

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: In the nature of a substitute.

**IN THE SENATE OF THE UNITED STATES—114th Cong., 1st Sess.**

**S.** \_\_\_\_\_

To improve accountability and transparency in the United States financial regulatory system, protect access to credit for consumers, provide sensible relief to financial institutions, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended  
to be proposed by Mr. BROWN

Viz:

1 Strike all after the enacting clause and insert the fol-  
2 lowing:

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

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Community Financial Institution Regulatory Relief and  
6 Consumer Protection Act of 2015”.

7 (b) **TABLE OF CONTENTS.**—The table of contents for  
8 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—HELPING COMMUNITY LENDERS**

Sec. 101. Community bank and credit union portfolio lending.

- Sec. 102. Exception to annual written privacy notice requirement under the Gramm-Leach-Bliley Act.
- Sec. 103. Expansion of threshold for 18-month on-site examination cycle.
- Sec. 104. Privately insured credit unions authorized to become members of a Federal home loan bank.
- Sec. 105. Registration threshold for savings and loan holding companies.
- Sec. 106. Transitional license authority.

#### TITLE II—PROTECTING CONSUMERS

- Sec. 201. Protecting servicemembers.
- Sec. 202. Restoration of the Protecting Tenants at Foreclosure Act of 2009.
- Sec. 203. Confidentiality of information shared between State and Federal financial services regulators.

## 1 **TITLE I—HELPING COMMUNITY** 2 **LENDERS**

### 3 **SEC. 101. COMMUNITY BANK AND CREDIT UNION PORT-** 4 **FOLIO LENDING.**

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

8 “(F) SAFE HARBOR.—

9 “(i) IN GENERAL.—In this section—

10 “(I) the term ‘qualified mort-  
11 gage’, as defined in subparagraph (A),  
12 includes any residential mortgage  
13 loan—

14 “(aa) that is originated by a  
15 covered institution and continu-  
16 ously retained in portfolio by the  
17 covered institution;

18 “(bb) that, except as pro-  
19 vided in subparagraph (E), fully

1 amortizes over a term of not  
2 longer than 30 years;

3 “(cc) that complies with—

4 “(AA) the requirements  
5 of clauses (i), (ii), (iii), (iv),  
6 (v), and (vii) of subpara-  
7 graph (A); and

8 “(BB) any require-  
9 ments consistent with the  
10 purposes described in para-  
11 graph (3)(B)(i);

12 “(dd) for which the covered  
13 institution, at or before con-  
14 summation of the residential  
15 mortgage loan, takes into ac-  
16 count and verifies the monthly  
17 debt and income of the consumer;  
18 and

19 “(ee) that is not considered  
20 a high-cost mortgage; and

21 “(II) a residential mortgage loan  
22 that meets the requirements of sub-  
23 clause (I) shall be deemed to meet the  
24 requirements of subsection (a) until  
25 the residential mortgage loan no

1 longer meets the requirements of sub-  
2 clause (I).

3 “(ii) DEFINITION.—In this subpara-  
4 graph, the term ‘covered institution’  
5 means—

6 “(I) an insured depository insti-  
7 tution or insured credit union that—

8 “(aa) at the time of origina-  
9 tion of the residential mortgage  
10 loan, together with its affiliates,  
11 has less than \$2,000,000,000 in  
12 total consolidated assets; and

13 “(bb) during the calendar  
14 year preceding the time of origi-  
15 nation of the residential mort-  
16 gage loan, originated not more  
17 than 2,000 residential mortgage  
18 loans that were—

19 “(AA) sold, assigned, or  
20 otherwise transferred to an-  
21 other person; or

22 “(BB) subject to, at  
23 the time of consummation, a  
24 commitment to be acquired  
25 by another person; or

1                   “(II) an insured depository insti-  
2                   tution or insured credit union that, at  
3                   the time of origination of the residen-  
4                   tial mortgage loan—

5                   “(aa) together with its affili-  
6                   ates, has more than  
7                   \$2,000,000,000 and less than  
8                   \$10,000,000,000 in total consoli-  
9                   dated assets;

10                   “(bb) is not considered a  
11                   specialty bank, such as a bank  
12                   that offers only a narrow product  
13                   line (including credit card or  
14                   motor vehicle loans) to a regional  
15                   or broader market;

16                   “(cc) engages in the basic  
17                   activities of lending and deposit  
18                   taking as a significant percentage  
19                   of total assets;

20                   “(dd) has a limited geo-  
21                   graphic scope; and

22                   “(ee) meets any other cri-  
23                   teria as determined by the Bu-  
24                   reau, including restrictions on

1 the volume of residential mort-  
2 gage loans—

3 “(AA) sold, assigned, or  
4 otherwise transferred to an-  
5 other person; or

6 “(BB) subject to, at  
7 the time of consummation, a  
8 commitment to be acquired  
9 by another person.”.

10 **SEC. 102. EXCEPTION TO ANNUAL WRITTEN PRIVACY NO-**  
11 **TICE REQUIREMENT UNDER THE GRAMM-**  
12 **LEACH-BLILEY ACT.**

13 Section 503 of the Gramm-Leach-Bliley Act (15  
14 U.S.C. 6803) is amended by adding at the end the fol-  
15 lowing:

16 “(f) EXCEPTION TO ANNUAL WRITTEN NOTICE RE-  
17 QUIREMENT.—

18 “(1) IN GENERAL.—A financial institution de-  
19 scribed in paragraph (2) shall not be required to  
20 provide an annual written disclosure under this sec-  
21 tion until such time as the financial institution fails  
22 to comply with subparagraph (A), (B), or (C) of  
23 paragraph (2).

1           “(2) COVERED INSTITUTIONS.—A financial in-  
2           stitution described in this paragraph is a financial  
3           institution that—

4                   “(A) provides nonpublic personal informa-  
5                   tion only in accordance with the provisions of  
6                   subsection (b)(2) or (e) of section 502 or regu-  
7                   lations prescribed under section 504(b);

8                   “(B) has not changed its policies and prac-  
9                   tices with respect to disclosing nonpublic per-  
10                  sonal information from the policies and prac-  
11                  tices that were disclosed in the most recent dis-  
12                  closure sent to consumers in accordance with  
13                  this section; and

14                  “(C) otherwise provides customers access  
15                  to such most recent disclosure in electronic or  
16                  other form permitted by regulations prescribed  
17                  under section 504.”.

18 **SEC. 103. EXPANSION OF THRESHOLD FOR 18-MONTH ON-**  
19 **SITE EXAMINATION CYCLE.**

20           Section 10(d) of the Federal Deposit Insurance Act  
21 (12 U.S.C. 1820(d)) is amended—

22                   (1) in paragraph (4)(A), by striking  
23                   “\$500,000,000” and inserting “\$1,000,000,000”;  
24                   and

1           (2) in paragraph (10), by striking  
2           “\$500,000,000” and inserting “\$1,000,000,000”.

3 **SEC. 104. PRIVATELY INSURED CREDIT UNIONS AUTHOR-**  
4                           **IZED TO BECOME MEMBERS OF A FEDERAL**  
5                           **HOME LOAN BANK.**

6           (a) IN GENERAL.—Section 4(a) of the Federal Home  
7 Loan Bank Act (12 U.S.C. 1424(a)) is amended by adding  
8 at the end the following:

9                           “(5) CERTAIN PRIVATELY INSURED CREDIT  
10                          UNIONS.—

11                           “(A) IN GENERAL.—Subject to the re-  
12                          quirements of subparagraph (B), a credit union  
13                          that lacks insurance of its member accounts  
14                          under Federal law shall be treated as an in-  
15                          sured depository institution for purposes of this  
16                          Act.

17                           “(B) CERTIFICATION BY APPROPRIATE  
18                          STATE SUPERVISOR.—For purposes of this  
19                          paragraph, a credit union that lacks insurance  
20                          of its member accounts under Federal law and  
21                          that has applied for membership in a Federal  
22                          home loan bank shall be treated as an insured  
23                          depository institution if the following has oc-  
24                          curred:

1                   “(i) DETERMINATION BY STATE SU-  
2                   PERVISOR OF THE CREDIT UNION.—

3                   “(I) IN GENERAL.—Subject to  
4                   subclause (II), the appropriate super-  
5                   visor of the State in which the credit  
6                   union is chartered has determined  
7                   that the credit union meets all the eli-  
8                   gibility requirements under section  
9                   201(a) of the Federal Credit Union  
10                  Act (12 U.S.C. 1781(a)) to apply for  
11                  insurance of its member accounts as  
12                  of the date of the application for  
13                  membership.

14                  “(II) CERTIFICATION DEEMED  
15                  VALID.—In the case of any credit  
16                  union to which subclause (I) applies,  
17                  if the appropriate supervisor of the  
18                  State in which such credit union is  
19                  chartered fails to make the determina-  
20                  tion required pursuant to such sub-  
21                  clause by the end of the 12-month pe-  
22                  riod beginning on the date on which  
23                  the application is submitted to the su-  
24                  pervisor, the credit union shall be

1                   deemed to have met the requirements  
2                   of subclause (I).

3                   “(ii) DETERMINATION BY STATE SU-  
4                   PERVISOR OF THE PRIVATE DEPOSIT IN-  
5                   SURER.—The licensing entity of the pri-  
6                   vate deposit insurer that is insuring the  
7                   member accounts of the credit union—

8                   “(I) receives, on an annual basis,  
9                   an independent actuarial opinion that  
10                  the private insurer has set aside suffi-  
11                  cient reserves for losses; and

12                  “(II) obtains, as frequently as  
13                  appropriate, but not less frequently  
14                  than every 36 months, an independent  
15                  actuary’s study of the capital ade-  
16                  quacy of the private insurer.

17                  “(iii) SUBMISSION OF FINANCIAL IN-  
18                  FORMATION.—The credit union or the ap-  
19                  propriate supervisor of the State in which  
20                  such credit union is chartered makes avail-  
21                  able, and continues to make available for  
22                  such time as the credit union is a member  
23                  of a Federal home loan bank, to the Fed-  
24                  eral Housing Finance Agency or to the  
25                  Federal home loan bank all reports,

1 records, and other information related to  
2 any examinations or inquiries performed  
3 by the supervisor concerning the financial  
4 condition of the credit union, as soon as is  
5 practicable.

6 “(C) SECURITY INTERESTS OF FEDERAL  
7 HOME LOAN BANK NOT AVOIDABLE.—Notwith-  
8 standing any provision of State law authorizing  
9 a conservator or liquidating agent of a credit  
10 union to repudiate contracts, no such provision  
11 shall apply with respect to—

12 “(i) any extension of credit from any  
13 Federal home loan bank to any credit  
14 union that is a member of any such bank  
15 pursuant to this paragraph; or

16 “(ii) any security interest in the as-  
17 sets of such a credit union securing any  
18 such extension of credit.

19 “(D) PROTECTION FOR CERTAIN FEDERAL  
20 HOME LOAN BANK ADVANCES.—Notwith-  
21 standing any State law to the contrary, if a  
22 Bank makes an advance under section 10 to a  
23 State-chartered credit union that is not feder-  
24 ally insured—



1 later than 7 days after the audit is com-  
2 pleted.”.

3 (c) GAO REPORT.—Not later than 18 months after  
4 the date of enactment of this Act, the Comptroller General  
5 of the United States shall conduct a study and submit a  
6 report to Congress—

7 (1) on the adequacy of insurance reserves held  
8 by a private deposit insurer that insures the member  
9 accounts of an entity described in section  
10 43(e)(2)(A) of the Federal Deposit Insurance Act  
11 (12 U.S.C. 1831t(e)(2)(A)); and

12 (2) for an entity described in paragraph (1),  
13 the member accounts of which are insured by a pri-  
14 vate deposit insurer, information on the level of com-  
15 pliance with Federal regulations relating to the dis-  
16 closure of a lack of Federal deposit insurance.

17 **SEC. 105. REGISTRATION THRESHOLD FOR SAVINGS AND**  
18 **LOAN HOLDING COMPANIES.**

19 The Securities Exchange Act of 1934 (15 U.S.C. 78a  
20 et seq.) is amended—

21 (1) in section 12(g)—

22 (A) in paragraph (1)(B), by inserting after  
23 “is a bank” the following: “, a savings and loan  
24 holding company (as such term is defined in

1 section 10 of the Home Owners' Loan Act (12  
2 U.S.C. 1467a(a)),”; and

3 (B) in paragraph (4), by inserting after  
4 “case of a bank” the following: “, a savings and  
5 loan holding company (as such term is defined  
6 in section 10 of the Home Owners' Loan Act  
7 (12 U.S.C. 1467a(a)),”; and

8 (2) in section 15(d)(1), by striking “case of  
9 bank” and inserting the following: “case of a bank,  
10 a savings and loan holding company (as such term  
11 is defined in section 10 of the Home Owners' Loan  
12 Act (12 U.S.C. 1467a(a)),”.

13 **SEC. 106. TRANSITIONAL LICENSE AUTHORITY.**

14 Section 1504 of the S.A.F.E. Mortgage Licensing Act  
15 of 2008 (12 U.S.C. 5103) is amended—

16 (1) in subsection (a), by inserting after “as the  
17 case may be,” the following: “and except as provided  
18 in subsection (c),”; and

19 (2) by adding at the end the following:  
20 “(c) TRANSITIONAL AUTHORITY.—

21 “(1) DEFINITION.—In this subsection, the term  
22 ‘covered registered loan originator’ means a reg-  
23 istered loan originator who—

24 “(A) submits the information required  
25 under section 1505(a); and

1           “(B) during the 30-day period preceding  
2           the date of such submission, met the standard  
3           of being qualified under section 129B(b)(1)(A)  
4           of the Truth in Lending Act (15 U.S.C.  
5           1639b(b)(1)(A)).

6           “(2) **AUTHORITY.**—Notwithstanding the re-  
7           quirements of subsections (b) through (e) of section  
8           1505, a State may permit a covered registered loan  
9           originator to act as a loan originator, under the su-  
10          pervision of a non-depository firm that engages in  
11          loan origination in that State, for the 120-day pe-  
12          riod beginning on the date on which the covered reg-  
13          istered loan originator submits the information re-  
14          quired under section 1505(a).

15          “(3) **LIMITATION.**—A covered registered loan  
16          originator may not act as a loan originator under  
17          paragraph (2) after the date on which the 120-day  
18          period described in that paragraph expires.”.

## 19                   **TITLE II—PROTECTING** 20                   **CONSUMERS**

### 21   **SEC. 201. PROTECTING SERVICEMEMBERS.**

22          Section 1002(12) of the Consumer Financial Protec-  
23          tion Act of 2010 (12 U.S.C. 5481(12)) is amended—

24                  (1) in subparagraph (Q), by striking “; and”  
25          and inserting a semicolon;

1 (2) in subparagraph (R), by striking the period  
2 at the end and inserting “; and”; and

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

4 “(S) sections 101, 107 (except with respect  
5 to bailments), 108 (except with respect to in-  
6 surance), 201 (except with respect to child cus-  
7 tody proceedings), 207, 301, 302, 303, 305,  
8 and 305A of the Servicemembers Civil Relief  
9 Act (50 U.S.C. App. 511, 517, 518, 521, 527,  
10 531, 532, 533, 535, and 535a).”.

11 **SEC. 202. RESTORATION OF THE PROTECTING TENANTS AT**  
12 **FORECLOSURE ACT OF 2009.**

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

17 (b) RESTORATION.—Sections 701 through 703 of  
18 such Act, the provisions of law amended or repealed by  
19 such sections, and any regulations promulgated pursuant  
20 to such sections, as were in effect on December 31, 2014,  
21 are restored and revived as if the sunset provision in sec-  
22 tion 704 had not taken effect.

1 **SEC. 203. CONFIDENTIALITY OF INFORMATION SHARED BE-**  
2 **TWEEN STATE AND FEDERAL FINANCIAL**  
3 **SERVICES REGULATORS.**

4 Section 1512(a) of the S.A.F.E. Mortgage Licensing  
5 Act of 2008 (12 U.S.C. 5111(a)) is amended by inserting  
6 “or financial services” before “industry”.