

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

Purpose: To improve the bill.

**IN THE SENATE OF THE UNITED STATES—113th Cong., 2d Sess.**

**S. 1217**

To provide secondary mortgage market reform, and for other purposes.

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

Ordered to lie on the table and to be printed

AMENDMENTS intended to be proposed by Mr. JOHNSON  
of South Dakota (for himself and Mr. CRAPO)

Viz:

1       On page 4, line 24, insert “, and includes the Na-  
2       tional Credit Union Administration in the case of any  
3       credit union” before the period.

4       On page 8, line 11, insert “agreement to” after  
5       “the”.

6       On page 8, line 11, strike “on”.

7       On page 8, line 17, strike “being” and insert “pay-  
8       ments”.

1       On page 8, line 18, insert “are made” after “Cor-  
2   poration”.

3       On page 12, line 15, insert “, except that the term  
4   may be less than 5 years subject to standards set by the  
5   Corporation” after “years”.

6       On page 24, between lines 6 and 7, insert the fol-  
7   lowing (and renumber succeeding paragraphs accord-  
8   ingly):

9           (39) ISSUER.—For a noncovered security, the  
10   term “issuer” shall have the same meaning as under  
11   the Securities Act of 1933 (15 U.S.C. 77b) and  
12   rules and regulations promulgated thereunder. The  
13   Platform shall not be deemed to be an issuer of non-  
14   covered securities for purposes of the Securities Act  
15   of 1933.

16       On page 25, line 17, insert “low-income” before “per-  
17   sons”.

18       On page 25, lines 17 through 19, strike “at or below  
19   80 percent of the median income for the area”.

20       On page 26, line 5, strike “and” and insert “or”.

1       On page 26, line 8, strike “significantly” and insert  
2       “at or”.

3       On page 26, line 9, insert “mortgage” before “loans”.

4       On page 26, lines 9 and 10, strike “for purchase of  
5       single-family housing”.

6       On page 27, strike lines 13 through 17, and insert  
7       the following:

8               (A) arranges, in connection with a single-  
9               family covered security, a credit-risk sharing  
10              mechanism that is approved by the Corporation  
11              pursuant to section 302;

12              (B) issues such single-family covered secu-  
13              rity through the Securitization Platform;

14              (C) does not originate eligible single-family  
15              mortgage loans; and

16              (D) is not affiliated with a person that ac-  
17              tively engages in the business of originating eli-  
18              gible single-family mortgage loans.

19       On page 31, line 1, strike “bought” and all that fol-  
20       lows through “exchanged” on line 2, and insert “issued,  
21       bought, and sold”.

1       On page 34, line 5, strike “by or”.

2       On page 34, line 6, insert “the” after “includes”.

3       On page 34, line 7, insert “for the security and trans-  
4 action” after “terms”.

5       On page 34, line 8, insert “and approved by the Cor-  
6 poration” after “Directors”.

7       On page 34, line 16, strike “by or”.

8       On page 34, line 17, insert “the” after “includes”.

9       On page 34, line 18, insert “for the security and  
10 transaction” after “terms”.

11       On page 38, line 6, insert “to the extent provided  
12 in this Act” after “entities”.

13       On page 39, line 4, insert “as to which the Corpora-  
14 tion has responsibility under this Act” after “law”.

15       On page 51, line 18, strike “9” and insert “14”.

1       On page 52, between lines 12 and 13, insert the fol-  
2       lowing:

3               (D) 1 member who shall have a dem-  
4       onstrated technical, academic, or professional  
5       understanding of, and practical, disciplinary,  
6       vocational, or regulatory experience working  
7       with, banks having more than  
8       \$500,000,000,000 in total assets.

9               (E) 1 member who shall have a dem-  
10       onstrated technical, academic, or professional  
11       understanding of, and practical, disciplinary,  
12       vocation, or regulatory experience working with,  
13       regional banks having more than  
14       \$10,000,000,000 and less than  
15       \$500,000,000,000 in total assets.

16       On page 52, line 13, strike “(D)” and insert “(F)”.

17       On page 52, between lines 17 and 18, insert the fol-  
18       lowing:

19               (G) 1 member who shall have a dem-  
20       onstrated technical, academic, or professional  
21       understanding of, and practical, disciplinary,  
22       vocational, or regulatory experience with  
23       securitization.

1           (H) 1 member who shall have a dem-  
2           onstrated technical, academic, or professional  
3           understanding of, and practical, disciplinary,  
4           vocational, or regulatory experience with inves-  
5           tor protection and institutional investors.

6           On page 52, line 18, strike “(E)” and insert “(I)”.

7           On page 52, lines 22 and 23, strike “and policies and  
8           programs to support sustainable homeownership”.

9           On page 52, between lines 23 and 24, insert the fol-  
10          lowing:

11           (J) 1 member who shall have a dem-  
12           onstrated technical, academic, or professional  
13           understanding of, or practical, disciplinary, or  
14           vocational experience with policies and pro-  
15           grams to support sustainable homeownership.

16          On page 52, line 24, strike “(F)” and insert “(K)”.

17          On page 53, line 4, strike “(G)” and insert “(L)”.

18          On page 53, line 9, strike “(H)” and insert “(M)”.

1       On page 53, line 13, strike “(I)” and insert “(N)”.

2       On page 53, line 14, strike “technical, academic, or”.

3       On page 53, line 15, strike “, or practical, discipli-  
4 nary, or” and insert “and”.

5       On page 61, line 8, strike “303(d)” and insert  
6 “303(e)”.

7       On page 62, line 6, strike “303(d)(7)” and insert  
8 “303(e)(7)”.

9       On page 62, line 19, strike “and”.

10       On page 62, between lines 19 and 20, insert the fol-  
11 lowing:

12                   (v) how and the extent to which the  
13                   Corporation and the Small Lender Mutual  
14                   established under section 315(a)(1) has  
15                   fulfilled its obligations to ensure that com-  
16                   munity and mid-size banks, credit unions,  
17                   and other small lenders have equitable and  
18                   meaningful access to the secondary mort-  
19                   gage market; and

1       On page 62, line 20, strike “(v)” and insert “(vi)”.

2       On page 71, line 14, strike “and”.

3       On page 71, line 18, strike “initial”.

4       On page 71, line 19, strike the period and insert a  
5 semicolon.

6       On page 71, between lines 19 and 20, insert the fol-  
7 lowing:

8               (C) serving as the central point of coordi-  
9 nation within the Corporation with respect to  
10 any regulations or regulatory actions relating to  
11 the role of a Federal Home Loan Bank, or sub-  
12 sidiary or joint office thereof, as a covered enti-  
13 ty; and

14              (D) monitoring whether any regulation or  
15 regulatory action taken with respect to a Fed-  
16 eral Home Loan Bank, or subsidiary or joint  
17 office thereof, approved under section 312 in its  
18 role as a covered entity does not adversely im-  
19 pact the traditional liquidity and advance mis-  
20 sion of the Federal Home Loan Banks and  
21 Federal Home Loan Bank System.



1       On page 73, line 4, after “Federal” insert “and  
2 State”.

3       On page 77, line 15, strike “Traditionally” and insert  
4 “Historically”.

5       On page 77, line 15, strike “areas” and insert “com-  
6 munities”.

7       On page 79, line 3, after “FEDERAL” insert “AND  
8 STATE”.

9       On page 79, line 7, after “Federal” insert “and  
10 State”.

11       On page 80, line 3, insert “nor shall it exempt cov-  
12 ered entities from compliance with the Fair Housing Act  
13 (42 U.S.C. 3601 et seq.) and the Equal Credit Oppor-  
14 tunity Act (15 U.S.C. 1691 et seq.) as required in section  
15 408(d)” after “501”.

16       On page 82, lines 2 and 3, strike “employee, rep-  
17 resentative, or agent” and insert “employee or representa-  
18 tive”.

1       On page 82, line 9, insert “, after notice and com-  
2   ment,” after “publish”.

3       On page 83, line 2, insert “or in the exercise of rea-  
4   sonable care should have known” after “knows”.

5       On page 88, line 15, insert “fully-funded” after “ad-  
6   ditional”.

7       On page 90, line 18, insert “, after notice and com-  
8   ment,” after “publish”.

9       On page 91, lines 14 through 16, strike “is intended  
10   to be used or is used by a private market holder to assume  
11   losses” and insert “is designed to be used or is used by  
12   a private market holder to assume losses and to reduce  
13   the specific risks arising from losses realized under such  
14   credit risk-sharing mechanism”.

15       On page 92, lines 10 and 11, strike “is intended to  
16   be used or is used by a private market holder to assume  
17   losses” and insert “is designed to be used or is used by  
18   a private market holder to assume losses and to reduce  
19   the specific risks arising from losses realized under such  
20   credit risk-sharing mechanism”.

## 11

1       On page 92, line 24, strike “(d)(8)” and insert  
2       “(e)(8)”.

3       On page 93, line 1, strike “losses that may be in-  
4       curred” and insert “any failure to pay”.

5       On page 94, lines 5 and 6, strike “(1) CORPORATION  
6       TO FACILITATE TIMELY PAYMENT.—”.

7       On page 94, line 7, insert “and unconditional” before  
8       “payment”.

9       On page 94, lines 8 through 10, strike “in the event  
10      of any losses that may be incurred as a result of any of  
11      the conditions in paragraph (2)”.

12      On page 94, line 10, strike “by—” and all that fol-  
13      lows through “paying” on line 11, and insert “by paying”.

14      On page 94, line 12, strike “payment of”.

15      On page 94, line 13, strike “; and” and all that fol-  
16      lows through “continuing” on line 14, and insert “, and  
17      continuing”.

1       On page 94, line 16, strike “(d)(8)” and insert  
2       “(e)(8)”.

3       On page 94, line 17, strike “security.” and all that  
4       follows through “exceeds” on line 21, and insert “security  
5       in the event of any losses that may be incurred (1) in ex-  
6       cess of”.

7       On page 94, line 22, strike the semicolon and all that  
8       follows through “in the case of” on line 23, and insert  
9       “, (2) in the case of”.

10       On page 95, lines 1 and 2, strike “of the covered se-  
11       curity, the guarantor has become insolvent” and insert “as  
12       a result of the insolvency of the guarantor”.

13       On page 95, line 2, strike “; or” and all that follows  
14       through “the servicer or guarantor fails” on line 3, and  
15       insert “ or, (3) upon the failure of the servicer or guar-  
16       antor”.

17       On page 95, between lines 7 and 8, insert the fol-  
18       lowing:

19       (d) COST RECOVERY.—In the event the Corporation  
20       makes a payment on a covered security based on sub-

1 section (e)(3), the Corporation shall recover such amount  
2 paid, and reasonable costs and expenses, from the servicer  
3 or guarantor.

4 On page 95, line 8, strike “(d)” and insert “(e)”.

5 On page 102, line 19, strike “(e)” and insert “(f)”.

6 On page 103, line 20, strike “insurance” and insert  
7 “regulatory”.

8 On page 108, line 11, strike “333” and insert “332”.

9 On page 118, between lines 21 and 22, insert the fol-  
10 lowing:

11 (h) FEDERAL HOME LOAN BANK ASSESSMENT.—  
12 The Corporation shall have the authority to assess a fee  
13 on the Federal Home Loan Banks to cover the necessary  
14 costs related to supervising the Federal Home Loan  
15 Banks. The costs associated with the secondary market  
16 activities of the Federal Home Loan Banks pursuant to  
17 section 312 shall be covered by the fee charged pursuant  
18 to this subsection.

1       On page 120, lines 4 through 7, strike “is intended  
2 to be used or is used, as determined by the Federal Mort-  
3 gage Insurance Corporation, by a private market holder  
4 or holders to assume losses” and insert “is designed to  
5 be used or is used, as determined by the Federal Mortgage  
6 Insurance Corporation, by a private market holder to as-  
7 sume losses and to reduce the specific risks arising from  
8 losses realized under such credit risk-sharing mechanism”.

9       On page 121, line 9, strike “The term” and insert  
10 “Solely as it relates to the specific role of a counterparty  
11 in connection with the swap transaction described in this  
12 paragraph, the”.

13       On page 121, lines 17 through 20, strike “is intended  
14 to be used or is used, as determined by the Federal Mort-  
15 gage Insurance Corporation, by a private market holder  
16 or holders to assume losses” and insert “is designed to  
17 be used or is used, as determined by the Federal Mortgage  
18 Insurance Corporation, by a private market holder to as-  
19 sume losses and to reduce the specific risks arising from  
20 losses realized under such credit risk-sharing mechanism”.

21       On page 122, line 12, strike “as appropriate” and  
22 insert “as required by this Act”.

1       On page 124, line 16, strike “AGENCY” and insert  
2       “AND STATE”.

3       On page 124, line 20, insert “or State regulatory au-  
4       thority” after “agency”.

5       On page 127, line 4, strike “and”.

6       On page 127, line 5, after “Currency,” insert “and  
7       the National Credit Union Administration,”.

8       On page 127, line 18, insert “covered entities that  
9       are” after “of”.

10       On page 127, line 23, insert “covered entities that  
11       are” before “large”.

12       On page 128, line 1, insert “for covered entities that  
13       are large approved aggregators and approved guarantors”  
14       after “standards”.

15       On page 128, line 16, strike “ENTERPRISES” and in-  
16       sert “APPROVED ENTITIES”.

1       On page 128, line 17, strike “Prior” and insert the  
2 following:

3               (1) IN GENERAL.—Prior

4       On page 128, line 21, after “Chairperson” insert “,  
5 in consultation with the Office of Federal Home Loan  
6 Bank Supervision,”.

7       On page 128, line 23, strike “other regulated enti-  
8 ties” and insert “approved entities”.

9       On page 128, line 24, strike “(1)” and insert “(A)”  
10 and move 2 ems to the right.

11       On page 128, line 25, strike “(A)” and insert “(i)”  
12 and move 2 ems to the right.

13       On page 129, line 1, strike “(B)” and insert “(ii)”  
14 and move 2 ems to the right.

15       On page 129, line 3, strike “(C)” and insert “(iii)”  
16 and move 2 ems to the right.



1       On page 129, line 5, strike “(D)” and insert “(iv)”  
2 and move 2 ems to the right.

3       On page 129, line 6, strike “(E)” and insert “(v)”  
4 and move 2 ems to the right.

5       On page 129, line 7, strike “(2)” and insert “(B)”  
6 and move 2 ems to the right.

7       On page 129, between lines 8 and 9, insert the fol-  
8 lowing:

9           (2) CAPITAL CONSIDERATIONS.—The Corpora-  
10 tion, in coordination with the Office of Federal  
11 Home Loan Bank Supervision, shall establish capital  
12 standards, as required under section 309(b), with re-  
13 spect to a Federal Home Loan Bank, or subsidiary  
14 or joint office thereof, that is approved as an  
15 aggregator under section 312, that—

16           (A) are adequate to support the role of a  
17 Federal Home Loan Bank as a covered entity,  
18 consistent with the safe and sound operations of  
19 the Bank or Banks involved; and

20           (B) do not adversely impact the traditional  
21 liquidity and advance business of the Federal  
22 Home Loan Bank System or the marketability

1           or creditworthiness of Federal Home Loan  
2           Bank consolidated obligations.

3           On page 129, line 10, strike “The Corporation shall”  
4 and insert the following:

5           (1) IN GENERAL.—The Corporation shall

6           On page 129, between lines 12 and 13, insert the fol-  
7 lowing:

8           (2) LIMITATION.—No standards developed,  
9           adopted, or published under paragraph (1) shall con-  
10          cern the regulation of the business of insurance or  
11          preempt any State law, regulation, or procedure con-  
12          cerning the regulation of the business of insurance.

13          On page 132, strike lines 5 through 17.

14          On page 133, between lines 7 and 8, insert the fol-  
15 lowing:

16          (h) OPTION FOR APPROVED GUARANTORS AND AP-  
17 PROVED AGGREGATORS.—

18           (1) ESTABLISHMENT OF PROCESS FOR AP-  
19 PROVAL.—The Corporation may, if it determines  
20          necessary or appropriate, establish a process and cri-  
21          teria for approved guarantors and approved

1 aggregators to apply to the Corporation for approval  
2 to operate a cash window for the purchase of indi-  
3 vidual eligible single-family mortgage loans.

4 (2) REQUIREMENTS.—If the Corporation estab-  
5 lishes a process and criteria under paragraph (1),  
6 the Corporation—

7 (A) may grant approval to an approved  
8 guarantor or an approved aggregator that ap-  
9 plies to operate a cash window for the purchase  
10 of individual eligible single-family mortgage  
11 loans only if the Corporation determines that—

12 (i) the approved guarantor or ap-  
13 proved aggregator meets the criteria estab-  
14 lished under paragraph (1); and

15 (ii) the operation of the cash window  
16 would not pose a risk to the Mortgage In-  
17 surance Fund; and

18 (B) to ensure the safety and soundness of  
19 each approved guarantor and approved  
20 aggregator, shall establish standards for the  
21 regulation, supervision, and operation of each  
22 cash window that an approved guarantor or ap-  
23 proved aggregator is approved to operate under  
24 this paragraph.

1 On page 135, line 19, strike “and”.

2 On page 135, between lines 19 and 20, insert the fol-  
3 lowing:

(L) that the guarantor does not originate eligible single-family mortgage loans and is not an affiliate of a person that actively engages in the business of originating eligible single-family mortgage loans; and

10 On page 135, line 20, strike “(L)” and insert “(M)”.

11 On page 136, strike line 22 and all that follows  
12 through page 137, line 8, and insert the following:

13 (C) PROHIBITION ON CONTROL BY IN-  
14 SURED DEPOSITORY INSTITUTIONS OR AFFILI-  
15 ATES OF INSURED DEPOSITORY INSTITU-  
16 TIONS.—

(i) IN GENERAL.—It shall be unlawful for an insured depository institution or an affiliate of an insured depository institution to control an approved guarantor.

(ii) RULE OF CONSTRUCTION REGARD-  
ING CONTROL.—For purposes of this sub-

1 paragraph, any insured depository institu-  
2 tion or affiliate of an insured depository in-  
3 stitution has control over an approved  
4 guarantor if the company directly or indi-  
5 rectly or acting through 1 or more other  
6 persons owns, controls, or has power to  
7 vote 10 percent or more of any class of  
8 voting shares of the approved guarantor.

9 On page 141, line 18, strike “and”.

10 On page 141, line 24, strike the period and insert  
11 “; and”.

12 On page 141, between lines 24 and 25, insert the fol-  
13 lowing:

14 (C) coordinated with the Board of Gov-  
15 ernors of the Federal Reserve System, if the ap-  
16 proved guarantor is an affiliate of an insured  
17 depository institution.

18 On page 141, line 25, insert “FOR FAILING GUARAN-  
19 TORS” after “RESOLUTION AUTHORITY”.

1       On page 142, lines 6 through 8, strike “that is classi-  
2   fied as critically undercapitalized pursuant to section  
3   316,”.

4       On page 143, line 1, strike “clauses (i) through (iii)  
5   of”.

6       On page 143, line 2, strike “and”.

7       On page 143, between lines 2 and 3, insert the fol-  
8   lowing:

9               (C) prescribe regulations governing the ap-  
10              plicable rights, duties, and obligations of an ap-  
11              proved guarantor placed into resolution under  
12              this subsection, its creditors, counterparties,  
13              and other persons, as the Corporation deems  
14              necessary to properly exercise the authority pro-  
15              vided in subparagraph (A);

16       On page 143, line 3, strike “(C)” and insert “(D)”.

17       On page 143, line 6, strike the period and insert “;  
18   and”.

1       On page 143, between lines 6 and 7, insert the fol-  
2       lowing:

3               (E) upon placing an approved guarantor  
4       into receivership, treat single-family covered se-  
5       curities insured by the Corporation under sec-  
6       tion 303 in the same manner as the Federal  
7       Deposit Insurance Corporation treats deposit li-  
8       abilities under section 11(d)(11)(A)(ii) of the  
9       Federal Deposit Insurance Act and insured de-  
10      posits under section 11(f) of the Federal De-  
11      posit Insurance Act, where the Corporation  
12      shall have the same right of subrogation as the  
13      Federal Deposit Insurance Corporation has  
14      under section 11(g) of the Federal Deposit In-  
15      surance Act.

16       On page 143, line 10, strike “unless—” and all that  
17      follows through “the total” on line 18, and insert “unless  
18      the total”.

19       On page 144, line 3, insert “, subject to section 13  
20      of the Federal Deposit Insurance Act where the Corpora-  
21      tion and the Board of Directors shall have the same au-  
22      thority as the Federal Deposit Insurance Corporation and

1 the Federal Deposit Insurance Corporation's board of di-  
2 rectors" before the period.

3 On page 144, line 6, insert "prescribe regulations to"  
4 after "shall".

5 On page 145, strike lines 1 through 6, and insert the  
6 following:

7 (j) OTHER ACTIVITIES.—An approved guarantor  
8 shall be prohibited from being an approved aggregator.

9 On page 145, between lines 12 and 13, insert the fol-  
10 lowing:

11 (l) PROHIBITED ACTIVITY.—An approved guarantor  
12 may not—

13 (1) originate eligible single-family mortgage  
14 loans; or

15 (2) be an affiliate of a person that actively en-  
16 gages in the business of originating eligible single-  
17 family mortgage loans.

18 (m) GUARANTORS REQUIRED TO PAY CLAIMS.—Sub-  
19 ject to such standards as the Corporation may provide,  
20 an approved guarantor may not for any reason withhold  
21 payment of funds that would ensure holders of single-fam-  
22 ily covered securities receive timely payment of principal



1 and interest on single-family covered securities. The Cor-  
2 poration shall by regulation develop a process for the me-  
3 diation and resolution of disputed payment amounts.

4 On page 145, line 20, insert “by such aggregator”  
5 after “securitization”.

6 On page 151, line 17, strike “take” and all that fol-  
7 lows through “with,” on line 20, and insert “consult and  
8 coordinate with Federal and State banking agencies when  
9 establishing prudential standards for approved  
10 aggregators that are insured depository institutions and  
11 approved aggregators that are affiliates of insured depository  
12 institutions, in order to minimize duplication of and  
13 conflicts with”.

14 On page 151, line 21, strike “banking agency” and  
15 insert “or State banking agencies”.

16 On page 151, between lines 23 and 24, insert the fol-  
17 lowing:

18 (3) RULE OF CONSTRUCTION.—Nothing in this  
19 section shall supersede the prudential standards es-  
20 tablished by the appropriate Federal banking agen-  
21 cies.

1       On page 152, line 24, strike “banking agency” and  
2       insert “or State regulatory agencies”.

3       On page 153, line 9, insert “and State” after “Fed-  
4       eral”.

5       On page 153, line 15, insert “for compliance with this  
6       Act” after “aggregators”.

7       On page 153, line 17 insert “for compliance with this  
8       Act” after “aggregators”.

9       On page 154, strike lines 1 through 24, and insert  
10      the following:

11                   (C) REGULATORY NOTICE.—

12                   (i) REGULATORY NOTICE.—Before  
13                   commencing an examination of an ap-  
14                   proved aggregator under this paragraph,  
15                   the Corporation shall provide reasonable  
16                   notice to, and coordinate with, the appro-  
17                   priate Federal banking agency or State  
18                   regulatory agency.

19                   (ii) RULE OF CONSTRUCTION.—Noth-  
20                   ing in this Act shall limit the authority of

1 the Corporation to require reports of and  
2 examine an approved aggregator—

3 (I) to verify the sale of, and  
4 funds received from, the first loss po-  
5 sition; and

6 (II) when the Corporation be-  
7 comes aware—

8 (aa) of a material threat to  
9 the safety and soundness of the  
10 approved aggregator;

11 (bb) that the approved  
12 aggregator is in material viola-  
13 tion of this Act or the rules pro-  
14 mulgated by the Corporation pur-  
15 suant to this Act; or

16 (cc) that the activities of the  
17 approved aggregator threaten the  
18 financial stability of the housing  
19 finance system or the Mortgage  
20 Insurance Fund.

21 On page 155, line 7, strike the period and insert “,  
22 provided that to the extent that the Corporation and an  
23 appropriate Federal banking agency are each authorized  
24 to enforce prudential standards with respect to an ap-

1 proved aggregator that is an insured depository institution  
2 or an affiliate of an insured depository institution, the ap-  
3 propriate Federal banking agency shall have primary au-  
4 thority to enforce such standards.”.

5 On page 156, line 16, insert “FOR FAILING  
6 AGGREGATORS” after “RESOLUTION AUTHORITY”.

7 On page 156, lines 23 and 24, strike “that is classi-  
8 fied as critically undercapitalized pursuant to section  
9 316,”.

10 On page 157, line 18, strike “clauses (i) through (iii)  
11 of”.

12 On page 157, line 19, strike “and”.

13 On page 157, between lines 19 and 20, insert the fol-  
14 lowing:

15 (C) prescribe regulations governing the ap-  
16 plicable rights, duties, and obligations of an ap-  
17 proved aggregator that is not an insured depos-  
18 itory institution placed into resolution under  
19 this subsection, its creditors, counterparties,  
20 and other persons, as the Corporation deems

1           necessary to properly exercise the authority pro-  
2           vided in subparagraph (A); and

3           On page 157, line 20, strike “(C)” and insert “(D)”.

4           On page 158, lines 1 and 2, strike “or an affiliate  
5           of an insured depository institution”.

6           On page 158, line 5, insert “which agency shall have  
7           sole authority to resolve such aggregator” after  
8           “aggregator”.

9           On page 158, line 15, strike “unless—” and all that  
10          follows through “the total” on line 20, and insert “unless  
11          the total”.

12          On page 159, line 5, insert “, subject to section 13  
13          of the Federal Deposit Insurance Act where the Corpora-  
14          tion and the Board of Directors shall have the same au-  
15          thority as the Federal Deposit Insurance Corporation and  
16          the Federal Deposit Insurance Corporation’s board of di-  
17          rectors” before the period.

18          On page 159, line 8, insert “prescribe regulations to”  
19          after “shall”.

1       On page 160, strike lines 3 through 8, and insert the  
2 following:

3       (j) OTHER ACTIVITIES.—An approved aggregator  
4 shall be prohibited from being an approved guarantor.

5       On page 160, line 9, insert “INFORMATION SHARING  
6 REGARDING INSURED DEPOSITORY INSTITUTIONS AND”  
7 before “AFFILIATES”.

8       On page 160, strike lines 11 through 17, and insert  
9 the following:

10           (1) BY THE CORPORATION.—To the extent the  
11 Corporation has relevant information indicating that  
12 an approved aggregator that is an insured depository  
13 institution or an affiliate of an insured depository  
14 institution (A) faces a material threat to its  
15 safety and soundness, including insufficient capital,  
16 (B) may be in material violation of Federal banking  
17 law, or (C) may threaten the financial stability of  
18 the housing finance system or the Mortgage Insurance  
19 Fund, the Corporation shall notify, in writing,  
20 such appropriate Federal banking agency that such  
21 conditions exist. The Corporation shall have no authority  
22 to enforce prudential standards established  
23 by an appropriate Federal banking agency pursuant

1 to the appropriate Federal banking agency's author-  
2 ity.

3 On page 160, strike line 18 and all that follows  
4 through page 161, line 4, and insert the following:

5 (2) BY FEDERAL AND STATE BANKING AGEN-  
6 CIES.—To the extent an appropriate Federal bank-  
7 ing agency or State banking agency has relevant in-  
8 formation indicating that an approved aggregator  
9 that is an insured depository institution or an affil-  
10 iate of an insured depository institution (A) faces a  
11 material threat to its safety and soundness, includ-  
12 ing insufficient capital, (B) may be in material viola-  
13 tion of this Act or the rules promulgated by the Cor-  
14 poration pursuant to this Act, or (C) may threaten  
15 the financial stability of the housing finance system  
16 or the Mortgage Insurance Fund, such appropriate  
17 Federal banking agency or State banking agency  
18 shall notify, in writing, the Corporation that such  
19 conditions exist.

20 On page 161, strike lines 5 through 13.

21 On page 161, strike lines 23 and 24, and insert the  
22 following:

1 (m) FEDERAL HOME LOAN BANKS, JOINT OFFICES,  
2 AND BANK SUBSIDIARIES AS AGGREGATORS.—

3 On page 162, line 1, insert “JOINT OFFICES AND”  
4 after “ESTABLISHMENT OF”.

5 On page 162, line 9, insert “or joint office in any  
6 form under the laws of any State, subject to the approval  
7 of the Corporation” before the period.

8 On page 162, line 9, after “Any subsidiary” insert  
9 “or joint office”.

10 On page 162, line 17, after “any subsidiary” insert  
11 “or joint office”.

12 On page 163, strike line 23 and all that follows  
13 through page 165, line 9, and insert the following:

14 (2) NOT CONSOLIDATED DEBT.—Notwith-  
15 standing section 11 of the Federal Home Loan  
16 Bank Act (12 10 U.S.C. 1431), any covered security  
17 secured by eligible mortgage loans transferred to the  
18 Platform by a Federal Home Loan Bank or sub-  
19 sidiary or joint office thereof, acting as an approved  
20 aggregator, shall not be designated as, or considered



1       to be the joint and several obligations of the Federal  
2       Home Loan Banks.

3       On page 165, strike lines 21 and 22, and insert the  
4 following:

5               (A) the financial history and current finan-  
6               cial condition, including capital and loss re-  
7               serves to comply with any applicable State law  
8               or regulation, of the private mortgage insurer;

9       On page 165, strike line 23 and all that follows  
10 through page 166, line 5.

11       On page 166, line 6, strike “(D)” and insert “(B)”.

12       On page 166, line 10, strike “(E)” and insert “(C)”.

13       On page 166, line 12, insert “to comply with any ap-  
14 plicable State law or regulation and” after “mortgage  
15 loans in a manner”.

16       On page 166, line 15, strike “(F)” and insert “(D)”.

17       On page 166, line 17, strike “(G)” and insert “(E)”.

1       On page 166, line 19, strike “(II)” and insert “(F)”.

2       On page 166, line 22, strike “(I)” and insert “(G)”.

3       On page 166, lines 22 through 24, strike “determines  
4 necessary to protect the Mortgage Insurance Fund” and  
5 insert “, after notice and public comment, determines nec-  
6 essary to avoid significant risk to the Mortgage Insurance  
7 Fund, provided the standard does not materially conflict  
8 with State law”.

9       On page 167, line 2, strike “(E)” and insert “(C)  
10 of paragraph (2)”.

11       On page 167, lines 6 and 7, strike “appropriate safe-  
12 ty and soundness concerns” and insert “solvency stand-  
13 ards required by any applicable State law or regulation”.

14       On page 167, line 11, insert “regulators” after “Fed-  
15 eral”.

16       On page 169, line 10, strike “under this Act” and  
17 insert “under this section”.

1       On page 169, between lines 12 and 13, insert the fol-  
2       lowing:

3               “(A) provide prompt notice to the appro-  
4       priate State insurance regulator that the Cor-  
5       poration determines that an approved private  
6       mortgage insurer no longer meets the standard  
7       for such approval;”.

8       On page 169, line 13, strike “(A)” and insert “(B)”.

9       On page 169, line 15, strike “(B)” and insert “(C)”.

10       On page 170, line 22, insert “, in coordination with  
11       the appropriate State insurance regulator of the approved  
12       private mortgage insurer, including providing the appro-  
13       priate State insurance regulator the opportunity to join  
14       the Corporation in an on-site examination,” after “may”.

15       On page 171, line 9, strike “2-YEAR” and insert “3-  
16       YEAR”.

17       On page 171, line 13, strike “2 years” and insert  
18       “3 years”.

1       On page 171, line 14, insert “on-site” after “has not  
2   been examined”.

3       On page 171, strike line 19 and all that follows  
4   through page 172, line 2, and insert the following:

5               (A) provide reasonable notice to, and co-  
6               ordinate with, the appropriate State insurance  
7               regulator for an approved private mortgage in-  
8               surer before commencing an examination of the  
9               approved private mortgage insurer under this  
10              section;

11       On page 172, lines 11 and 12, strike “, appropriate  
12   Federal banking agencies, or” and insert “and”.

13       On page 172, line 18, strike “troubled condition” and  
14   insert “hazardous financial condition provided that the  
15   Corporation agrees to maintain the confidentiality or privi-  
16   leged status of the document, material, or other informa-  
17   tion received from the State insurance regulator of the ap-  
18   proved private mortgage insurer”.

19       On page 172, line 21, strike “of this Act” and insert  
20   “of this section”.

1       On page 173, line 2, insert “, provided the Corpora-  
2   tion demonstrates that such enforcement action is nec-  
3   essary to avoid significant risk to the Mortgage Insurance  
4   Fund” before the period.

5       On page 173, strike lines 3 through 6, and insert the  
6   following:

7           (2) NOTIFICATION.—Prior to taking any en-  
8   forcement action against an approved private mort-  
9   gage insurer, the Corporation shall promptly notify,  
10   consult, and coordinate with the appropriate State  
11   insurance regulator.

12       On page 173, lines 9 and 10, strike “is failing to meet  
13   the standard required under paragraph (a)(2)(B)” and in-  
14   sert “the Corporation has substantial reason to believe is  
15   insolvent, as defined by applicable State law, and would  
16   otherwise be subject to receivership proceedings under  
17   such applicable State law”.

18       On page 173, lines 23 and 24, strike “orderly liquida-  
19   tion” and insert “receivership”.

20       On page 174, line 4, strike “orderly liquidation” and  
21   insert “receivership”.

1       On page 175, line 23, insert “, who have submitted  
2   an initial loan modification request,” after “borrowers”.

3       On page 176, line 8, insert “, the borrower has en-  
4   tered into a repayment plan or modification,” after “ar-  
5   rears”.

6       On page 176, line 8, strike “a” and insert “an ap-  
7   proved or”.

8       On page 176, line 11, insert “, including specification  
9   that the servicer shall recover advances upon permanent  
10   modification of a borrower’s mortgage loan” after “liq-  
11   uidated”.

12       On page 177, line 8, strike “may restrict” and insert  
13   “address”.

14       On page 178, line 17, after “Protection,” insert “the  
15   National Credit Union Administration,”.

16       On page 180, line 9, strike “of this Act and” and  
17   insert “of initial servicer approval by the Corporation and  
18   thereafter”.

1       On page 180, lines 11 and 12, strike “The Corpora-  
2   tion” and insert the following:

3                   (Δ) IN GENERAL.—The Corporation

4       On page 180, between lines 17 and 18, insert the fol-  
5   lowing:

6                   (B) LIMITATION OF EXEMPTION ELIGI-  
7           BILITY.—An approved servicer and its subsidi-  
8           aries and affiliates shall be considered a single  
9           entity for purposes of the exemption under sub-  
10          paragraph (Δ).

11       On page 180, line 22, strike “The Bureau” and in-  
12   sert the following:

13                   “(1) IN GENERAL.—The Bureau”.

14       On page 181, line 2, after the first period insert the  
15   following:

16                   “(2) LIMITATION OF EXEMPTION ELIGI-  
17           BILITY.—An approved servicer and its subsidiaries  
18           and affiliates shall be considered a single entity for  
19           purposes of the exemption under paragraph (1).”.

20       On page 182, line 14, insert “, the Bureau of Con-  
21   sumer Financial Protection,” after “banking agency”.

1       On page 182, lines 16 and 17, insert “, the Bureau  
2 of Consumer Financial Protection,” after “banking agen-  
3 cy”.

4       On page 182, line 23, insert “, the Bureau of Con-  
5 sumer Financial Protection,” after “banking agency”.

6       On page 183, lines 1 and 2, insert “, the Bureau of  
7 Consumer Financial Protection,” after “banking agency”.

8       On page 183, lines 9 and 10, insert “, the Bureau  
9 of Consumer Financial Protection,” after “banking agen-  
10 cies”.

11       On page 184, lines 23 and 24, insert “, the Bureau  
12 of Consumer Financial Protection, or State regulator”  
13 after “banking agency”.

14       On page 189, line 7, strike “rights” and insert “du-  
15 ties”.

16       On page 189, line 9, strike “rights” and insert “du-  
17 ties”.



1       On page 189, line 11, strike “rights” and insert “du-  
2   ties”.

3       On page 200, lines 17 and 18, strike “or the Federal  
4   Home Loan bank System”.

5       On page 200, between lines 18 and 19, insert the fol-  
6   lowing:

7           (2) ACCESS OF ORIGINATORS.—An entity eligi-  
8   ble to participate as a member of a small lender mu-  
9   tual may not be required to become an approved en-  
10   tity under this Act to access any function or oper-  
11   ation of a small lender mutual.

12       On page 200, line 19, strike “(2)” and insert “(3)”.

13       On page 200, between lines 22 and 23, insert the fol-  
14   lowing:

15       (f) REPORT.—Not later than 2 years after the date  
16   on which the Small Lender Mutual is established under  
17   subsection (a)(1), the Corporation shall—

18           (1) conduct and complete a study evaluating  
19   the criteria for eligibility as a member of the Small  
20   Lender Mutual under subparagraphs (A) and (B) of  
21   subsection (c)(1); and

1           (2) submit a report to Congress, which shall in-  
2       clude an evaluation of—

3           (A) whether the participation levels of  
4       members of the Small Lender Mutual under  
5       subparagraphs (A) and (B) of subsection (e)(1)  
6       are sufficient to create the economies of scale  
7       and liquidity necessary for competitive pricing  
8       in the secondary mortgage market;

9           (B) the ability of the Small Lender Mutual  
10      to ensure access for small mortgage lenders to  
11      the secondary mortgage market;

12          (C) the impact of the asset and net worth  
13      eligibility criteria established in subparagraphs  
14      (A) and (B) of subsection (e)(1) on the size,  
15      competitiveness, and membership of the Small  
16      Lender Mutual;

17          (D) whether the eligibility thresholds es-  
18      tablished in subparagraphs (A) and (B) of sub-  
19      section (e)(1) are facilitating or impeding the  
20      creation of a robust market for approved guar-  
21      antors;

22          (E) whether the establishment of other eli-  
23      gibility criteria in subparagraphs (A) and (B)  
24      of subsection (e)(1) would better serve members

1 of the Small Lender Mutual, including such  
2 other criteria as—

3 (i) a different asset threshold;

4 (ii) an annual mortgage loan origina-  
5 tion threshold; or

6 (iii) a mortgage loan production cap;

7 (F) whether the Small Lender Mutual is  
8 fully meeting the cash window needs of small  
9 mortgage lenders; and

10 (G) whether the Small Lender Mutual is  
11 adequately capitalized to meet the needs of  
12 members of the Small Lender Mutual and pro-  
13 tect the Mortgage Insurance Fund.

14 On page 200, lines 23 and 24, strike “(f) ELIGI-  
15 BILITY THRESHOLDS.—The Corporation” and insert “(g)  
16 ELIGIBILITY THRESHOLDS.—Beginning on the date on  
17 which the Corporation submits the report required under  
18 subsection (f), the Corporation”.

19 On page 201, line 5, strike “or”.

20 On page 201, between strike lines 6 and 7, insert the  
21 following:

1           (2) the thresholds restrict small multifamily  
2           lenders' participation in the small lender mutual;

3           (3) the thresholds do not foster competition in  
4           the secondary mortgage market; or

5           (4) the thresholds pose a risk to the Mortgage  
6           Insurance Fund.

7           (h) REASSESSMENT.—Beginning on the date on  
8           which the Corporation submits the report required under  
9           subsection (f), the Corporation shall, on an annual basis,  
10          reassess the Small Lender Mutual's eligibility thresholds.

11          On page 201, line 8, strike “(g)” and insert “(i)”.

12          On page 201, line 10, strike “(h)” and insert “(j)”.

13          On page 204, line 17, strike “(i)” and insert “(k)”.

14          On page 205, line 3, strike “14” and insert “15”.

15          On page 206, between lines 5 and 6, insert the fol-  
16          lowing:

17                   (D) REPRESENTATION ON BOARD.—No  
18                   more than  $\frac{1}{3}$  of the directors of the mutual  
19                   board of the Small Lender Mutual may be held  
20                   by a single category of member participants,

1           which shall be defined for purposes of this sub-  
2           section as community banks, credit unions, non-  
3           depository mortgage originators, Federal Home  
4           Loan Banks, housing finance agencies, Commu-  
5           nity Development Financial Institutions, and  
6           mission-based non-profit lenders.

7           (3) REPRESENTATION TO THE PLATFORM.—

8           The mutual board of the Small Lender Mutual shall  
9           select, on a rotating basis from representative of its  
10          directors, an individual to serve as a Platform Direc-  
11          tor under section 322.

12          (4) REPRESENTATION OF MULTIPLE SMALL

13          LENDER MUTUALS.—If more than 1 small lender  
14          mutual is approved under this section, each small  
15          lender mutual shall rotate the representation posi-  
16          tion under section 322.

17          On page 206, line 6, strike “(3)” and insert “(5)”.

18          On page 206, between lines 10 and 11, insert the fol-  
19          lowing:

20          (6) RULE OF CONSTRUCTION.—For purposes of

21          this subsection, a member participant and its sub-  
22          sidiaries, joint offices, and affiliates shall be treated  
23          as a single entity and shall be entitled to cast a sin-

1       gle vote on any matters before the small lender mu-  
2       tual of which it is a member.

3       On page 206, line 11, strike “(j)” and insert “(l)”

4       On page 206, line 13, strike “(h)” and insert “(j)”.

5       On page 207, lines 7 through 9, strike “with the ap-  
6       propriate Federal banking agency of the prospective mem-  
7       ber” and insert the following: “with—

8                       (i) the appropriate Federal banking  
9                       agency and State regulator of the prospec-  
10                      tive member; or

11                     (ii) the Bureau of Consumer Financial  
12                     Protection, if the Bureau of Consumer Fi-  
13                     nancial Protection has supervisory author-  
14                     ity over the prospective member.

15       On page 208, line 6, strike “prudential” and insert  
16       “Federal or State”.

17       On page 208, between lines 7 and 8, insert the fol-  
18       lowing:

19                     (4) STREAMLINING FOR EXISTING LENDERS AP-  
20       PROVED BY THE ENTERPRISES.—Each mutual board

1       established under subsection (i) shall develop  
2       streamlined membership standards and procedures  
3       for any lender who was approved to sell mortgage  
4       loans to an enterprise on the date that is 1 day be-  
5       fore the date of enactment of this Act, and was in  
6       good standing as of such date.

7       On page 208, strike lines 8 through 11.

8       On page 208, line 12, strike “(l)” and insert “(m)”.

9       On page 208, strike line 13 and all that follows  
10      through “lender” on line 15 and insert the following:

11           (1) REQUIREMENT FOR SMALL LENDER  
12      MUTUALS.—Each small lender

13       On page 208, line 18, strike “(B)” and insert “(2)”  
14      and move such paragraph 2 ems to the left.

15       On page 209, strike line 1 and all that follows  
16      through page 210, line 11.

17       On page 210, line 12, strike “(3)” and insert “(2)”.

1       On page 210, line 20, strike “(m)” and insert “(n)”.

2       On page 211, line 11, strike “(n)” and insert “(o)”.

3       On page 211, line 12, strike “(h)” and insert “(j)”.

4       On page 211, line 16, strike “(o)” and insert “(p)”.

5       On page 211, after line 24, insert the following:

6       (q) PROHIBITED ACTIVITIES.—A small lender mutual  
7 may not guarantee any mortgage loans or mortgage-  
8 backed securities.

9       On page 221, line 18, insert “**OWNERSHIP**,” before  
10 “**ACQUISITIONS**”.

11       On page 221, line 20, insert “OWNERSHIP AND” be-  
12 fore “ACQUISITIONS”.

13       On page 221, line 25, insert “(except to the extent  
14 that voting stock is required to be purchased by Federal  
15 statute as a condition to participate in the programs of  
16 the covered entity)” before the semicolon.



1       On page 225, line 22, insert “(including any credit  
2 risk-sharing arrangement)” after “arrangement”.

3       On page 225, line 23, insert “or other person” after  
4 “affiliate”.

5       On page 226, between lines 8 and 9, insert the fol-  
6 lowing:

7               (3) RULE OF CONSTRUCTION.—Nothing in this  
8 section shall supersede the requirements under sec-  
9 tions 23A and 23B of the Federal Reserve Act (12  
10 U.S.C. 371c, 371c-1).

11       On page 231, line 22, strike “by or”.

12       On page 231, lines 23 and 24, strike “by or”.

13       On page 232, line 12, strike “by” and insert  
14 “through”.

15       On page 236, strike lines 12 through 17, and insert  
16 the following:

17                               (aa) 8 member directors, in-  
18 cluding—

1 (AA) 7 member direc-  
2 tors who shall be elected  
3 from among representatives  
4 of the members in the Plat-  
5 form, at least 1 of whom  
6 shall represent the interests  
7 of small mortgage lenders;  
8 and

9 (BB) 1 member direc-  
10 tor who shall be a represent-  
11 ative of a small lender mu-  
12 tual, as established under  
13 section 315(i).

14 On page 240, line 13, insert “or a subsidiary or joint  
15 office approved under section 312 of one or more Federal  
16 Home Loan Banks” before the semicolon.

17 On page 243, line 9, strike “Commodity” and insert  
18 “Community”.

19 On page 245, line 16, insert “through the Platform”  
20 after “issue”.

21 On page 246, line 18, strike “by or”.

1       On page 246, line 19, strike “shall be”.

2       On page 246, line 20, insert “shall be” before “draft-  
3   ed”.

4       On page 247, line 2, strike “and”.

5       On page 247, between lines 2 and 3, insert the fol-  
6   lowing:

7                   (ii) may rely upon existing docu-  
8                   mentation and forms required by the en-  
9                   terprises or other Federal regulatory agen-  
10                  cies, to the extent determined by the Plat-  
11                  form Directors to be practical or appro-  
12                  priate; and

13       On page 247, line 3, strike “(ii)” and insert “(iii)”.

14       On page 247, line 3, strike “by or”.

15       On page 247, line 4, insert “shall be” after “Plat-  
16   form,”.

17       On page 247, line 15, strike “by or”.

1       On page 247, line 17, insert “and which may rely  
2       upon existing documentation and forms required by the  
3       enterprises or other Federal or State regulatory agencies,  
4       to the extent determined by the Platform Directors to be  
5       practical or appropriate” before the semicolon.

6       On page 247, line 21, strike “by or”.

7       On page 248, line 4, strike “by or”.

8       On page 248, line 16, strike “by or”.

9       On page 248, line 20, strike “shall be”.

10       On page 248, line 21, insert “shall be” before “draft-  
11       ed”.

12       On page 249, line 2, strike “and”.

13       On page 249, between lines 2 and 3, insert the fol-  
14       lowing:

15               (B) may rely upon existing documentation  
16               and forms required by the enterprises or other  
17               Federal or State regulatory agencies, to the ex-

1           tent determined by the Platform Directors to be  
2           practical or appropriate; and

3       On page 247, line 3, strike “(B)” and insert “(C)”.

4       On page 249, line 3, strike “by or”.

5       On page 249, line 4, insert “shall be” after “Plat-  
6 form,”.

7       On page 249, between lines 10 and 11, insert the fol-  
8 lowing:

9           (6) to the extent otherwise provided in para-  
10          graphs (2), (3), and (5) of this subsection, the Plat-  
11          form Directors shall endeavor to use or rely upon ex-  
12          isting documentation and forms required by the en-  
13          terprises or other Federal or State regulatory agen-  
14          cies, to the extent determined by the Platform Direc-  
15          tors to be practical or appropriate;

16       On page 249, line 11, strike “(6)” and insert “(7)”.

17       On page 249, line 17, strike “(7)” and insert “(8)”.

1       On page 250, line 22, strike “issue” and insert “fa-  
2       cilitate the issuance of”.

3       On page 250, line 1, strike “(8)” and insert “(9)”.

4       On page 250, line 9, strike “(9)” and insert “(10)”.

5       On page 250, line 17, strike “not”.

6       On page 250, line 18, strike “eligible” and insert  
7       “noneligible”.

8       On page 250, line 22, strike “(10)” and insert  
9       “(11)”.

10       On page 250, line 23, strike “from” and insert “of”.

11       On page 251, line 3, strike “from” and insert “of”.

12       On page 251, line 14, insert “collateralized by non-  
13       eligible mortgage loans” after “securities”.

14       On page 251, lines 14, strike “purchased and”.

1       On page 251, line 22, strike “(11)” and insert  
2   “(12)”.

3       On page 251, line 24, strike “by or”.

4       On page 252, line 3, strike “(12)” and insert “(13)”.

5       On page 252, line 6, strike “(13)” and insert “(14)”.

6       On page 252, line 10, strike “(14)” and insert  
7   “(15)”.

8       On page 252, line 14, strike “(15)” and insert  
9   “(16)”.

10      On page 252, line 15, strike “and”.

11      On page 252, line 3, strike “(16)” and insert “(17)”.

12      On page 252, line 16, strike “issue” and insert “fa-  
13   cilitate the issuance of”.

14      On page 252, line 24, strike the period and insert  
15   “; and”.

1 On page 252, after line 24, insert the following:

2 (18) establish, not later than the system certifi-  
3 cation date, a Collateral Valuation Advisory Com-  
4 mittee—

5 (A) which shall be comprised of 9 members  
6 appointed by the Platform Directors, including  
7 representatives of appraisers, appraisal manage-  
8 ment companies, mortgage originators (includ-  
9 ing small mortgage lenders), investors, real es-  
10 tate professionals, homebuilding professionals,  
11 consumer advocates, as well as Federal and  
12 State appraisal regulatory organizations;

13 (B) the purpose of which shall be to—

14 (i) provide recommendations to the  
15 Platform and the Corporation regarding  
16 secondary mortgage market residential ap-  
17 praisal guidelines, standards, and reporting  
18 formats consistent with the Real Estate  
19 Settlement Procedures Act (12 U.S.C.  
20 2603), the Truth in Lending Act (15  
21 U.S.C. 1631 et seq.), and all other applica-  
22 ble Federal and State laws; and

23 (ii) make recommendations regarding  
24 the continuation of a repository for valu-  
25 ation reports, taking into account existing



1                   operational structures and contractual ar-  
2                   rangements; and  
3                   (C) which, in fulfilling its purpose under  
4                   this paragraph, shall, as appropriate, consult  
5                   and coordinate with the Appraisal Sub-  
6                   committee of the Federal Financial Institutions  
7                   Examinations Council established under title XI  
8                   of the Financial Institutions Reform, Recovery,  
9                   and Enforcement Act of 1989 (12 U.S.C. 3331  
10                  et seq.).

11       On page 253, line 9, insert “through the Platform”  
12 after “securities”.

13       On page 255, line 3, strike “by or”.

14       On page 256, lines 21 and 22, strike “BY OR”.

15       On page 256, line 24, strike “by or”.

16       On page 257, line 5, strike “by or”.

17       On page 258, line 3, strike “by or”.

- 1        On page 258, line 5, strike “BY OR”.
- 2        On page 258, line 8, strike “by or”.
- 3        On page 258, line 15, strike “by or”.
- 4        On page 259, line 1, strike “by or”.
- 5        On page 259, line 4, strike “by or”.
- 6        On page 259, line 7, strike “by or”.
- 7        On page 259, line 10, strike “by or”.
- 8        On page 259, line 12, strike “INDUSTRY”.
- 9        On page 259, lines 13 and 14, strike “industry  
10 groups” and insert “market participants”.
- 11       On page 259, line 20, strike “by or”.
- 12       On page 259, line 23, strike “by or”.

1       On page 260, line 23, insert “and coordination” after  
2 “consultation”.

3       On page 261, between lines 10 and 11, insert the fol-  
4 lowing:

5           (2) require market participants, as appropriate,  
6 to disclose to investors information that is substan-  
7 tially similar, to the extent practicable, to disclosures  
8 required of issuers of asset-backed securities under  
9 section 13(a) or 15(d) of the Securities Exchange  
10 Act of 1934 (15 U.S.C. 78m(a), 78o(d)) until the  
11 covered security is fully paid, other than information  
12 that the Corporation determines, in consultation and  
13 coordination with the Securities and Exchange Com-  
14 mission, is not applicable to a covered security, a  
15 particular type of covered security, or eligible mort-  
16 gage loans collateralizing a covered security;

17       On page 261, strike lines 11 through 16, and insert  
18 the following:

19           (3) require that all disclosures must be made  
20 consistent with the antifraud provisions of the Fed-  
21 eral securities laws; and

22       On page 261, line 17, strike “(3)” and insert “(4)”.

1       On page 261, line 23, strike “and”.

2       On page 261, line 25, strike the period and insert  
3   “; and”.

4       On page 261, after line 25, insert the following:  
5       (3) the interests of investors.

6       On page 262, strike lines 8 through 24.

7       On page 263, line 1, strike “**SEC. 333**” and insert  
8   “**SEC. 332**”.

9       On page 265, line 1, strike “**SEC. 334**” and insert  
10   “**SEC. 333**”.

11       On page 265, between lines 17 and 18, insert the fol-  
12   lowing:

13       (3) The Chairman of the Federal Deposit In-  
14   surance Corporation or the Chairman’s designee.

15       (4) The Chairman of the Securities and Ex-  
16   change Commission or the Chairman’s designee.

17       (5) The Chairman of the Federal Reserve  
18   Board or the Chairman’s designee.

1           (6) The Comptroller of the Currency or the  
2           Comptroller's designee.

3           (7) A representative from the Federal Home  
4           Loan Bank System.

5           (8) A representative from a Federal Reserve  
6           Bank.

7           (9) Individuals selected by the Chairperson  
8           from among the following:

9                   (A) State and local government agencies  
10                   and representatives, including housing finance  
11                   agencies and those with expertise in property  
12                   records, electronic recording, and the Uniform  
13                   Commercial Code.

14                   (B) The National Conference of Commis-  
15                   sioners on Uniform State Laws

16                   (C) Industry groups, including single-fam-  
17                   ily and multifamily mortgage originators, title  
18                   insurers, servicers, issuers, and investors.

19                   (D) Consumer groups, including represent-  
20                   atives of homeowners, community stakeholders,  
21                   and housing organizations.

22                   (E) Individuals with technical expertise, in-  
23                   cluding those with expertise in designing, con-  
24                   structing and maintaining mortgage databases.

1       On page 265, strike lines 18 through 23.

2       On page 267, line 2, strike “and”.

3       On page 267, line 5, strike the period and insert a  
4 semicolon.

5       On page 267, between lines 5 and 6, insert the fol-  
6 lowing:

7           (5) the need to provide data accuracy, security,  
8 and privacy;

9           (6) existing State real property and commercial  
10 laws and any such laws in development, including an  
11 electronic mortgage registry law developed as a uni-  
12 form State law proposal;

13           (7) the costs and benefits of developing and  
14 maintaining a national mortgage registry system, in-  
15 cluding any potential impact on consumer mortgage  
16 credit and industry participants;

17           (8) the feasibility of using existing industry  
18 standards and capabilities in the operation of a na-  
19 tional mortgage registry system; and

20           (9) any research, reports, or other work under-  
21 taken by outside experts, including Federal and  
22 State entities.

1       On page 268, line 2, insert “including requirements  
2 to ensure accurate reporting to such systems,” after  
3 “agencies”.

4       On page 269, between lines 23 and 24, insert the fol-  
5 lowing:

6           (5) REQUIREMENTS ON RULES.—The rules and  
7 standards promulgated under this section shall rec-  
8 ognize and protect valid perfected security interests  
9 in registered mortgage-related documents.

10       On page 270, line 20, insert “or foreclosure” after  
11 “recording”.

12       On page 270, line 22, strike “**SEC. 335**” and insert  
13 “**SEC. 334**”.

14       On page 271, line 1, insert “credit” after “other”.

15       On page 271, line 3, strike “of such” and all that  
16 follows through “enforceable” on line 6, and insert “(as  
17 defined in section 1026.2(a)(17) of title 12 of the Code  
18 of Federal Regulations) shall notify the creditor of the  
19 senior eligible mortgage loan within 30 days after con-  
20 summation of such transaction”.

1       On page 271, line 7, strike “**SEC. 336**” and insert  
2       “**SEC. 335**”.

3       On page 275, line 20, insert “as amended by this  
4       Act,” after “receivership powers,”.

5       On page 286, strike lines 4 through 9, and insert the  
6       following:

7               (4) FEDERAL FINANCIAL INSTITUTIONS EXAM-  
8       INATION COUNCIL ACT OF 1978.—The Federal Fi-  
9       nancial Institutions Examination Council Act of  
10      1978 (12 U.S.C. 3310) is amended—

11              (A) in section 1004(a)—

12                  (i) by redesignating paragraphs (5)  
13                  and (6) as paragraphs (6) and (7), respec-  
14                  tively; and

15                  (ii) by inserting after paragraph (4)  
16                  the following:

17              “(5) the Chairman of the Federal Mortgage In-  
18      surance Corporation,”; and

19              (B) in section 1011, by inserting “Federal  
20      Mortgage Insurance Corporation,” after “Fi-  
21      nancial Protection,” in first sentence.



1       On page 288, between lines 14 and 15, insert the fol-  
2       lowing:

3           (12) FEDERAL CREDIT UNION ACT.—Section  
4       107(7)(E) of the Federal Credit Union Act (12  
5       U.S.C. 1757(7)(E)) is amended by inserting “the  
6       Federal Mortgage Insurance Corporation,” before  
7       “the Federal National Mortgage Association”.

8           (13) BANK HOLDING COMPANY ACT.—Section  
9       5(e)(5)(B) of the Bank Holding Company Act (12  
10      U.S.C. 1844(e)(5)(B)) is amended—

11           (A) in clause (iv), by striking “; or” and  
12      inserting a semicolon;

13           (B) in clause (v), by striking the period at  
14      the end and insert “; or”; and

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

16                   “(vi) an approved guarantor approved  
17                   under section 311 of the Housing Finance  
18                   Reform and Taxpayer Protection Act of  
19                   2014.”.

20           (14) CONGRESSIONAL BUDGET ACT OF 1974.—  
21      Section 504(e) of the Congressional Budget Act of  
22      1974 (2 U.S.C. 661e(c)) shall be amended—

23           (A) in paragraph (1), by striking “or”;

24           (B) by redesignating paragraph (2) as  
25      paragraph (3); and

1 (C) by inserting after paragraph (1) the  
2 following:

3 “(2) are credit programs of the Federal Mort-  
4 gage Insurance Corporation; or”.

5 On page 288, line 15, strike “(12)” and insert  
6 “(15)”.

7 On page 296, line 1, strike “604(b)(4)(A)” and insert  
8 “303(e)(6)”.

9 On page 298, line 22, strike “333(a)” and insert  
10 “332(a)”.

11 On page 305, strike lines 17 through 19, and insert  
12 the following:

13 (h) FEDERAL HOME LOAN BANK ACT.—The Federal  
14 Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amend-  
15 ed—

16 (1) in section 2—

17 On page 305, line 20, strike “(1)” and insert “(A)”  
18 and move 2 ems to the right.

1       On page 305, line 24, strike “(2)” and insert “(B)”  
2   and move 2 ems to the right.

3       On page 306, line 7, strike the period and insert a  
4   semicolon.

5       On page 306, between lines 7 and 8, insert the fol-  
6   lowing:

7           (2) in section 10(a)(3)(B), by inserting “, sub-  
8       ject to such regulations that the Federal Mortgage  
9       Insurance Corporation may issue to ensure the safe-  
10      ty and soundness of the Federal Home Loan Banks,  
11      covered securities insured by the Federal Mortgage  
12      Insurance Corporation under the Housing Finance  
13      Reform and Taxpayer Protection Act of 2014” after  
14      “Government National Mortgage Association”; and

15           (3) in section 11(h), by inserting “, subject to  
16      such regulations that the Federal Mortgage Insur-  
17      ance Corporation may issue to ensure the safety and  
18      soundness of the Federal Home Loan Banks, cov-  
19      ered securities insured by the Federal Mortgage In-  
20      surance Corporation under the Housing Finance Re-  
21      form and Taxpayer Protection Act of 2014” after  
22      “Federal Home Loan Mortgage Corporation pursu-

1 ant to section 305 or section 306 of the Federal  
2 Home Loan Mortgage Corporation Act”.

3       On page 332, line 22, strike “heading, by inserting”  
4   and inserting the following: “heading—  
5                               (I) by inserting

6 On page 332, after line 23, insert the following:

7 (II) by striking “BY NEEDS-

8 BASED FORMULA”.

9 On page 336, line 3, insert “manage the development  
10 and construction of affordable housing, and” after “to”.

11 On page 336, lines 5 and 6, strike “multifamily”.

12        On page 339, strike line 13 and all that follows  
13 through page 340, line 2, and insert the following:

“(i) IN GENERAL.—Except as provided in clause (ii), the minimum allocation, following the determination of the formula amount in paragraph (3), to any of the 50 States of the United States or the District of Columbia shall be \$10,000,000 and the increase in any such

1 allocation shall be deducted pro rata from  
2 the allocations made above such minimum  
3 to all other of the States (as such term is  
4 defined in section 1303).”.

5 On page 340, line 16, insert “above such minimum”  
6 after “made”.

7 On page 340, between lines 17 and 18, insert the fol-  
8 lowing:

9 (E) in paragraph (7)(A), by striking  
10 “housing under the programs identified in sec-  
11 tion 1335(a)(2)(B) of this title” and inserting  
12 “housing subsidized under Federal law or com-  
13 parable State or local laws”;

14 On page 340, line 18, strike “(E)” and insert “(F)”.

15 On page 340, between lines 19 and 20, insert the fol-  
16 lowing:

17 (G) in paragraph 9, by inserting “(includ-  
18 ing a public housing agency)” after “agency”;

19 On page 340, line 20, strike “(F)” and insert “(H)”.

1       On page 341, line 23, strike “and” and insert “or”.

2       On page 354, line 9, strike “by or”.

3       On page 368, line 3, strike the semicolon and insert  
4   “; and”.

5       On page 368, line 15, strike “; and” and insert a  
6   semicolon.

7       On page 368, strike lines 16 through 24.

8       On page 397, line 13, strike “In” and insert “On De-  
9   cember 31 of”.

10      On page 397, line 14, insert “on December 31 of”  
11   after “and”.

12      On page 397, line 14, insert “until each enterprise  
13   reaches the allowable size of the retained single-family  
14   portfolio specified in paragraph (2)” after “thereafter”.

15      On page 402, strike lines 23 and 24, and insert the  
16   following:

1       (c) PHASE-IN OF CAPITAL STANDARDS FOR AP-  
2       PROVED GUARANTORS.—

3       On page 403, line 3, strike “10 years after the system  
4       certification date” and insert “8 years after the date that  
5       the Corporation approves the first approved guarantor  
6       under this section”.

7       On page 403, lines 4 and 5, strike “of enactment of  
8       this Act” and insert “that the Corporation approves the  
9       first approved guarantor under this section”.

10       On page 403, lines 9 and 10, strike “ensure the safe-  
11       ty and soundness of the approved guarantor” and insert  
12       “help ensure an orderly transition pursuant to this title”.

13       On page 403, between lines 13 and 14, insert the fol-  
14       lowing:

15               (3) APPLICABILITY.—Each capital level re-  
16       quired to be held by an approved guarantor under  
17       this section, including each annual increase pursuant  
18       to paragraph (2)(B), shall only be applicable with  
19       respect to new business being guaranteed by an ap-  
20       proved guarantor on and after the date each capital  
21       level becomes effective.

1 (d) PHASE-IN OF CAPITAL STANDARDS FOR MULTI-  
2 FAMILY APPROVED GUARANTORS.—

3 (1) IN GENERAL.—The requirement under sec-  
4 tion 703(h)(1)(A) shall take effect on the date that  
5 is 8 years after the date that the Corporation ap-  
6 proves the first multifamily approved guarantor  
7 under this section.

8 (2) PHASE-IN.—Beginning on the date that the  
9 Corporation approves the first approved multifamily  
10 guarantor under this section and ending on the date  
11 set forth under paragraph (1), the Corporation  
12 shall—

13 (A) require an approved multifamily guar-  
14 antor to maintain an appropriate level of capital  
15 necessary to help ensure an orderly transition  
16 pursuant to this title; and

17 (B) increase annually, in equal increments,  
18 the required amount of capital to be held by the  
19 approved multifamily guarantor.

20 (3) APPLICABILITY.—Each capital level re-  
21 quired to be held by an approved multifamily guar-  
22 antor under this section, including each annual in-  
23 crease pursuant to paragraph (2)(B), shall only be  
24 applicable with respect to new business being guar-



1        anteed by an approved multifamily guarantor on and  
2        after the date each capital level becomes effective.

3        On page 409, lines 11 through 12, strike “Capital  
4 Market Execution Program Series K Structures 2Pass-  
5 Through” and insert “K Series Structured Pass-  
6 Through”.

7        On page 410, lines 20 through 22, strike “Capital  
8 Market Execution Program Series K Structures 2Pass-  
9 Through” and insert “K Series Structured Pass-  
10 Through”.

11        On page 415, line 13, insert “, pari passu position,”  
12 after “first loss position”.

13        On page 415, line 23, strike “and”.

14        On page 415, after line 23, insert the following:

15                (J) that the multifamily guarantor does  
16                not originate eligible multifamily mortgage  
17                loans and is not an affiliate of a person that ac-  
18                tively engages in the business of originating eli-  
19                gible multifamily mortgage loans; and

1       On page 416, line 1, strike “(J)” and insert “(K)”.

2       On page 416, strike line 22 and all that follows  
3 through page 417, line 9, and insert the following:

4               (C) PROHIBITION ON CONTROL BY IN-  
5               SURED DEPOSITORY INSTITUTIONS OR AFFILI-  
6               ATES OF INSURED DEPOSITORY INSTITU-  
7               TIONS.—

8               (i) IN GENERAL.—It shall be unlawful  
9               for an insured depository institution or an  
10              affiliate of an insured depository institu-  
11              tion to control an approved multifamily  
12              guarantor.

13              (ii) RULE OF CONSTRUCTION REGARD-  
14              ING CONTROL.—For purposes of this sub-  
15              paragraph, any insured depository institu-  
16              tion or affiliate of an insured depository in-  
17              stitution has control over an approved mul-  
18              tifamily guarantor if the company directly  
19              or indirectly or acting through 1 or more  
20              other persons owns, controls, or has power  
21              to vote 10 percent or more of any class of  
22              voting shares of the approved multifamily  
23              guarantor.

1        On page 419, lines 3 through 5, strike “Capital Mar-  
2 ket Execution Program Series K Structures 2Pass-  
3 Through” and insert “K Series Structured Pass-  
4 Through”.

5        On page 421, lines 3 through 5, strike “is intended  
6 to be used or is used by a private market holder to assume  
7 losses” and insert “is designed to be used or is used by  
8 a private market holder to assume losses and to reduce  
9 the specific risks arising from losses realized under such  
10 credit risk-sharing mechanism”.

11       On page 421, line 25, strike “is intended” and all  
12 that follows through “losses” on page 422, line 2, and in-  
13 sert “is designed to be used or is used by a private market  
14 holder to assume losses and to reduce the specific risks  
15 arising from losses realized under such credit risk-sharing  
16 mechanism”.

17       On page 425, lines 8 and 9, strike “that require an  
18 approved multifamily guarantor—” and insert “as fol-  
19 lows:”.

20       On page 425, strike line 10, and insert the following:

1           (A) GUARANTOR ACTIVITIES.—The capital  
2           standard for eligible multifamily mortgage loans  
3           that collateralize multifamily covered securities  
4           insured by the Corporation shall require an ap-  
5           proved multifamily guarantor to hold 10 per-  
6           cent capital.

7           (B) AGGREGATION ACTIVITIES.—An ap-  
8           proved multifamily guarantor shall hold capital  
9           in an amount comparable to that which is re-  
10          quired to be held by insured depository institu-  
11          tions and their affiliates with respect to their  
12          applicable aggregating activities.

13          (C) SOLVENCY LEVELS.—An approved  
14          multifamily guarantor shall maintain solvency  
15          levels adequate for the approved multifamily  
16          guarantor to withstand losses that might be in-  
17          curred by the approved multifamily guarantor  
18          in a period of economic stress, including na-  
19          tional and regional multifamily housing price  
20          declines, such as those observed during mod-  
21          erate to severe recessions in the United States.

22          On page 425, strike lines 11 through 18.

1       On page 425, lines 19 and 20, strike “For purposes  
2 of paragraph (1),” and insert the following:

3               (A) IN GENERAL.—For purposes of para-  
4 graph (1)(A),

5       On page 426, between lines 4 and 5, insert the fol-  
6 lowing:

7               (B) EQUIVALENT TREATMENT.—For pur-  
8 poses of paragraph (2)(A), the Corporation  
9 shall seek to ensure equivalent capital treat-  
10 ment between approved credit risk-sharing  
11 mechanisms approved under subsection (c) with  
12 similar performance histories.

13       On page 426, line 8, strike “paragraph (1)” and in-  
14 sert “paragraph (1)(A)”.

15       On page 426, line 25, insert “FOR FAILING MULTI-  
16 FAMILY GUARANTORS” after “RESOLUTION AUTHORITY”.

17       On page 427, lines 6 through 8, strike “that is classi-  
18 fied as critically undercapitalized pursuant to section  
19 316,”.

1       On page 428, line 2, strike “clauses (i) through (iii)  
2   of”.

3       On page 428, line 3, strike “and”.

4       On page 428, between lines 3 and 4, insert the fol-  
5   lowing:

6               (C) prescribe regulations governing the ap-  
7               plicable rights, duties, and obligations of an ap-  
8               proved multifamily guarantor placed into reso-  
9               lution under this subsection, its creditors,  
10              counterparties, and other persons, as the Cor-  
11              poration deems necessary to properly exercise  
12              the authority provided in subparagraph (A);

13       On page 428, line 4, strike “(C)” and insert “(D)”.

14       On page 428, line 7, strike the period and insert “;  
15   and”.

16       On page 428, between lines 7 and 8, insert the fol-  
17   lowing:

18               (E) upon placing an approved multifamily  
19               guarantor into receivership, treat multifamily  
20               covered securities insured by the Corporation

1           under section 303 in the same manner as the  
2           Federal Deposit Insurance Corporation treats  
3           deposit liabilities under section 11(d)(11)(A)(ii)  
4           of the Federal Deposit Insurance Act and in-  
5           sured deposits under section 11(f) of the Fed-  
6           eral Deposit Insurance Act, where the Corpora-  
7           tion shall have the same right of subrogation as  
8           the Federal Deposit Insurance Corporation has  
9           under section 11(g) of the Federal Deposit In-  
10          surance Act.

11          On page 428, line 11, strike “unless—” and all that  
12 follows through “the total” on line 19, and insert “unless  
13 the total”.

14          On page 429, line 4, insert “, subject to section 13  
15 of the Federal Deposit Insurance Act where the Corpora-  
16 tion and the Board of Directors shall have the same au-  
17 thority as the Federal Deposit Insurance Corporation and  
18 the Federal Deposit Insurance Corporation’s board of di-  
19 rectors” before the period.

20          On page 429, line 7, insert “prescribe regulations to”  
21 after “shall”.

1       On page 430, between lines 2 and 3, insert the fol-  
2       lowing:

3       (1) PROHIBITED ACTIVITY.—An approved multi-  
4       family guarantor may not—

5               (1) originate eligible multifamily mortgage  
6       loans; or

7               (2) be an affiliate of a person that actively en-  
8       gages in the business of originating eligible multi-  
9       family mortgage loans.

10       (m) GUARANTORS REQUIRED TO PAY CLAIMS.—Sub-  
11       ject to such standards as the Corporation may provide,  
12       an approved multifamily guarantor may not for any rea-  
13       son withhold payment of funds that would ensure holders  
14       of multifamily covered securities receive timely payment  
15       of principal and interest on multifamily covered securities.  
16       The Corporation shall by regulation develop a process for  
17       the mediation and resolution of disputed payment  
18       amounts.

19       On page 436, line 4, insert “or with mortgages not  
20       exceeding \$3,000,000 (as adjusted for inflation)” after  
21       “50 units”.

22       On page 436, line 7, strike “review and approve” and  
23       replace with “review, and may approve,”.



1       On page 436, line 8, insert “, including proposals fo-  
2       cused on lending by small mortgage lenders,” after “guar-  
3       antors”.

4       On page 436, line 12, insert “or with mortgages not  
5       exceeding \$3,000,000 (as adjusted for inflation)” after  
6       “50 units”.

7       On page 437, line 15, insert “or with mortgages not  
8       exceeding \$3,000,000 (as adjusted for inflation)” after  
9       “50 units”.

10       On page 439, strike lines 19 through 22, and insert  
11       the following:

12       Nothing in this Act shall be construed to alter, supersede,  
13       or interfere with the final ruling of a court of competent  
14       jurisdiction with respect to any provision of the Senior  
15       Preferred Stock Purchase Agreement or amendments  
16       thereof of an enterprise.

17       On page 440, line 6, strike “amended—” and all that  
18       follows through “by striking” on line 10, and insert  
19       “amended by striking”.

20       On page 440, line 16, strike “and”.

1       On page 440, strike lines 17 through 19, and insert  
2 the following:

3               “(B) the term ‘securitized residential mort-  
4               gage’ means any residential mortgage loan that  
5               serves as collateral for a fixed-income or other  
6               security that allows the holder of such security  
7               to receive payments dependent on the cash flow  
8               from such residential mortgage loan; and

9               “(C) the term ‘servicer’—

10               “(i) has the meaning provided in sec-  
11               tion 129A, except that such term includes  
12               a person who receives any payments from  
13               a mortgagor, including any amounts for es-  
14               crow accounts, and makes payments to the  
15               owner of the loan or other third parties, in-  
16               cluding payments made after default, pur-  
17               suant to the terms of the relevant con-  
18               tracts; and

19               “(ii) excludes State and local housing  
20               agencies.”.

21       On page 441, lines 11 and 12, strike “before the due  
22 date applicable to such payment” and insert “on or before  
23 the applicable due date, including any grace period allowed  
24 under the loan documents”.

1       On page 442, strike lines 4 through 7, and insert the  
2 following:

3           “(2) DEFINITIONS.—For purposes of this sub-  
4 section—

5           “(A) the term ‘securitized residential mort-  
6 gage’ means any residential mortgage loan that  
7 serves as collateral for a fixed-income or other  
8 security that allows the holder of such security  
9 to receive payments dependent on the cash flow  
10 from such residential mortgage loan; and

11           “(B) the term ‘servicer’—

12           “(i) has the meaning provided in sec-  
13 tion 129A, except that such term includes  
14 a person who receives any payments from  
15 a mortgagor, including any amounts for es-  
16 crow accounts, and makes payments to the  
17 owner of the loan or other third parties, in-  
18 cluding payments made after default, pur-  
19 suant to the terms of the relevant con-  
20 tracts; and

21           “(ii) excludes State and local housing  
22 agencies.”.