



H.R. 299—Capital Access for Small Community Financial Institutions Act of 2015 (Stivers, R-OH)

CONTACT: REBEKAH ARMSTRONG, REBEKAH.ARMSTRONG@MAIL.HOUSE.GOV, 202-226-0678

FLOOR SCHEDULE: APRIL 13, 2015 UNDER A SUSPENSION OF THE RULES WHICH REQUIRES TWO-THIRDS MAJORITY FOR PASSAGE.

TOPLINE SUMMARY: This bill would amend current law requirements regarding privately insured credit unions and Federal Home Loan Bank membership eligibility.

CONSERVATIVE CONCERNS: There are no substantive conservative concerns.

- **Expand the Size and Scope of the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS: In the 113th Congress, H.R. 3584, the Capital Access for Small Community Financial Institutions Act of 2014, passed the House by a vote of [395-0](#).

The Federal Home Loan Bank (FHLB) System was established in 1932 and has been a source of credit and liquidity for mortgage lending over the past 80 years. Under current law, privately insured credit unions have been blocked from FHLB membership for more than 20 years due to a legislative oversight. This legislation would correct that oversight and allow privately insured credit unions the ability to apply for FHLB membership. Currently, there are a select number of small credit unions in nine states, approximately 132, that are not insured by the federal government, but by a mutual insurance company, governed by credit unions.

This bill would amend Section 4(a) of the [Federal Home Loan Bank Act](#) to authorize certain privately insured credit unions to be treated as an insured deposit institution for the purposes of determining their eligibility in FHLB. To be eligible for membership in the FHLB, the credit union must meet all eligibility requirements as determined by the supervisor of the state in which the credit union is chartered.

COST: According to the Congressional Budget Office (CBO) enacting [H.R. 299](#) would not affect direct spending or revenues.

In addition, according to CBO, H.R. 299 would preempt state laws that allow liquidators to void specific types of contracts.

However, the preemption would impose no duty on state governments that would result in additional spending, and the threshold established by UMRA for costs of intergovernmental mandates (\$77 million in 2015, adjusted annually for inflation) would not be exceeded.

This bill would also require the comptroller general to release a report on the adequacy of insurance reserves held by a private deposit insurer and the level of compliance with federal regulations relating to the disclosure of a lack of federal deposit insurance.

OUTSIDE GROUPS SUPPORT:

- [Credit Union National Association](#)

COMMITTEE ACTION: This bill was introduced by Representative Stivers on January 1, 2015, and referred to the House Committee on Financial Services. On March 25, 2015, the committee held a mark-up and the bill was agreed to by a recorded vote of [56-1](#).

ADMINISTRATION POSITION: No statement of administration policy is available at this time.

CONSTITUTIONAL AUTHORITY: According to the sponsor, “Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3 of the United States Constitution.”

H.R. 1259 — Helping Expand Lending Practices in Rural Communities Act (Rep. Barr, R-KY)

CONTACT: NICHOLAS RODMAN, NICHOLAS.RODMAN@MAIL.HOUSE.GOV, 6-8576

FLOOR SCHEDULE: APRIL 13, 2015 UNDER A MOTION TO SUSPEND THE RULES AND PASS THE BILL

TOPLINE SUMMARY: [H.R. 1259](#) would direct the Consumer Financial Protection Bureau (CFPB), authorized under the [Dodd-Frank Wall Street Reform and Consumer Protection Act](#), to develop an application process to designate certain counties as rural areas with regards to financial consumer regulations.

CONSERVATIVE CONCERNS: There are no substantive conservative concerns.

- **Expand the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS: This legislation would require the CFPB to establish an application process for individuals and businesses to be designated as “rural,” even though they do not qualify under current law definitions, for the purposes of federal consumer financial law. The CFPB must publish such application in the Federal Register within 60 days of receipt and must make it available for public comment within 90 days. Not later than 90 days after the end of the public comment period, the CFPB is required to grant or deny the application and publish in the Federal Register an explanation of the factors that determined the decision. The bill would cease to have any force or effect after the end of the two-year period beginning

COST: The Congressional Budget Office (CBO) estimates that enacting [H.R. 1259](#) would increase direct spending by about \$1 million over the 2015-2025 period; therefore, pay-as-you-go procedures apply. CBO estimates that enacting the bill would not affect revenues.

Implementing the bill would not affect discretionary costs because the Consumer Financial Protection Bureau (CFPB) is permanently authorized to spend amounts transferred from the Federal Reserve System.

after its enactment. The Senate version of the bill ([S. 871](#)) was introduced on March, 26, 2015.

The Dodd-Frank Wall Street Reform and Consumer Protection Act imposed new legal requirements on lenders to determine the ability of borrowers to repay mortgages. The CFPB established criteria for certain types of loans to be granted safe harbor from this statutory requirement. These types of mortgage loans are called Qualified Mortgages (QM). Mortgages with balloon payments, a large one-time payment due at the end of the loan usually do not qualify as QMs. More information on balloon loans from the CFPB can be found [here](#). However, Dodd-Frank allowed for the CFPB to grant exceptions for rural or underserved areas so that balloon loans could be treated as QMs and the lender to receive safe harbor protection for these loans. [Testimony](#) submitted to the House Committee on Financial Services on January 14, 2014 stated that the current use of the “rural” designation limits the number of mortgages that can be offered in rural and underserved areas. Additional information from the House Committee on Financial Services can be found [here](#). An identical bill ([H.R. 2672](#)) was introduced in the House in the 113th Congress and passed by voice vote on May 6, 2014. The RSC’s legislative bulletin for H.R. 2672 can be found [here](#).

COMMITTEE ACTION: This bill was introduced on March 4, 2015 and was referred to the House Committee on Financial Services which ordered it reported by the yeas and nays (56-2).

ADMINISTRATION POSITION: No statement of administration position is available at this time.

CONSTITUTIONAL AUTHORITY: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3: “The Congress shall have power... to regulate commerce with foreign nations, and among the several states, and with the Indian tribes.”

H.R. 1265—Bureau Advisory Commission Transparency Act (Rep. Duffy, R-WI)

CONTACT: NICHOLAS RODMAN, NICHOLAS.RODMAN@MAIL.HOUSE.GOV, 6-8576

FLOOR SCHEDULE: APRIL 13, 2015 UNDER A MOTION TO SUSPEND THE RULES AND PASS THE BILL

TOPLINE SUMMARY: [H.R. 1265](#) would amend the [Consumer Financial Protection Act of 2010](#) (12 U.S.C. 5493) to apply the [Federal Advisory Committee Act](#) (FACA) to each advisory committee of the Consumer Financial Protection Bureau (CFPB) and each subcommittee of such an advisory committee.

CONSERVATIVE CONCERNS: There are no substantive conservative concerns.

- **Expand the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

COST: The Congressional Budget Office (CBO) estimates that enacting [H.R. 1265](#) would increase direct spending by less than \$500,000 each year and about \$1 million in total over the 2015-2025 period. Enacting H.R. 1265 would not affect revenues. Implementing H.R. 1265 would not affect spending subject to appropriation because the CFPB is permanently authorized to spend amounts transferred from the Federal Reserve.

DETAILED SUMMARY AND ANALYSIS: This bill would require that all advisory committees established by the CFPB to comply with FACA. FACA sets requirements for the qualifications of committee members, the timeliness and objectivity of advice provided to federal agencies, and the public availability of information about activities of advisory committees.

The House report (H. Rept. 114-56) accompanying H.R. 1265 can be found [here](#). An identical bill ([H.R. 4262](#)) was introduced in the 113th Congress and passed by voice vote on June 10, 2014.

COMMITTEE ACTION: This bill was introduced on March 4, 2015 and referred to the House Committee on Financial Services which ordered it reported by the yeas and nays (56 – 2).

ADMINISTRATION POSITION: No statement of administration position is available at this time.

CONSTITUTIONAL AUTHORITY: Congress has the power to enact this legislation pursuant to the following: Article 1, Section 8 to make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

H.R. 601—Eliminate Privacy Notice Confusion Act (Luetkemeyer, R-MO)

CONTACT: REBEKAH ARMSTRONG, REBEKAH.ARMSTRONG@MAIL.HOUSE.GOV, 202-226-0678

FLOOR SCHEDULE: APRIL 13, 2015 UNDER A SUSPENSION OF THE RULES WHICH REQUIRES TWO-THIRDS MAJORITY FOR PASSAGE.

TOPLINE SUMMARY: This bill would exempt financial institutions from customer notification requirements if an institution’s policies remain unchanged from most recent disclosure.

CONSERVATIVE CONCERNS: There are no substantive conservative concerns.

- **Expand the Size and Scope of the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS: In the 113th Congress, H.R. 749, the Eliminate Privacy Notice Confusion Act, passed the House by voice vote. This bill would amend the Gramm-Leach-Bliley Act to exempt financial institutions from notifying customers with an annual notice of their policies for disclosing personal information to third parties if the policies remain unchanged from the most recent disclosure.

The Gramm-Leach-Bliley Act requires financial institutions and a wide variety of other businesses to issue privacy disclosure notices to

COST: The [Congressional Budget Office](#) (CBO) estimates that enacting H.R. 601 would increase direct spending and pay-as-you-go procedures apply.

However, based on information from the Bureau of Consumer Financial Protection (CFPB), this bill would not significantly affect the workload of the agency and any additional costs would be insignificant.

CBO estimates that enacting H.R. 601 would not affect revenues. Implementing the bill would not affect discretionary costs because the CFPB is permanently authorized to spend amounts transferred from the Federal Reserve System.

consumers that detail the institution's privacy policies if it shares customers' non-public personal information with affiliates or third parties.

On October 20, 2014, the Consumer Financial Protection Bureau (CFPB) finalized a rule that allows financial institutions to post their annual privacy notices online instead of delivering them individually. This bill would eliminate duplicative annual mailings when the privacy policy at a financial institution has not changed.

OUTSIDE GROUPS SUPPORT:

- [National Association of Federal Credit Unions](#)
- [Credit Union National Association](#)

COMMITTEE ACTION: This bill was introduced by Representative Luetkemeyer on January 28, 2015, and referred to the House Committee on Financial Services. On March 25, 2015, the committee held a mark-up and the bill was agreed to by a recorded vote of [57-0](#).

ADMINISTRATION POSITION: No statement of administration policy is available at this time.

CONSTITUTIONAL AUTHORITY: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: The constitutional authority on which this bill rests is the explicit power of Congress to regulate commerce in and among the states, as enumerated in Article 1, Section 8, Clause 3, the Commerce Clause, of the United States Constitution. Additionally, Article 1, Section 7, Clause 2 of the Constitution allows for every bill passed by the House of Representatives and the Senate and signed by the President to be codified into law; and therefore implicitly allows Congress to repeal any bill that has been passed by both chambers and signed into law by the President."

H.R. 1367—Applying the Expedited Funds Availability Act to American Samoa and the Northern Mariana Islands (Radewagen, R-AS)

CONTACT: NICHOLAS RODMAN, NICHOLAS.RODMAN@MAIL.HOUSE.GOV, 6-8576

FLOOR SCHEDULE: APRIL 13, 2015 UNDER A MOTION TO SUSPEND THE RULES AND PASS THE BILL

TOPLINE SUMMARY: [H.R. 1367](#) would amend the [Expedited Funds Availability Act \(EFAA\)](#) to apply provisions of the EFAA to American Samoa and the Commonwealth of the Northern Mariana Islands.

COST: No Congressional Budget Office cost analysis is available at this time.

CONSERVATIVE CONCERNS: There are no substantive conservative concerns.

- **Expand the Size and Scope of the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS: H.R. 1367 would specify that current law bank check clearing and funds availability time requirements that apply to Hawaii, Alaska, Puerto Rico and the Virgin Islands must also

apply to banks located in American Samoa and the Commonwealth of the Northern Mariana Islands. This bill would amend [12 U.S.C. 4001](#). The bill would take effect on January 1, 2016.

COMMITTEE ACTION: This bill was introduced on March 16, 2015, and referred to the House Committee on Financial Services which ordered it reported by the yeas and nays (58 – 0).

ADMINISTRATION POSITION: No statement of administration policy is available at this time.

CONSTITUTIONAL AUTHORITY: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3 -- The Congress shall have Power... to regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes.

H.R. 1480—SAFE Act Confidentially and Privilege Enhancement Act (Dold, R-IL)

CONTACT: ANDREW SHAW, ANDREW.SHAW@MAIL.HOUSE.GOV, 6-9143

FLOOR SCHEDULE: APRIL 13, 2015 UNDER A SUSPENSION OF THE RULES, WHICH REQUIRES A TWO-THIRDS MAJORITY FOR PASSAGE.

TOPLINE SUMMARY: H.R. 1480 would amend the [Secure and Fair Enforcement of Mortgage Licensing Act of 2008](#) to allow information sharing between state and federal regulators with safeguards aiming to preserve confidentiality and privilege.

COST: The Congressional Budget Office (CBO) [estimates](#) that H.R. 1480 could affect the Consumer Financial Protection Bureau (CFPB), but such effects would not be significant.

CONSERVATIVE CONCERNS:

- **Expand the Size and Scope of the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS: H.R. 1480 would allow increased information sharing between state and federal regulators, with safeguards to preserve confidentiality and privilege. In 2006, The [Nationwide Mortgage Licensing System and Registry](#) (NMLSR) was established to increase uniformity, improve consumer protections, and reduce fraud by centralizing mortgage licensing and registration. Under current law, mortgage loan origination information provided to the NMLSR is protected by state and federal privacy laws. H.R. 1480 would broaden the group of regulators authorized to share information submitted to NMLSR to include public officials that oversee the financial services industry, and at the same time, extend current law privacy protections to information shared with state and federal regulators. This legislation would also require states to adopt minimum standards for licensing residential mortgage loan originators.

COMMITTEE ACTION: This bill was introduced on March 19, 2015, by Representative Dold and referred to the House Committee on Financial Services.

ADMINISTRATION POSITION: No statement of administration policy is available.

CONSTITUTIONAL AUTHORITY: “Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3”

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