
2 nies) described in subparagraph (A) is not a
3 qualifying community bank based on the depository
4 institution's or depository institution hold-
5 ing company's risk profile, which shall be based
6 on consideration of—

7 (i) off-balance sheet exposures;

8 (ii) trading assets and liabilities;

9 (iii) total notional derivatives expo-
10 sures; and

11 (iv) such other factors as the appro-
12 priate Federal banking agencies determine
13 appropriate.

14 (b) COMMUNITY BANK LEVERAGE RATIO.—The ap-
15 propriate Federal banking agencies shall, through notice
16 and comment rule making under section 553 of title 5,
17 United States Code—

18 (1) develop a Community Bank Leverage Ratio
19 of not less than 8 percent and not more than 10
20 percent for qualifying community banks; and

21 (2) establish procedures for treatment of a
22 qualified community bank that has a Community
23 Bank Leverage Ratio that is below the percentage
24 developed under paragraph (1).

25 (c) CAPITAL COMPLIANCE.—

1 (1) IN GENERAL.—Any qualifying community
2 bank that meets the Community Bank Leverage
3 Ratio developed under subsection (b)(1) shall be
4 considered to have met—

5 (A) the generally applicable leverage cap-
6 ital requirements and the generally applicable
7 risk-based capital requirements;

8 (B) in the case of a qualifying community
9 bank that is a depository institution, the capital
10 ratio requirements that are required in order to
11 be considered well capitalized under section 38
12 of the Federal Deposit Insurance Act (12
13 U.S.C. 1831o) and any regulation implementing
14 that section; and

15 (C) any other capital or leverage require-
16 ments to which the qualifying community bank
17 is subject.

18 (2) EXISTING AUTHORITIES.—Nothing in para-
19 graph (1) shall limit the authority of the appropriate
20 Federal banking agencies as in effect on the date of
21 enactment of this Act.

1 **SEC. 202. LIMITED EXCEPTION FOR RECIPROCAL DEPOS-**
2 **ITS.**

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

6 “(i) LIMITED EXCEPTION FOR RECIPROCAL DEPOS-
7 ITS.—

8 “(1) IN GENERAL.—Reciprocal deposits of an
9 agent institution shall not be considered to be funds
10 obtained, directly or indirectly, by or through a de-
11 posit broker to the extent that the total amount of
12 such reciprocal deposits does not exceed the lesser
13 of—

14 “(A) \$5,000,000,000; or

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

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

18 “(A) AGENT INSTITUTION.—The term
19 ‘agent institution’ means an insured depository
20 institution that places a covered deposit
21 through a deposit placement network at other
22 insured depository institutions in amounts that
23 are less than or equal to the standard max-
24 imum deposit insurance amount, specifying the
25 interest rate to be paid for such amounts, if the
26 insured depository institution—

1 “(i)(I) when most recently examined
2 under section 10(d) was found to have a
3 composite condition of outstanding or
4 good; and

5 “(II) is well capitalized;

6 “(ii) has obtained a waiver pursuant
7 to subsection (c); or

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

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

22 “(i) is submitted for placement
23 through a deposit placement network by an
24 agent institution; and

1 “(ii) does not consist of funds that
2 were obtained for the agent institution, di-
3 rectly or indirectly, by or through a deposit
4 broker before submission for placement
5 through a deposit placement network.

6 “(C) DEPOSIT PLACEMENT NETWORK.—
7 The term ‘deposit placement network’ means a
8 network in which an insured depository institu-
9 tion participates, together with other insured
10 depository institutions, for the processing and
11 receipt of reciprocal deposits.

12 “(D) NETWORK MEMBER BANK.—The
13 term ‘network member bank’ means an insured
14 depository institution that is a member of a de-
15 posit placement network.

16 “(E) RECIPROCAL DEPOSITS.—The term
17 ‘reciprocal deposits’ means deposits received by
18 an agent institution through a deposit place-
19 ment network with the same maturity (if any)
20 and in the same aggregate amount as covered
21 deposits placed by the agent institution in other
22 network member banks.

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

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

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

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

7 “(A) the terms ‘agent institution’, ‘recip-
8 rocal deposits’, and ‘well capitalized’ have the
9 meanings given those terms in subsection (i);
10 and

11 “(B) the term ‘covered insured depository
12 institution’ means an insured depository institu-
13 tion that—

14 “(i) under subsection (c) or (d), ac-
15 cepts funds obtained, directly or indirectly,
16 by or through a deposit broker; or

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

20 “(2) PROHIBITION.—A covered insured depository
21 tory institution may not pay a rate of interest on
22 funds or reciprocal deposits described in paragraph
23 (1) that, at the time that the funds or reciprocal de-
24 posits are accepted, significantly exceeds the limit
25 set forth in paragraph (3).

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

4 “(A) the rate paid on deposits of similar
5 maturity in the normal market area of the cov-
6 ered insured depository institution for deposits
7 accepted in the normal market area of the cov-
8 ered insured depository institution; or

9 “(B) the national rate paid on deposits of
10 comparable maturity, as established by the Cor-
11 poration, for deposits accepted outside the nor-
12 mal market area of the covered insured depository
13 institution.”.

14 **SEC. 203. COMMUNITY BANK RELIEF.**

15 Section 13(h) of the Bank Holding Company Act of
16 1956 (12 U.S.C. 1851(h)) is amended—

17 (1) in paragraph (1)—

18 (A) in subparagraph (D), by redesignating
19 clauses (i) and (ii) as subclauses (I) and (II),
20 respectively, and adjusting the margins accord-
21 ingly;

22 (B) by redesignating subparagraphs (A)
23 through (D) as clauses (i) through (iv), respec-
24 tively, and adjusting the margins accordingly;

1 (C) in the matter preceding clause (i), as
 2 so redesignated, in the second sentence, by
 3 striking “institution that functions solely in a
 4 trust or fiduciary capacity, if—” and inserting
 5 the following: “institution—

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

8 (D) in clause (iv)(II), as so redesignated,
 9 by striking the period at the end and inserting
 10 “; or”; and

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

12 “(B) with—

13 “(i) not more than \$10,000,000,000
 14 of total consolidated assets; and

15 “(ii) total trading assets and trading
 16 liabilities, as reported on the most recent
 17 applicable regulatory filing filed by the in-
 18 stitution, that are not more than 5 percent
 19 of total consolidated assets.”.

20 **SEC. 204. REMOVING NAMING RESTRICTIONS.**

21 Section 13 of the Bank Holding Company Act of
 22 1956 (12 U.S.C. 1851) is amended—

23 (1) in subsection (d)(1)(G)(vi), by inserting be-
 24 fore the semicolon the following: “, except that the
 25 hedge fund or private equity fund may share the

1 same name or a variation of the same name as a
2 banking entity that is an investment adviser to the
3 hedge fund or private equity fund, if—

4 “(I) such investment adviser is
5 not an insured depository institution,
6 a company that controls an insured
7 depository institution, or a company
8 that is treated as a bank holding com-
9 pany for purposes of section 8 of the
10 International Banking Act of 1978
11 (12 U.S.C. 3106);

12 “(II) such investment adviser
13 does not share the same name or a
14 variation of the same name as an in-
15 sured depository institution, any com-
16 pany that controls an insured deposi-
17 tory institution, or any company that
18 is treated as a bank holding company
19 for purposes of section 8 of the Inter-
20 national Banking Act of 1978 (12
21 U.S.C. 3106); and

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

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

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

5 Section 7(a) of the Federal Deposit Insurance Act
6 (12 U.S.C. 1817(a)) is amended by adding at the end the
7 following:

8 “(12) SHORT FORM REPORTING.—

9 “(A) IN GENERAL.—The appropriate Fed-
10 eral banking agencies shall issue regulations
11 that allow for a reduced reporting requirement
12 for a covered depository institution when the in-
13 stitution makes the first and third report of
14 condition for a year, as required under para-
15 graph (3).

16 “(B) DEFINITION.—In this paragraph, the
17 term ‘covered depository institution’ means an
18 insured depository institution that—

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

21 “(ii) satisfies such other criteria as
22 the appropriate Federal banking agencies
23 determine appropriate.”.

1 **SEC. 206. OPTION FOR FEDERAL SAVINGS ASSOCIATIONS**
2 **TO OPERATE AS COVERED SAVINGS ASSOCIA-**
3 **TIONS.**

4 The Home Owners' Loan Act (12 U.S.C. 1461 et
5 seq.) is amended by inserting after section 5 (12 U.S.C.
6 1464) the following:

7 **"SEC. 5A. ELECTION TO OPERATE AS A COVERED SAVINGS**
8 **ASSOCIATION.**

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

13 "(b) ELECTION.—

14 "(1) IN GENERAL.—Upon issuance of rules
15 under subsection (f), and in accordance with those
16 rules, a Federal savings association with total con-
17 solidated assets equal to or less than
18 \$15,000,000,000 may elect to operate as a covered
19 savings association by submitting a notice to the
20 Comptroller of that election.

21 "(2) APPROVAL.—A Federal savings association
22 shall be deemed to be approved to operate as a cov-
23 ered savings association beginning on the date that
24 is 60 days after the date on which the Comptroller
25 receives the notice submitted under paragraph (1),
26 unless the Comptroller notifies the Federal savings

1 association that the Federal savings association is
2 not eligible.

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

6 “(1) have the same rights and privileges as a
7 national bank that has the main office of the na-
8 tional bank situated in the same location as the
9 home office of the covered savings association; and

10 “(2) be subject to the same duties, restrictions,
11 penalties, liabilities, conditions, and limitations that
12 would apply to a national bank described in para-
13 graph (1).

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

17 “(1) of governance of the covered savings asso-
18 ciation, including incorporation, bylaws, boards of
19 directors, shareholders, and distribution of divi-
20 dends;

21 “(2) of consolidation, merger, dissolution, con-
22 version (including conversion to a stock bank or to
23 another charter), conservatorship, and receivership;
24 and

1 “(3) determined by regulation of the Comp-
2 troller.

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

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

9 “(1) that establish streamlined standards and
10 procedures that clearly identify required documenta-
11 tion or timelines for an election under subsection
12 (b);

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

16 “(A) do not conform to the requirements
17 for assets and subsidiaries of a national bank;
18 and

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

22 “(3) that establish—

23 “(A) a transition process for bringing the
24 assets and subsidiaries described in paragraph

1 (2) into conformance with the requirements for
2 a national bank; and

3 “(B) procedures for allowing the Federal
4 savings association to submit to the Comptroller
5 an application to continue to hold assets and
6 subsidiaries described in paragraph (2) after
7 electing to operate as a covered savings associa-
8 tion;

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

11 “(A) terminate an election under sub-
12 section (b) after an appropriate period of time;
13 and

14 “(B) make a subsequent election under
15 subsection (b) after terminating an election
16 under subparagraph (A);

17 “(5) that clarify requirements for the treatment
18 of covered savings associations, including the provi-
19 sions of law that apply to covered savings associa-
20 tions; and

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

23 “(g) GRANDFATHERED COVERED SAVINGS ASSOCIA-
24 TIONS.—Subject to the rules issued under subsection (f),
25 a covered savings association may continue to operate as

1 a covered savings association if, after the date on which
2 the election is made under subsection (b), the covered sav-
3 ings association has total consolidated assets greater than
4 \$15,000,000,000.”.

5 **SEC. 207. SMALL BANK HOLDING COMPANY POLICY STATE-**
6 **MENT.**

7 (a) DEFINITIONS.—In this section:

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

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

14 (b) CHANGES REQUIRED TO SMALL BANK HOLDING
15 COMPANY POLICY STATEMENT ON ASSESSMENT OF FI-
16 NANCIAL AND MANAGERIAL FACTORS.—Not later than
17 180 days after the date of enactment of this Act, the
18 Board shall revise appendix C to part 225 of title 12, Code
19 of Federal Regulations (commonly known as the “Small
20 Bank Holding Company and Savings and Loan Holding
21 Company Policy Statement”), to raise the consolidated
22 asset threshold under that appendix from \$1,000,000,000
23 to \$3,000,000,000 for any bank holding company or sav-
24 ings and loan holding company that—

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

4 (2) does not conduct significant off-balance
5 sheet activities (including securitization and asset
6 management or administration) either directly or
7 through a nonbank subsidiary; and

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

12 (c) EXCLUSIONS.—The Board may exclude any bank
13 holding company or savings and loan holding company, re-
14 gardless of asset size, from the revision under subsection
15 (b) if the Board determines that such action is warranted
16 for supervisory purposes.

17 (d) CONFORMING AMENDMENT.—Section 171(b)(5)
18 of the Financial Stability Act of 2010 (12 U.S.C.
19 5371(b)(5)) is amended by striking subparagraph (C) and
20 inserting the following:

21 “(C) any bank holding company or savings
22 and loan holding company that is subject to the
23 application of appendix C to part 225 of title
24 12, Code of Federal Regulations (commonly
25 known as the ‘Small Bank Holding Company

1 and Savings and Loan Holding Company Policy
2 Statement’).”.

3 **SEC. 208. APPLICATION OF THE EXPEDITED FUNDS AVAIL-**
4 **ABILITY ACT.**

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

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

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

10 (B) in paragraph (21), by inserting
11 “American Samoa, the Commonwealth of the
12 Northern Mariana Islands,” after “Puerto
13 Rico,”; and

14 (C) in paragraph (23), by inserting “Amer-
15 ican Samoa, the Commonwealth of the North-
16 ern Mariana Islands,” after “Puerto Rico,”;
17 and

18 (2) in section 603(d)(2)(A) (12 U.S.C.
19 4002(d)(2)(A)), by inserting “American Samoa, the
20 Commonwealth of the Northern Mariana Islands,”
21 after “Puerto Rico,”.

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

1 **SEC. 209. MUTUAL HOLDING COMPANY DIVIDEND WAIVERS.**

2 Not later than 180 days after the date of enactment
3 of this Act, the Board of Governors of the Federal Reserve
4 System shall amend section 239.8(d)(2)(iv) of title 12,
5 Code of Federal Regulations, by striking “12 months”
6 each place that term appears and inserting “24 months”.

7 **SEC. 210. SMALL PUBLIC HOUSING AGENCIES.**

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

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

12 “(a) DEFINITIONS.—In this section:

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

16 “(2) SMALL PUBLIC HOUSING AGENCY.—The
17 term ‘small public housing agency’ means a public
18 housing agency—

19 “(A) for which the sum of the number of
20 public housing dwelling units administered by
21 the agency and the number of vouchers under
22 section 8(o) administered by the agency is 550
23 or fewer; and

24 “(B) that predominantly operates in a
25 rural area, as described in section

1 1026.35(b)(2)(iv)(A) of title 12, Code of Fed-
2 eral Regulations.

3 “(3) TROUBLED SMALL PUBLIC HOUSING AGEN-
4 CY.—The term ‘troubled small public housing agen-
5 cy’ means a small public housing agency designated
6 by the Secretary as a troubled small public housing
7 agency under subsection (c)(3).

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

11 “(c) PROGRAM INSPECTIONS AND EVALUATIONS.—

12 “(1) PUBLIC HOUSING PROJECTS.—

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

22 “(B) STANDARDS.—The Secretary shall
23 apply to small public housing agencies the same
24 standards for the acceptable condition of public

1 housing projects that apply to projects assisted
2 under section 8.

3 “(2) HOUSING VOUCHER PROGRAM.—A small
4 public housing agency administering assistance
5 under section 8(o) shall make periodic physical in-
6 spections of each assisted dwelling unit not less fre-
7 quently than once every 3 years to determine wheth-
8 er the unit is maintained in accordance with the re-
9 quirements under section 8(o)(8)(A).

10 “(3) TROUBLED SMALL PUBLIC HOUSING AGEN-
11 CIES.—

12 “(A) PUBLIC HOUSING PROGRAM.—Not-
13 withstanding any other provision of law, the
14 Secretary may designate a small public housing
15 agency as a troubled small public housing agen-
16 cy with respect to the public housing program
17 of the small public housing agency if the Sec-
18 retary determines that the agency has failed to
19 maintain the public housing units of the small
20 public housing agency in a satisfactory physical
21 condition, based upon an inspection conducted
22 by the Secretary.

23 “(B) HOUSING VOUCHER PROGRAM.—Not-
24 withstanding any other provision of law, the
25 Secretary may designate a small public housing

1 agency as a troubled small public housing agen-
2 cy with respect to the housing voucher program
3 of the small public housing agency if the Sec-
4 retary determines that the agency has failed to
5 comply with the inspection requirements under
6 paragraph (2).

7 “(C) APPEALS.—

8 “(i) ESTABLISHMENT.—The Secretary
9 shall establish an appeals process under
10 which a small public housing agency may
11 dispute a designation as a troubled small
12 public housing agency.

13 “(ii) OFFICIAL.—The appeals process
14 established under clause (i) shall provide
15 for a decision by an official who has not
16 been involved, and is not subordinate to a
17 person who has been involved, in the origi-
18 nal determination to designate a small
19 public housing agency as a troubled small
20 public housing agency.

21 “(D) CORRECTIVE ACTION AGREEMENT.—

22 “(i) AGREEMENT REQUIRED.—Not
23 later than 60 days after the date on which
24 a small public housing agency is des-
25 ignated as a troubled public housing agen-

1 cy under subparagraph (A) or (B), the
2 Secretary and the small public housing
3 agency shall enter into a corrective action
4 agreement under which the small public
5 housing agency shall undertake actions to
6 correct the deficiencies upon which the des-
7 ignation is based.

8 “(ii) TERMS OF AGREEMENT.—A cor-
9 rective action agreement entered into
10 under clause (i) shall—

11 “(I) have a term of 1 year, and
12 shall be renewable at the option of the
13 Secretary;

14 “(II) provide, where feasible, for
15 technical assistance to assist the pub-
16 lic housing agency in curing its defi-
17 ciencies;

18 “(III) provide for—

19 “(aa) reconsideration of the
20 designation of the small public
21 housing agency as a troubled
22 small public housing agency not
23 less frequently than annually;
24 and

1 “(bb) termination of the
2 agreement when the Secretary
3 determines that the small public
4 housing agency is no longer a
5 troubled small public housing
6 agency; and

7 “(IV) provide that in the event of
8 substantial noncompliance by the
9 small public housing agency under the
10 agreement, the Secretary may—

11 “(aa) contract with another
12 public housing agency or a pri-
13 vate entity to manage the public
14 housing of the troubled small
15 public housing agency;

16 “(bb) withhold funds other-
17 wise distributable to the troubled
18 small public housing agency;

19 “(cc) assume possession of,
20 and direct responsibility for,
21 managing the public housing of
22 the troubled small public housing
23 agency;

24 “(dd) petition for the ap-
25 pointment of a receiver, in ac-

1 cordance with section
2 6(j)(3)(A)(ii); and
3 “(ee) exercise any other
4 remedy available to the Secretary
5 in the event of default under the
6 public housing annual contribu-
7 tions contract entered into by the
8 small public housing agency
9 under section 5.

10 “(E) EMERGENCY ACTIONS.—Nothing in
11 this paragraph may be construed to prohibit the
12 Secretary from taking any emergency action
13 necessary to protect Federal financial resources
14 or the health or safety of residents of public
15 housing projects.

16 “(d) REDUCTION OF ADMINISTRATIVE BURDENS.—

17 “(1) EXEMPTION.—Notwithstanding any other
18 provision of law, a small public housing agency shall
19 be exempt from any environmental review require-
20 ments with respect to a development or moderniza-
21 tion project having a total cost of not more than
22 \$100,000.

23 “(2) STREAMLINED PROCEDURES.—The Sec-
24 retary shall, by rule, establish streamlined proce-
25 dures for environmental reviews of small public

1 housing agency development and modernization
2 projects having a total cost of more than
3 \$100,000.”.

4 (b) ENERGY CONSERVATION.—Section 9(e)(2) of the
5 United States Housing Act of 1937 (42 U.S.C.
6 1437g(e)(2)) is amended by adding at the end the fol-
7 lowing:

8 “(D) FREEZE OF CONSUMPTION LEV-
9 ELS.—

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

22 “(ii) INITIAL ADJUSTMENT IN CON-
23 SUMPTION BASE LEVEL.—The Secretary
24 shall make an initial one-time adjustment
25 in the consumption base level to account

1 for differences in the heating degree day
2 average over the most recent 20-year pe-
3 riod compared to the average in the con-
4 sumption base level.

5 “(iii) ADJUSTMENTS IN CONSUMPTION
6 BASE LEVEL.—The Secretary shall make
7 adjustments in the consumption base level
8 to account for an increase or reduction in
9 units, a change in fuel source, a change in
10 resident controlled electricity consumption,
11 or for other reasons.

12 “(iv) SAVINGS.—All cost savings re-
13 sulting from an election made by a small
14 public housing agency under this subpara-
15 graph—

16 “(I) shall accrue to the small
17 public housing agency; and

18 “(II) may be used for any public
19 housing purpose at the discretion of
20 the small public housing agency.

21 “(v) THIRD PARTIES.—A small public
22 housing agency making an election under
23 this subparagraph—

24 “(I) may use, but shall not be re-
25 quired to use, the services of a third

1 party in its energy conservation pro-
2 gram; and

3 “(II) shall have the sole discre-
4 tion to determine the source, and
5 terms and conditions, of any financing
6 used for its energy conservation pro-
7 gram.”.

8 (c) REPORTING BY AGENCIES OPERATING IN CON-
9 SORTIA.—Not later than 180 days after the date of enact-
10 ment of this Act, the Secretary of Housing and Urban
11 Development shall develop and deploy all electronic infor-
12 mation systems necessary to accommodate full consoli-
13 dated reporting by public housing agencies, as defined in
14 section 3(b)(6) of the United States Housing Act of 1937
15 (42 U.S.C. 1437a(b)(6)), electing to operate in consortia
16 under section 13(a) of such Act (42 U.S.C. 1437k(a)).

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

20 **SEC. 211. EXAMINATION CYCLE.**

21 Section 10(d)(4)(A) of the Federal Deposit Insurance
22 Act (12 U.S.C. 1820(d)(4)(A)) is amended by striking
23 “\$1,000,000,000” and inserting “\$3,000,000,000”.

1 **SEC. 212. NATIONAL SECURITIES EXCHANGE REGULATORY**

2 **PARITY.**

3 Section 18(b)(1) of the Securities Act of 1933 (15
4 U.S.C. 77r(b)(1)) is amended—

5 (1) by striking subparagraph (A);

6 (2) in subparagraph (B)—

7 (A) by inserting “a security designated as
8 qualified for trading in the national market sys-
9 tem pursuant to section 11A(a)(2) of the Secu-
10 rities Exchange Act of 1934 (15 U.S.C. 78k-
11 1(a)(2)) that is” before “listed”; and

12 (B) by striking “that has listing standards
13 that the Commission determines by rule (on its
14 own initiative or on the basis of a petition) are
15 substantially similar to the listing standards ap-
16 plicable to securities described in subparagraph
17 (A)”;

18 (3) in subparagraph (C), by striking “or (B)”;

19 and

20 (4) by redesignating subparagraphs (B) and
21 (C) as subparagraphs (A) and (B), respectively.

1 **TITLE III—PROTECTIONS FOR**
 2 **VETERANS, CONSUMERS, AND**
 3 **HOMEOWNERS**

4 **SEC. 301. PROTECTING CONSUMERS' CREDIT.**

5 Section 605A of the Fair Credit Reporting Act (15
 6 U.S.C. 1681c–1) is amended—

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

9 (b) by adding at the end the following:

10 “(i) FREE ANNUAL FREEZE ALERTS; ADDITIONAL
 11 PROTECTIONS FOR CREDIT REPORTS OF MINOR CON-
 12 SUMERS.—

13 “(1) DEFINITION.—In this subsection, the term
 14 ‘freeze alert’ means a restriction placed on the file
 15 of a consumer, prohibiting the ability of a consumer
 16 reporting agency to furnish to any person, for the
 17 purpose of opening a new account involving the ex-
 18 tension of credit, the consumer report of the con-
 19 sumer.

20 “(2) FREE ANNUAL FREEZE ALERT.—

21 “(A) IN GENERAL.—Notwithstanding any
 22 other provision of State law, once every cal-
 23 endar year, free of charge, upon the direct re-
 24 quest of a consumer, or an individual acting on
 25 behalf of or as a personal representative of the

1 consumer, a consumer reporting agency that
2 maintains a file on the consumer and has re-
3 ceived appropriate proof of the identity of the
4 requester shall provide 1 freeze alert in the file
5 of that consumer that shall remain in effect
6 until the consumer or requester requests that
7 such freeze alert be removed.

8 “(B) REMOVAL OF ALERT.—Notwith-
9 standing any other provision of State law, once
10 every calendar year, free of charge, upon the di-
11 rect request of a consumer, or an individual
12 acting on behalf of or as a personal representa-
13 tive of the consumer, a consumer reporting
14 agency that receives a request to remove a
15 freeze alert provided under paragraph (1) shall
16 remove such a freeze alert.

17 “(C) RULE OF CONSTRUCTION.—Nothing
18 in this paragraph shall be construed to limit the
19 authority of a State to require consumer report-
20 ing agencies to require freeze alerts free of
21 charge.

22 “(3) ADDITIONAL PROTECTIONS FOR CREDIT
23 REPORTS OF MINOR CONSUMERS.—

24 “(A) IN GENERAL.—Upon the direct re-
25 quest of an individual acting on behalf of or as

1 a personal representative of a minor, a con-
2 sumer reporting agency that maintains a file on
3 the minor and has received appropriate proof of
4 the identity of the requester shall include a
5 freeze alert, free of charge, in the file of that
6 minor that shall remain in effect until an indi-
7 vidual acting on behalf of or as a personal rep-
8 resentative of the minor, or in the case of a
9 minor who is no longer a minor, the minor, re-
10 quests that such freeze alert be removed.

11 “(B) BLOCK OF INFORMATION.—While a
12 freeze alert under subparagraph (A) is in place,
13 a consumer reporting agency may not release—

14 “(i) the consumer report of the minor;

15 “(ii) any information derived from the
16 consumer report of the minor; or

17 “(iii) any record created for the
18 minor.

19 “(C) REMOVAL.—Notwithstanding any
20 other provision of State law, a consumer report-
21 ing agency that receives a request for a freeze
22 alert for a minor or a request to remove a
23 freeze alert for a minor shall provide or remove
24 the freeze alert, as applicable, free of charge.”.

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 or medical services provided in a non-Depart-
7 ment of Veterans Affairs facility under the laws ad-
8 ministered by the Secretary of Veterans Affairs; and

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

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

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

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

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

22 “(1) means a debt of a veteran arising from
23 health care provided in a non-Department of Vet-
24 erans Affairs facility under the laws administered by
25 the Secretary of Veterans Affairs; and

1 “(2) includes medical debt that the Department
2 of Veterans Affairs has wrongfully charged a vet-
3 eran.”.

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

8 “(7) Any information related to a veteran’s
9 medical debt if the date on which the hospital care
10 or medical services was rendered relating to the debt
11 antedates the report by less than 1 year.

12 “(8) Any information related to a fully paid or
13 settled veteran’s medical debt that had been charac-
14 terized as delinquent, charged off, or in collection.”.

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

19 (A) in subsection (a)(1)(A), by inserting
20 “and except as provided in subsection (g)” after
21 “subsection (f)”; and

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

23 “(g) DISPUTE PROCESS FOR VETERAN’S MEDICAL
24 DEBT.—

1 “(1) IN GENERAL.—With respect to a veteran’s
2 medical debt of a consumer, the consumer may sub-
3 mit a notice described in paragraph (2) along with
4 proof of liability of the Department of Veterans Af-
5 fairs for payment of that debt or documentation that
6 the Department of Veterans Affairs is in the process
7 of making payment for authorized medical services
8 rendered to a consumer reporting agency or a re-
9 seller to dispute the inclusion of that debt on a con-
10 sumer report of the consumer.

11 “(2) NOTIFICATION TO VETERAN.—The De-
12 partment of Veterans Affairs shall submit to a vet-
13 eran a notice that the Department of Veterans Af-
14 fairs has assumed liability for part or all of a vet-
15 eran’s medical debt.

16 “(3) DELETION OF INFORMATION FROM
17 FILE.—If a consumer reporting agency receives no-
18 tice and proof of liability or documentation under
19 paragraph (1), the consumer reporting agency shall
20 delete all information relating to the veteran’s med-
21 ical debt from the file of the consumer and notify
22 the furnisher and the consumer of that deletion.”.

23 “(c) EFFECTIVE DATE.—The amendments made by
24 this section shall take effect on the date that is 180 days
25 after the date of enactment of this Act.

1 **SEC. 303. IMMUNITY FROM SUIT FOR DISCLOSURE OF FI-**
2 **NANCIAL EXPLOITATION OF SENIOR CITI-**
3 **ZENS.**

4 (a) IMMUNITY.—

5 (1) DEFINITIONS.—In this section—

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

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

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

17 (i) a State financial regulatory agen-
18 cy, including a State securities or law en-
19 forcement authority and a State insurance
20 regulator;

21 (ii) each of the entities represented in
22 the membership of the Financial Institu-
23 tions Examination Council established
24 under section 1004 of the Federal Finan-
25 cial Institutions Examination Council Act
26 of 1978 (12 U.S.C. 3303);

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

4 (iv) the Securities and Exchange
5 Commission;

6 (v) a law enforcement agency; and

7 (vi) a State or local agency respon-
8 sible for administering adult protective
9 service laws;

10 (D) the term “covered financial institu-
11 tion” means—

12 (i) a credit union;

13 (ii) a depository institution;

14 (iii) an investment adviser;

15 (iv) a broker-dealer;

16 (v) an insurance company;

17 (vi) an insurance agency; and

18 (vii) a transfer agent;

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

23 (F) the term “depository institution” has
24 the meaning given the term in section 3(c) of

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

3 (G) the term “exploitation” means the
4 fraudulent or otherwise illegal, unauthorized, or
5 improper act or process of an individual, includ-
6 ing a caregiver or a fiduciary, that—

7 (i) uses the resources of a senior cit-
8 izen for monetary or personal benefit, prof-
9 it, or gain; or

10 (ii) results in depriving a senior cit-
11 izen of rightful access to or use of benefits,
12 resources, belongings, or assets;

13 (H) the term “insurance agency” means
14 any business entity that sells, solicits, or nego-
15 tiates insurance coverage;

16 (I) the term “insurance company” has the
17 meaning given the term in section 2(a) of the
18 Investment Company Act of 1940 (15 U.S.C.
19 80a-2(a));

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

24 (K) the term “investment adviser” has the
25 meaning given the term in section 202(a) of the

1 Investment Advisers Act of 1940 (15 U.S.C.
2 80b-2(a));

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

5 (i) is employed by, or associated with,
6 an investment adviser; and

7 (ii) does not perform solely clerical or
8 ministerial acts;

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

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

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

19 (P) the term “State insurance regulator”
20 has the meaning given the term in section 315
21 of the Gramm-Leach-Bliley Act (15 U.S.C.
22 6735);

23 (Q) the term “State securities or law en-
24 forcement authority” has the meaning given the

1 term in section 24(f)(4) of the Securities Ex-
2 change Act of 1934 (15 U.S.C. 78x(f)(4)); and

3 (R) the term “transfer agent” has the
4 meaning given the term in section 3(a) of the
5 Securities Exchange Act of 1934 (15 U.S.C.
6 78c(a)).

7 (2) IMMUNITY FROM SUIT.—

8 (A) IMMUNITY FOR INDIVIDUALS.—An in-
9 dividual who has received the training described
10 in subsection (b) shall not be liable, including in
11 any civil or administrative proceeding, for dis-
12 closing the suspected exploitation of a senior
13 citizen to a covered agency if the individual, at
14 the time of the disclosure—

15 (i) served as a supervisor or compli-
16 ance officer (including as a Bank Secrecy
17 Act officer) for, or, in the case of a reg-
18 istered representative, investment adviser
19 representative, or insurance producer, was
20 affiliated or associated with, a covered fi-
21 nancial institution; and

22 (ii) made the disclosure—

23 (I) in good faith; and

24 (II) with reasonable care.

1 (B) IMMUNITY FOR COVERED FINANCIAL
2 INSTITUTIONS.—A covered financial institution
3 shall not be liable, including in any civil or ad-
4 ministrative proceeding, for a disclosure made
5 by an individual described in subparagraph (A)
6 if—

7 (i) the individual was employed by, or,
8 in the case of a registered representative,
9 insurance producer, or investment adviser
10 representative, affiliated or associated
11 with, the covered financial institution at
12 the time of the disclosure; and

13 (ii) before the time of the disclosure,
14 each individual described in subsection
15 (b)(1) received the training described in
16 subsection (b).

17 (C) RULE OF CONSTRUCTION.—Nothing in
18 subparagraph (A) or (B) shall be construed to
19 limit the liability of an individual or a covered
20 financial institution in a civil action for any act,
21 omission, or fraud that is not a disclosure de-
22 scribed in subparagraph (A).

23 (b) TRAINING.—

24 (1) IN GENERAL.—A covered financial institu-
25 tion or a third party selected by a covered financial

1 institution may provide the training described in
2 paragraph (2)(A) to each officer or employee of, or
3 registered representative, insurance producer, or in-
4 vestment adviser representative affiliated or associ-
5 ated with, the covered financial institution who—

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

7 (B) may come into contact with a senior
8 citizen as a regular part of the professional du-
9 ties of the individual; or

10 (C) may review or approve the financial
11 documents, records, or transactions of a senior
12 citizen in connection with providing financial
13 services to a senior citizen.

14 (2) CONTENT.—

15 (A) IN GENERAL.—The content of the
16 training that a covered financial institution or
17 a third party selected by the covered financial
18 institution may provide under paragraph (1)
19 shall—

20 (i) be maintained by the covered fi-
21 nancial institution and made available to a
22 covered agency with examination authority
23 over the covered financial institution, upon
24 request, except that a covered financial in-
25 stitution shall not be required to maintain

1 or make available such content with re-
2 spect to any individual who is no longer
3 employed by, or affiliated or associated
4 with, the covered financial institution;

5 (ii) instruct any individual attending
6 the training on how to identify and report
7 the suspected exploitation of a senior cit-
8 izen internally and, as appropriate, to gov-
9 ernment officials or law enforcement au-
10 thorities, including common signs that in-
11 dicate the financial exploitation of a senior
12 citizen;

13 (iii) discuss the need to protect the
14 privacy and respect the integrity of each
15 individual customer of the covered financial
16 institution; and

17 (iv) be appropriate to the job respon-
18 sibilities of the individual attending the
19 training.

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

22 (i) as soon as reasonably practicable;

23 and

24 (ii) with respect to an individual who
25 begins employment, or becomes affiliated

1 or associated, with a covered financial in-
2 stitution after the date of enactment of
3 this Act, not later than 1 year after the
4 date on which the individual becomes em-
5 ployed by, or affiliated or associated with,
6 the covered financial institution in a posi-
7 tion described in subparagraph (A), (B), or
8 (C) of paragraph (1).

9 (C) RECORDS.—A covered financial insti-
10 tution shall—

11 (i) maintain a record of each indi-
12 vidual who—

13 (I) is employed by, or affiliated
14 or associated with, the covered finan-
15 cial institution in a position described
16 in subparagraph (A), (B), or (C) of
17 paragraph (1); and

18 (II) has completed the training
19 under paragraph (1), regardless of
20 whether the training was—

21 (aa) provided by the covered
22 financial institution or a third
23 party selected by the covered fi-
24 nancial institution;

1 (bb) completed before the in-
2 dividual was employed by, or af-
3 filiated or associated with, the
4 covered financial institution; and

5 (cc) completed before, on, or
6 after the date of enactment of
7 this Act; and

8 (ii) upon request, provide a record de-
9 scribed in clause (i) to a covered agency
10 with examination authority over the cov-
11 ered financial institution.

12 (c) RELATIONSHIP TO STATE LAW.—Nothing in this
13 section shall be construed to preempt or limit any provi-
14 sion of State law, except only to the extent that subsection
15 (a) provides a greater level of protection against liability
16 to an individual described in subsection (a)(2)(A) or to
17 a covered financial institution described in subsection
18 (a)(2)(B) than is provided under State law.

19 **SEC. 304. RESTORATION OF THE PROTECTING TENANTS AT**
20 **FORECLOSURE ACT OF 2009.**

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

1 (b) RESTORATION.—Sections 701 through 703 of the
2 Protecting Tenants at Foreclosure Act of 2009, the provi-
3 sions of law amended or repealed by such sections, and
4 any regulations promulgated pursuant to such sections, as
5 were in effect on December 30, 2014, are restored and
6 revived.

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

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

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

16 **TITLE IV—TAILORING REGULA-**
17 **TIONS FOR CERTAIN BANK**
18 **HOLDING COMPANIES**

19 **SEC. 401. ENHANCED SUPERVISION AND PRUDENTIAL**
20 **STANDARDS FOR CERTAIN BANK HOLDING**
21 **COMPANIES.**

22 (a) IN GENERAL.—Section 165 of the Financial Sta-
23 bility Act of 2010 (12 U.S.C. 5365) is amended—

24 (1) in subsection (a)—

1 (A) in paragraph (1), in the matter pre-
2 ceding subparagraph (A), by striking
3 “\$50,000,000,000” and inserting
4 “\$250,000,000,000”; and

5 (B) in paragraph (2)—

6 (i) in subparagraph (A), by striking
7 “may” and inserting “shall”;

8 (ii) in subparagraph (B), by striking
9 “\$50,000,000,000” and inserting “the ap-
10 plicable threshold”; and

11 (iii) by adding at the end the fol-
12 lowing:

13 “(C) RISKS TO FINANCIAL STABILITY AND
14 SAFETY AND SOUNDNESS.—The Board of Gov-
15 ernors may by order or rule promulgated pursu-
16 ant to section 553 of title 5, United States
17 Code, apply any prudential standard established
18 under this section to any bank holding company
19 or bank holding companies with total consoli-
20 dated assets equal to or greater than
21 \$100,000,000,000 to which the prudential
22 standard does not otherwise apply provided that
23 the Board of Governors—

24 “(i) determines that application of the
25 prudential standard is appropriate—

1 “(I) to prevent or mitigate risks
2 to the financial stability of the United
3 States, as described in paragraph (1);
4 or

5 “(II) to promote the safety and
6 soundness of the bank holding com-
7 pany or bank holding companies; and

8 “(ii) takes into consideration the bank
9 holding company’s or bank holding compa-
10 nies’ capital structure, riskiness, com-
11 plexity, financial activities (including finan-
12 cial activities of subsidiaries), size, and any
13 other risk-related factors that the Board of
14 Governors deems appropriate.”;

15 (2) in subsection (b)(1)—

16 (A) in subparagraph (A)(iv), by striking
17 “and credit exposure report”; and

18 (B) in subparagraph (B)(ii), by inserting
19 “, including credit exposure reports” before the
20 semicolon at the end;

21 (3) in subsection (d)(2), in the matter pre-
22 ceding subparagraph (A), by striking “shall” and in-
23 serting “may”;

1 (4) in subsection (h)(2), by striking
2 “\$10,000,000,000” each place that term appears
3 and inserting “\$50,000,000,000”;

4 (5) in subsection (i)—

5 (A) in paragraph (1)(B)(i)—

6 (i) by striking “3” and inserting “2”;

7 and

8 (ii) by striking “, adverse,”; and

9 (B) in paragraph (2)(A)—

10 (i) in the first sentence, by striking

11 “semiannual” and inserting “periodic”;

12 and

13 (ii) in the second sentence—

14 (I) by striking

15 “\$10,000,000,000” and inserting

16 “\$250,000,000,000”; and

17 (II) by striking “annual” and in-

18 serting “periodic”; and

19 (6) in subsection (j)(1), in the first sentence, by

20 striking “\$50,000,000,000” and inserting

21 “\$250,000,000,000”.

22 (b) RULE OF CONSTRUCTION.—Nothing in sub-
23 section (a) shall be construed to limit—

24 (1) the authority of the Board of Governors of

25 the Federal Reserve System, in prescribing pruden-

1 tial standards under section 165 of the Financial
2 Stability Act of 2010 (12 U.S.C. 5365) or any other
3 law, to tailor or differentiate among companies on
4 an individual basis or by category, taking into con-
5 sideration their capital structure, riskiness, com-
6 plexity, financial activities (including financial activi-
7 ties of their subsidiaries), size, and any other risk-
8 related factors that the Board of Governors deems
9 appropriate; or

10 (2) the supervisory, regulatory, or enforcement
11 authority of an appropriate Federal banking agency
12 to further the safe and sound operation of an insti-
13 tution under the supervision of the appropriate Fed-
14 eral banking agency.

15 (c) TECHNICAL AND CONFORMING AMENDMENTS.—

16 (1) FINANCIAL STABILITY ACT OF 2010.—The
17 Financial Stability Act of 2010 (12 U.S.C. 5311 et
18 seq.) is amended—

19 (A) in section 115(a)(2)(B) (12 U.S.C.
20 5325(a)(2)(B)), by striking “\$50,000,000,000”
21 and inserting “the applicable threshold”;

22 (B) in section 116(a) (12 U.S.C. 5326(a)),
23 in the matter preceding paragraph (1), by strik-
24 ing “\$50,000,000,000” and inserting
25 “\$250,000,000,000”;

1 (C) in section 121(a) (12 U.S.C. 5311(a)),
2 in the matter preceding paragraph (1), by strik-
3 ing “\$50,000,000,000” and inserting
4 “\$250,000,000,000”;

5 (D) in section 155(d) (12 U.S.C. 5345(d)),
6 by striking “50,000,000,000” and inserting
7 “\$250,000,000,000”;

8 (E) in section 163(b) (12 U.S.C. 5363(b)),
9 by striking “\$50,000,000,000” each place that
10 term appears and inserting
11 “\$250,000,000,000”; and

12 (F) in section 164 (12 U.S.C. 5364), by
13 striking “\$50,000,000,000” and inserting
14 “\$250,000,000,000”.

15 (2) FEDERAL RESERVE ACT.—Paragraph (2) of
16 the second subsection (s) (relating to assessments)
17 of section 11 of the Federal Reserve Act (12 U.S.C.
18 248(s)(2)) is amended—

19 (A) in subparagraph (A)—

20 (i) by striking “\$50,000,000,000” and
21 inserting “\$250,000,000,000”; and

22 (ii) by inserting “and” after the semi-
23 colon at the end;

24 (B) by striking subparagraph (B); and

1 (C) by redesignating subparagraph (C) as
2 subparagraph (B).

3 (d) EFFECTIVE DATE.—

4 (1) IN GENERAL.—Except as provided in para-
5 graph (2), the amendments made by this section
6 shall take effect on the date that is 18 months after
7 the date of enactment of this Act.

8 (2) EXCEPTION.—Notwithstanding paragraph
9 (1), the amendments made by this section shall take
10 effect on the date of enactment of this Act with re-
11 spect to any bank holding company with total con-
12 solidated assets of less than \$100,000,000,000.

13 (3) ADDITIONAL AUTHORITY.—Before the effec-
14 tive date described in paragraph (1), the Board of
15 Governors of the Federal Reserve System may by
16 order exempt any bank holding company with total
17 consolidated assets of less than \$250,000,000,000
18 from any prudential standard under section 165 of
19 the Financial Stability Act of 2010 (12 U.S.C.
20 5365).

21 (4) RULE OF CONSTRUCTION.—Nothing in this
22 section shall be construed to prohibit the Board of
23 Governors of the Federal Reserve System from
24 issuing an order or rule making under section
25 165(a)(2)(C) of the Financial Stability Act of 2010

1 (12 U.S.C. 5365(a)(2)(C)), as added by this section,
2 before the effective date described in paragraph (1).

3 (e) SUPERVISORY STRESS TEST.—Beginning on the
4 effective date described in subsection (d)(1), the Board of
5 Governors of the Federal Reserve System shall, on a peri-
6 odic basis, conduct supervisory stress tests of bank holding
7 companies with total consolidated assets equal to or great-
8 er than \$100,000,000,000 and total consolidated assets
9 of not more than \$250,000,000,000 to evaluate whether
10 such bank holding companies have the capital, on a total
11 consolidated basis, necessary to absorb losses as a result
12 of adverse economic conditions.

13 (f) GLOBAL SYSTEMICALLY IMPORTANT BANK
14 HOLDING COMPANIES.—Any bank holding company, re-
15 gardless of asset size, that has been identified as a global
16 systemically important BHC under section 217.402 of
17 title 12, Code of Federal Regulations, shall be considered
18 a bank holding company with total consolidated assets
19 equal to or greater than \$250,000,000,000 with respect
20 to the application of standards or requirements under—

21 (1) this section;

22 (2) sections 116(a), 121(a), 155(d), 163(b),
23 164, and 165 of the Financial Stability Act of 2010
24 (12 U.S.C. 5326(a), 5331(a), 5345(d), 5363(b),
25 5364, 5365); and

1 (3) paragraph (2)(A) of the second subsection
2 (s) (relating to assessments) of section 11 of the
3 Federal Reserve Act (12 U.S.C. 248(s)(2)).

4 **SEC. 402. SUPPLEMENTARY LEVERAGE RATIO FOR CUSTO-**
5 **DIAL BANKS.**

6 (a) DEFINITION.—In this section, the term “custo-
7 dial bank” means any depository institution or depository
8 institution holding company for which the level of assets
9 under custody is not less than 30 times the total consoli-
10 dated assets of the depository institution or depository in-
11 stitution holding company, as applicable.

12 (b) REGULATIONS.—

13 (1) DEFINITION.—In this subsection, the term
14 “central bank” means—

15 (A) the Federal Reserve System;

16 (B) the European Central Bank; and

17 (C) central banks of member countries of
18 the Organisation for Economic Co-operation
19 and Development, if—

20 (i) the central bank of such member
21 country has been assigned a zero percent
22 risk weight under the final rule of the Of-
23 fice of the Comptroller of the Currency and
24 Board of Governors of the Federal Reserve
25 System entitled “Regulatory Capital Rules:

1 Regulatory Capital, Implementation of
2 Basel III, Capital Adequacy, Transition
3 Provisions, Prompt Corrective Action,
4 Standardized Approach for Risk-weighted
5 Assets, Market Discipline and Disclosure
6 Requirements, Advanced Approaches Risk-
7 Based Capital Rule, and Market Risk Cap-
8 ital Rule” (78 Fed. Reg. 62018 (October
9 11, 2013)) and the final rule of the Fed-
10 eral Deposit Insurance Corporation enti-
11 tled “Regulatory Capital Rules: Regulatory
12 Capital, Implementation of Basel III, Cap-
13 ital Adequacy, Transition Provisions,
14 Prompt Corrective Action, Standardized
15 Approach for Risk-Weighted Assets, Mar-
16 ket Discipline and Disclosure Require-
17 ments, Advanced Approaches Risk-Based
18 Capital Rule, and Market Risk Capital
19 Rule” (79 Fed. Reg. 20754 (April 14,
20 2014)); 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 Act.

21 **TITLE V—STUDIES**

22 **SEC. 501. TREASURY REPORT ON RISKS OF CYBER** 23 **THREATS.**

24 Not later than 1 year after the date of enactment
 25 of this Act, the Secretary of the Treasury shall submit

1 to the Committee on Banking, Housing, and Urban Af-
2 fairs of the Senate and the Committee on Financial Serv-
3 ices of the House of Representatives a report on the risks
4 of cyber threats to financial institutions and capital mar-
5 kets in the United States, including—

6 (1) an assessment of the material risks of cyber
7 threats to financial institutions and capital markets
8 in the United States;

9 (2) the impact and potential effects of material
10 cyber attacks on financial institutions and capital
11 markets in the United States;

12 (3) an analysis of how the appropriate Federal
13 banking agencies and the Securities and Exchange
14 Commission are addressing the material risks of
15 cyber threats described in paragraph (1), includ-
16 ing—

17 (A) how the appropriate Federal banking
18 agencies and the Securities and Exchange Com-
19 mission are assessing those threats;

20 (B) how the appropriate Federal banking
21 agencies and the Securities and Exchange Com-
22 mission are assessing the cyber vulnerabilities
23 and preparedness of financial institutions;

24 (C) coordination amongst the appropriate
25 Federal banking agencies and the Securities

1 and Exchange Commission, and their coordina-
2 tion with other government agencies (including
3 with respect to regulations, examinations, lexi-
4 con, duplication, and other regulatory tools);
5 and

6 (D) areas for improvement; and

7 (4) a recommendation of whether any appro-
8 priate Federal banking agency or the Securities and
9 Exchange Commission needs additional legal au-
10 thorities or resources to adequately assess and ad-
11 dress the material risks of cyber threats described in
12 paragraph (1), given the analysis required by para-
13 graph (3).

14 **SEC. 502. SEC STUDY ON ALGORITHMIC TRADING.**

15 (a) IN GENERAL.—Not later than 18 months after
16 the date of enactment of this Act, the staff of the Securi-
17 ties and Exchange Commission shall submit to the Com-
18 mittee on Banking, Housing, and Urban Affairs of the
19 Senate and the Committee on Financial Services of the
20 House of Representatives a report on the risks and bene-
21 fits of algorithmic trading in capital markets in the United
22 States.

23 (b) MATTERS REQUIRED TO BE INCLUDED.—The
24 matters covered by the report required by subsection (a)
25 shall include the following:

1 (1) An assessment of the effect of algorithmic
2 trading in equity and debt markets in the United
3 States on the provision of liquidity in stressed and
4 normal market conditions.

5 (2) An assessment of the benefits and risks to
6 equity and debt markets in the United States by al-
7 gorithmic trading.

8 (3) An analysis of whether the activity of algo-
9 rithmic trading and entities that engage in algo-
10 rithmic trading are subject to appropriate Federal
11 supervision and regulation.

12 (4) A recommendation of whether—

13 (A) based on the analysis described in
14 paragraphs (1), (2), and (3), any changes
15 should be made to regulations; and

16 (B) the Securities and Exchange Commis-
17 sion needs additional legal authorities or re-
18 sources to effect the changes described in sub-
19 paragraph (A).

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