

115TH CONGRESS  
1ST SESSION

# S. 2155

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

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## 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

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## 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-

son or the acquisition of a covered institution by another person or of another person by a covered institution, so long as the loan is retained in portfolio by the person to whom the loan is sold, assigned, or otherwise transferred.

“(iv) CONSIDERATION AND DOCUMENTATION REQUIREMENTS.—The consideration and documentation requirements described in clause (ii)(I)(ee) shall—

“(I) not be construed to require compliance with, or documentation in accordance with, appendix Q to part 1026 of title 12, Code of Federal Regulations, or any successor regulation; and

“(II) be construed to permit multiple methods of documentation.”.

**SEC. 102. SAFEGUARDING ACCESS TO HABITAT FOR HUMANITY HOMES.**

Section 129E(i)(2) of the Truth in Lending Act (15 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

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(c), 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).

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

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

(a) IN GENERAL.—Section 304 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803) is amended—

(1) by redesignating subsection (i) as paragraph

(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 ACTIVITI-  
 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.

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

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

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

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

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

Section 129D(c) of the Truth in Lending Act (15 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-

community bank’s applicable regulatory filing with the qualifying community bank’s appropriate Federal banking agency, to the average total consolidated assets of the qualifying community bank, as reported on the qualifying community bank’s applicable regulatory filing with the qualifying community bank’s appropriate Federal banking agency.

(2) GENERALLY APPLICABLE LEVERAGE CAPITAL REQUIREMENTS; GENERALLY APPLICABLE RISK-BASED CAPITAL REQUIREMENTS.—The terms “generally applicable leverage capital requirements” and “generally applicable risk-based capital requirements” have the meanings given those terms in section 171(a) of the Financial Stability Act of 2010 (12 U.S.C. 5371(a)).

(3) QUALIFYING COMMUNITY BANK.—

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

(B) RISK PROFILE.—The appropriate Federal banking agencies may determine that a depository institution or depository institution holding company (or a class of depository insti-

tutions or depository institution holding companies) described in subparagraph (A) is not a qualifying community bank based on the depository institution's or depository institution holding company's risk profile, which shall be based on consideration of—

(i) off-balance sheet exposures;

(ii) trading assets and liabilities;

(iii) total notional derivatives exposures; and

(iv) such other factors as the appropriate Federal banking agencies determine appropriate.

(b) COMMUNITY BANK LEVERAGE RATIO.—The appropriate Federal banking agencies shall, through notice and comment rule making under section 553 of title 5, United States Code—

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

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

(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 deposi-  
 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 deposi-  
13                  tory 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. 1681c(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.

(B) IMMUNITY FOR COVERED FINANCIAL INSTITUTIONS.—A covered financial institution shall not be liable, including in any civil or administrative proceeding, for a disclosure made by an individual described in subparagraph (A) if—

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

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

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

(b) TRAINING.—

(1) IN GENERAL.—A covered financial institution 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)—

(A) in paragraph (1), in the matter preceding subparagraph (A), by striking “\$50,000,000,000” and inserting “\$250,000,000,000”; and

(B) in paragraph (2)—

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

(ii) in subparagraph (B), by striking “\$50,000,000,000” and inserting “the applicable threshold”; and

(iii) by adding at the end the following:

“(C) RISKS TO FINANCIAL STABILITY AND SAFETY AND SOUNDNESS.—The Board of Governors may by order or rule promulgated pursuant to section 553 of title 5, United States Code, apply any prudential standard established under this section to any bank holding company or bank holding companies with total consolidated assets equal to or greater than \$100,000,000,000 to which the prudential standard does not otherwise apply provided that the Board of Governors—

“(i) determines that application of the 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).

○