

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

Friday, July 22, 2022

Memorandum

To: Members, Committee on Financial Services
From: FSC Majority Staff
Subject: July 27, 2022, Full Committee Markup

The full Committee will convene to mark up the following measures, in an order to be determined by the Chairwoman at 10:00 A.M. on Wednesday, July 22, 2022, and subsequent days if necessary, in a hybrid format in room 2128 of the Rayburn House Office Building as well as on the WebEx platform.

1. Amendment in the Nature of a Substitute to H.R. 1728, the "Strategy and Investment in Rural Housing Preservation Act of 2021" (Rep. Axne)

Summary: H.R. 1728 would permanently authorize the U.S. Department of Agriculture's (USDA) Multifamily Housing Preservation and Revitalization (MPR) Program, require USDA to come up with a plan for the preservation of rural multifamily housing backed by USDA loans, and establish an advisory committee to advise USDA in implementing this plan. The ANS would make technical changes to the bill.

Background: Section 515 Rural Rental Housing Loans and Section 514 Farm Labor Housing Loans are USDA-backed multifamily loans providing low-interest, long-term multifamily loans to support affordable rental housing. There are approximately 14,000 Section 515 and 514 properties across the country that are home to nearly 400,000 families with an average income of \$13,181.¹ The stock of affordable homes supported by Section 515 and Section 514 is aging. According to GAO, USDA does not have a coherent strategy to preserve these homes and prevent the displacement of tenants.² Section 515 and Section 514 are USDA-backed multifamily loans providing low-interest, long-term multifamily loans to support affordable rental housing. There are approximately 14,000 Section 515 and 514 properties across the country that are home to nearly 400,000 families with an average income of \$13,181.³

Most of the residents in Section 515 rental housing and 514 farm labor units also receive rental subsidies through the Section 521 Rental Assistance (RA) program, which ensures that tenants pay no more than 30 percent of their incomes for rent. The RA contracts are tied to the Section 515 and 514 loans on the properties, which means that when the loans mature, are prepaid, or foreclosed upon, the RA also terminates, putting low-income residents at risk of displacement. A growing number of Section 515 and

¹ USDA, *2017 Multi-Family Housing Annual Fair Housing Occupancy Report*, (Apr. 6, 2018).

² See e.g. GAO, *Rural Housing Service: Better Data Controls, Planning, and Additional Options Could Help Preserve Affordable Rental Units*, GAO-18-285 (May 17, 2018).

⁴ National Housing Law Project, *An Advocate's Guide to Rural Housing Preservation: Prepayments, Mortgage Maturities, and Foreclosures* (2018).

514 loans are projected to mature in the coming decades. In fact, by 2050, nearly all Section 515 and 514 loans will have matured.⁴

To address these issues, the ANS to H.R. 1728 permanently authorizes the Multifamily Housing and Revitalization (MPR) Program, providing USDA with the tools and funding necessary to develop a comprehensive strategy for preservation and avoid tenant displacement. The MPR program is currently administered as a demonstration that allows USDA to restructure loans for existing rural rental housing projects. The bill would also authorize \$1 billion in funding over five years for the program. The bill also establishes an advisory committee made up of a diverse range of stakeholders to advise the USDA on the implementation of its plan for preservation.

The following organizations support this bill: National Low Income Housing Coalition, Housing Assistance Council, National Rural Housing Coalition, National Housing Law Project, Council for Affordable and Rural Housing, Up For Growth, and Local Initiative Support Corporation.

Section-by-Section: [See Appendix A.](#)

2. Amendment in the Nature of a Substitute to H.R. 2965, the "Naomi Schwartz Safe Parking Act of 2022" (Rep. Carbajal)

Summary: The ANS to H.R. 2965 would authorize the provision of safe parking as an eligible activity under HUD's Emergency Solutions Grant program (ESG).

Background: Addressing unsheltered homelessness has long been a challenge for many communities due to a lack of affordable housing. As a result, over 580,000 people experience homelessness on any given night in America.⁵ Some people experiencing homelessness utilize vehicles as an alternative to emergency shelter because local shelters have no available beds or have imposed high-barrier policies, such as curfews and limitations on personal belongings, or other reasons.⁶ Unfortunately, when individuals rely on their vehicles as a last resort to avoid sleeping on the street, they often face criminal penalties and safety risks as a result.⁷ In its survey of 187 cities, the National Homelessness Law Center reported that about 50% of cities had one or more laws restricting living in vehicles.⁸ To address this problem, the ANS to H.R. 2965 would allow communities to use their ESG funds to create safe parking lots where individuals experiencing homelessness can legally and safely park their cars overnight and be connected to supportive services. The ESG program focuses on the emergency shelter and service needs of people experiencing homelessness, as well as homelessness prevention and rapid rehousing. However, ESG funds cannot be used for safe parking facilities under current law.

The following organizations support this bill: the National Alliance to End Homelessness, National Low Income Housing Coalition, and National Homelessness Law Center.

Section-by-Section: [See Appendix B.](#)

3. Amendment in the Nature of a Substitute to H.R. 4277, the "Overdraft Protection Act of 2021" (Rep. Maloney)

⁴ National Housing Law Project, [An Advocate's Guide to Rural Housing Preservation: Prepayments, Mortgage Maturities, and Foreclosures](#) (2018).

⁵ HUD Office of Community Planning, [The 2020 Annual Homeless Assessment Report \(AHAR\) to Congress](#) (Jan. 2021).

⁶ National Alliance to End Homelessness, [Unsheltered Homelessness: Trends, Causes, and Strategies to Address](#), (Jul. 26, 2017).

⁷ National Homelessness Law Center, [Housing Not Handcuffs 2019](#), (Dec. 2019).

⁸ *Id.*

Summary: The ANS to H.R. 4277 would strengthen protections and disclosures under the Truth In Lending Act (TILA) for consumers with respect to overdraft fees. Among other things, it would limit the number of overdraft fees a bank may charge on a monthly and annual basis, prevent financial institutions from re-ordering transactions to increase overdraft fees, and codify the rule requiring financial institutions to provide consumers with the opportunity to opt-in to overdraft coverage for all transactions.

Background: An "overdraft" occurs when a consumer carries out a transaction of an amount that exceeds the balance in their checking account, and their financial institution allows the transaction to proceed by covering the difference.⁹ In many cases, financial institutions charge an overdraft fee for this service, which can be as high as \$36 per overdraft. Institutions can repeatedly charge this fee for multiple transactions on the same day.¹⁰ Similarly, when a consumer does not have enough funds available in their account at the time of a transaction (e.g., a check bounces), a financial institution can reject the transaction and may issue a non-sufficient funds (NSF) fee.¹¹

During the Great Recession following the 2008 global financial crisis, financial institutions' revenue from overdraft fees soared as consumers lost jobs and experienced disruptions in income.¹² In response, Rep. Carolyn Maloney introduced the "Overdraft Protection Act," and federal banking regulators began examining overdraft practices and fees.¹³ In November 2009, the Board of Governors of the Federal Reserve System (Fed) issued a final rule on overdraft programs.¹⁴ The rule, also known as the "Opt-In Rule," requires certain consumer notifications and prohibits financial institutions from issuing fees associated with "overdrafts on automated teller machine (ATM) and one-time debit card transactions unless a consumer consents, or opts in, to the overdraft service for those types of transactions."¹⁵ In 2010, Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), which created the Consumer Financial Protection Bureau (CFPB) and granted the new agency authority over many consumer protections in banking, including the Fed's Opt-In Rule.¹⁶

Traditionally, banks and credit unions generate revenue by taking deposits and lending the deposits out in the form of home mortgages, business loans, or other forms of credit. Banks then collect interest on those loans.¹⁷ Beginning in the 1980s, non-interest revenue, such as fees associated with customer accounts, started to grow and has since become a sizable portion of overall revenue for financial institutions.¹⁸ While evidence suggests banks have become less reliant on non-interest revenue in the years following the financial crisis, one analysis found that "banks have increased their revenues from service charges to make up for interest income lost in the low-interest rate environment."¹⁹

Since 2015, federal regulators have required banks and credit unions with more than \$1 billion in assets to report revenue collected specifically from overdraft and NSF fees based on these reports. These fees total between \$11 billion and \$12 billion in profits annually for the larger depository institutions.²⁰ In December 2021, the CFPB reported that "overdraft and NSF fees made up close to two-thirds of reported

⁹ See CFPB, [Bank accounts key terms](#) (Accessed Mar. 15, 2022).

¹⁰ See CFPB, [Overdraft/NSF metrics for Top 20 banks based on overdraft/NSF revenue reported](#) (Feb. 2022); see also MyBankTracker, [Compare Overdraft Fees of Top Banks](#) (Feb. 23, 2022).

¹¹ CFPB, [Data Point: Overdraft/NSF Fee Reliance Since 2015 – Evidence from Bank Call Reports](#) (Dec. 2021).

¹² See CNN, [Bank overdraft fees to total \\$38.5 billion](#) (Aug. 10, 2009).

¹³ [H.R.3904](#), (111th Congress); see also Reuters, [U.S. lawmakers attack bank overdraft fees](#) (Oct. 30, 2009); and CRS, [Overdraft: Payment Service or Small-Dollar Credit?](#) IF11460, (Mar. 16, 2020).

¹⁴ Federal Reserve, [Federal Reserve announces final rules prohibiting institutions from charging fees for overdrafts on ATM and one-time debit card transactions](#) (Nov. 12, 2009).

¹⁵ *Id.*

¹⁶ CRS, [Overdraft: Payment Service or Small-Dollar Credit?](#) IF11460, (Mar. 16, 2020).

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ Federal Reserve Bank of Cleveland, [Trends in the Noninterest Income of Banks](#) (Sept. 24, 2019).

²⁰ CRS, [Overdraft: Payment Service or Small-Dollar Credit?](#) IF11460, (Mar. 16, 2020).

fee revenue, emphasizing banks' heavy reliance on such fees."²¹ According to the same research, total NSF and overdraft fees collected by financial institutions reached an estimated \$15.5 billion in 2019 before declining to \$8.8 billion in 2020.²²

In recent months, the CFPB has launched an initiative to investigate exploitative fees charged by financial institutions.²³ Meanwhile, some depository institutions have either announced plans to or have already eliminated overdraft and NSF fees,²⁴ while others have announced plans to reduce overdraft and NSF fees, including reducing the amount of the overdraft fee or reducing the number of fees the bank can charge you each day.²⁵ According to the CFPB, since September 2021, among the top 20 banks based on overdraft or NSF revenue reported, nearly half announced they would eliminate NSF fees, and several already had limited overdraft fee programs in place, such as not charging overdraft fees on debit card purchases or ATM withdrawals or extended overdraft fees.²⁶ Acting Comptroller Michael Hsu of the Office of the Comptroller of the Currency (OCC) wrote a recent op-ed urging more banks to make pro-consumer reforms to their overdraft programs.²⁷ However, many banks have failed to make similar changes, and nothing prevents banks from simply reversing these changes at any time.

The ANS to H.R. 4277 would:

- require financial institutions to provide a disclosure of overdraft coverage fees and to notify consumers that if they do not opt-in for overdraft coverage, their transaction may be declined, and they will not be charged a fee when those transactions are declined;
- require financial institutions to provide information about available overdraft products, as well as the differences among each product's terms;
- require financial institutions to warn consumers if completing a transaction at an ATM or branch may trigger an overdraft coverage fee, including the amount of the fees;
- authorize the CFPB to issue rules and publish model disclosure forms within 18 months of the bill's enactment and enacts a fee moratorium of 24 months;
- require the CFPB to consider in its rule-making the financial and economic impact of overdraft fees on low-income consumers; and
- require the CFPB to conduct a study and issue a report on the impact of the reforms on financial institutions with less than \$1 billion in assets and require CFPB to make any appropriate revisions to the rules with respect to such small financial institutions based on its findings.

The following organizations support this bill: Americans for Financial Reform, Center For Responsible Lending, Consumer Action, Consumer Federation of America, Consumer Reports, National Consumer Law Center (on behalf of its low-income clients), The Leadership Conference on Civil and Human Rights, Public Citizen, Prosperity Now, U.S. PIRG, and UnidosUS.

Section-by-Section: [See Appendix C.](#)

²¹ CFPB, [CFPB Research Shows Banks' Deep Dependence on Overdraft Fees](#) (Dec. 1, 2021).

²² CFPB, [Data Point: Overdraft/NSF Fee Reliance Since 2015 – Evidence from Bank Call Reports](#) (Dec. 2021).

²³ CFPB, [Consumer Financial Protection Bureau Launches Initiative to Save Americans Billions in Junk Fees](#) (Jan. 26, 2022).

²⁴ See Ally Financial, [No overdraft fees. More overdraft coverage](#) (Accessed Mar. 16, 2022); Alliant Credit Union, [You should never pay overdraft fees again](#) (Aug. 12, 2021); American Banker, [Citi poised to become largest bank to eliminate overdraft fees](#) (Feb. 24, 2022); Capital One, [Capital One Eliminates Overdraft Fees for Customers](#) (Dec. 1, 2021).

²⁵ Bank of America, [BoFA Announces Sweeping Changes to Overdraft Services in 2022, Including Eliminating Non-Sufficient Funds Fees and Reducing Overdraft Fees](#) (Jan. 11, 2022); See also, CFPB [Comparing overdraft fees and policies across banks](#) (Feb. 10, 2022).

²⁶ CFPB, [CFPB Overdraft Chart](#) (Feb. 2022).

²⁷ Acting Comptroller Michael Hsu, [Don't be the last banker to update your overdraft program](#), American Banker (Mar. 28, 2022).

4. Amendment in the Nature of a Substitute to H.R. 4865, the "Registration for Index-Linked Annuities Act" (Rep. Adams)

Summary: This bill requires the Securities and Exchange Commission (SEC) to create a new form for registering index-linked annuities to ensure that a purchaser can make an informed decision.

Background: A registered index-linked annuity (RILA) is a type of annuity registered with the SEC that tracks a specific index, allowing investors to participate in the gains and losses of that index within a defined floor and ceiling. Unlike fixed index annuities, RILAs provide investors with the potential for higher returns in exchange for accepting the risk of losses associated with a market downturn.

Today, the SEC does not have a registration form specifically designed for RILAs, which is not the case with other annuities products. For example, forms N-4 and N-6 are designed for variable annuities and variable life insurance, but RILAs are not eligible to use those forms. Instead, insurers must use the SEC's default registration forms (Forms S-1 or S-3), which are primarily meant to be used to register the public offerings of equity securities during an initial public offering (IPO). These forms are not specific to insurance products, take significant resources to complete, and include extensive information not required of other registered insurance products. For example, annuities with tailored forms—such as variable annuities—have summary prospectuses that are often between 20-25 pages long, whereas RILAs, as currently registered, are often accompanied by forms upwards of 150-200 pages in length. The bill essentially harmonizes the registration of RILAs with other annuities required to be registered with the SEC.

The following organizations support this bill: the Consumer Federation of America, the American Council of Life Insurers, the Insured Retirement Institute, and the Committee of Annuity Insurers

Section-by-Section: [See Appendix D.](#)

5. Amendment in the Nature of a Substitute to H.R. 6889, the "Credit Union Board Modernization Act" (Rep. Vargas)

Summary: The ANS to H.R. 6889 would reduce the required amount of meetings for the board of directors of highly rated federal credit unions.

Background: The ANS to H.R. 6889 would revise federal credit union board meeting requirements to bring highly rated Federal credit unions in line with state credit union charter requirements in 17 states (Alabama, California, Colorado, Delaware, Idaho, Iowa, Kansas, Louisiana, Maryland, Michigan, Minnesota, Missouri, New Hampshire, Ohio, Pennsylvania, Washington, and Wyoming), which currently allow their state-chartered credit union boards to meet less frequently than every month, or even allow meetings on an as-needed basis. Specifically, federal credit unions with a composite rating of either 1 or 2 and a capability management rating of 1 or 2 under the Uniform Financial Institutions Rating System would be required to meet at least six times annually, with at least one meeting held during each fiscal quarter. *De novo* federal credit unions would be required to meet at least monthly during the first five years of their charter, as well as Federal credit unions with composite ratings of either 3, 4, or 5 or with a capability of management rating of either 3, 4, or 5.

To mitigate the risk of institutional failure, newer institutions and credit unions with lower ratings would still be required to meet monthly. Additionally, if emergencies or issues arise requiring a board meeting, credit unions would still be able to meet as frequently as needed.

The following organizations support this bill: Americans for Financial Reform, California and Nevada Credit Union Leagues, Center for Responsible Lending, Credit Union National Association, and National Association of Federally-Insured Credit Unions.

Section-by-Section: [See Appendix E.](#)

6. Amendment in the Nature of a Substitute to H.R. 7123, the "Studying Barriers to Housing Act" (Rep. Garcia, S.)

Summary: The ANS to H.R. 7123 would require the U.S. Government Accountability Office (GAO) to conduct a study on barriers that Continuums of Care (CoCs) and public housing authorities (PHAs) face in coordinating housing and services for people experiencing homelessness.

Background: Homeless services providers and local CoCs face challenges when trying to coordinate with PHAs to connect people experiencing homelessness with resources and services that PHAs facilitate. In particular, because of institutional silos, many PHAs do not participate in their local CoC planning process in a meaningful way.²⁸ Furthermore, PHAs have reported that certain program rules within their mainstream programs, including the public housing and Housing Choice Voucher programs, create barriers for homeless individuals trying to access housing assistance.²⁹ To better identify and address these issues, the ANS to H.R. 7123 would authorize the GAO to study and report on any barriers that limit the ability of service providers and PHAs to provide housing assistance to people experiencing homelessness. Specifically, GAO would review any laws, regulations, or other guidance within the public housing and Housing Choice Voucher programs that act as barriers, including identifying barriers to fair housing and coordinating Federal housing assistance and homelessness funds.

The following organizations support this bill: National Low Income Housing Coalition, National Alliance to End Homelessness, National Housing Law Project, Public Housing Authorities Directors Association, and Council of Large Public Housing Authorities

Section-by-Section: [See Appendix F.](#)

7. Amendment in the Nature of a Substitute to H.R. 8484, Aligning SEC Regulations for the World Bank's International Development Association Act" (Rep. Waters)

Summary: The ANS to H.R. 8484 would provide securities issued by the World Bank's International Development Association (IDA) the same exemption from Securities and Exchange Commission (SEC) registration and reporting requirements that currently applies to the securities of all other multilateral development banks (MDBs) in which the U.S. is a member.

Background: The IDA is the arm of the World Bank that provides grants and concessional loans to the world's 74 poorest countries, of which 32 are considered fragile and conflict-affected states.³⁰ Since it was founded in 1960, IDA has been funded by capital contributions from member countries in replenishment rounds that occur every three years, from internal transfers from the annual net income of other World Bank institutions, and from reflows from previously extended concessional loans that are paid back.

²⁸ HUD, [Study of PHAs Efforts to Serve People Experiencing Homelessness](#) (Feb. 2014).

²⁹ *Id.*

³⁰ Treasury International Programs Justification for Appropriations FY 2023 Budget Request

In 2018, IDA adopted a new approach to mobilizing resources by introducing market debt into its funding mix. For the first time since it was established in 1960, IDA began to raise a portion of IDA resources by issuing bonds on the capital markets to supplement donor contributions and scale up development financing for low-income countries. According to IDA, "leveraging its equity and blending market debt with additional contributions from members allows IDA to support the escalating demand for its resources."³¹

Every MDB in which the U.S. is a member that issues bonds was granted an exemption by Congress from SEC registration and reporting requirements. These exemptions were included in the U.S. laws that originally authorized the U.S. to join these institutions.³² Congress granted these exemptions because of the special character of the MDBs, their role in the global economy, and in recognition of the fact that it was in the interest of the U.S., as a major shareholder in each institution, to make every reasonable effort to promote their effectiveness.³³ Because IDA was not initially designed to raise funds in the global capital markets, it never needed such an exemption.

Without the same regulatory exemption as its peer institutions, IDA would incur significant filings, registration, and legal costs to facilitate a \$20 billion annual funding program for five years. The World Bank estimates that, during a five-year period, over \$600 million of increased borrowing costs would be diverted from helping the world's poorest countries to meet these SEC regulations.

Section-by-Section: [See Appendix H.](#)

8. Amendment in the Nature of a Substitute to H.R. 8476, the "Housing Inspections Accountability Act of 2022" (Rep. Ocasio-Cortez)

Summary: The ANS to H.R. 8476 would require the Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA) to submit annual reports to Congress regarding failed property inspections of federally assisted housing projects and to make such reports publicly available through a searchable online database.

Background: HUD and USDA conduct physical inspections for all federally-assisted housing under their jurisdiction to ensure residents live in decent, safe, and sanitary conditions.³⁴ Despite these existing inspection standards, including HUD's Real Estate Assessment Center's (REAC's) Uniform Physical Condition Standards (UPCS), federal laws and regulations do not currently require that HUD and USDA make failing physical inspection scores available to Congress on a routine basis.

According to an Associated Press analysis, health and safety inspection scores in housing supported by HUD have been declining for years.³⁵ During the Obama administration, the average public housing and multifamily REAC scores were 88.5 and 85.6, respectively; these scores fell to 78.6 and 81 during the Trump administration.³⁶ A large part of why scores have been falling over the years is that Congress

³¹ International Development Association, Information Statement, September 23, 2021

³² International Bank for Reconstruction and Development (IBRD), Bretton Woods Agreements Act, see at 22 USC 286k-1 (1945); International Finance Corporation (IFC), IFC Act—see at 22 USC 282k(a) (1955); Inter-American Development Bank (IDB), IDB Act—see at 22 USC 283h(a) (1959); Asian Development Bank (ADB), ADB Act—see at 22 USC 285h(a) (1966); European Bank for Reconstruction and Development (EBRD), EBRD Act—see at 22 USC 290l-7(a) (1990); African Development Bank (AfDB), AfDB Act—see at 22 USC 290i-9(a) (1981)

³³ House Committee on Banking and Currency, Hearing on HR 4332, to amend the National Bank Act and the Bretton Woods Agreement Act, May 23, 1949

³⁴ HUD, [Physical Inspection Scores](#) (accessed Mar. 23, 2022).

³⁵ Associated Press, [Health and Safety Conditions Worsen in US-Subsidized Housing](#) (April 9, 2019).

³⁶ *Id.*

does not provide sufficient funding to address the backlog of capital needs in federally assisted housing. The current public housing capital backlog is estimated to be over \$70 billion.³⁷ In the absence of robust funding to meet the physical conditions needs of HUD and USDA assisted housing, like the more than \$150 billion in fair and affordable housing investments that the House passed through the Build Back Better Act in November 2021, there is a need for greater transparency of the physical condition of federally-assisted housing units.

For these reasons, the ANS to H.R. 8476 would require that HUD and USDA send a joint report to Congress annually. Such reporting would include inspections of properties that received unsatisfactory or failing scores, the federal program that the housing project is covered under, the defects and violations identified and the status of their remediation, the number of failed properties that have requested an appeal, the share of properties granted an appeal, as well as the number of households living in such properties which are on a waitlist to be moved to a different unit. The ANS also requires that this information be made publicly available through a searchable online database that protects personally identifiable information.

The following organizations support this bill: National Low Income Housing Coalition, National Housing Law Project

Section-by-Section: [See Appendix I.](#)

9. Amendment in the Nature of a Substitute to H.R. 8485, the "Expanding Access to Credit through Consumer-Permissioned Data Act." (Rep. Williams)

Summary: The ANS to H.R. 8485 would codify a provision in CFPB's regulations implementing the Equal Credit Opportunity Act (ECOA) that requires lenders to consider additional credit information not typically included on a consumer's credit report in the evaluation of a borrower for a mortgage, upon the request of a consumer to include that information. It also requires lenders to provide each mortgage applicant a disclosure explaining the applicant's right to provide additional credit information to the lender for consideration.

Background: Consumers who lack credit scores can face significant barriers to securing loans and other forms of credit needed to achieve economic mobility. According to the Consumer Financial Protection Bureau, over 45 million American consumers cannot be scored by the nationwide credit reporting agencies (CRAs)—Experian, Equifax, and TransUnion—using traditional measures of creditworthiness.³⁸ Among them, 26 million consumers do not have a formal credit history, and 19 million consumers have limited or outdated credit history.³⁹

Alternative data is consumer financial information that is not typically contained in a traditional credit report prepared by the CRAs, such as rent payments.⁴⁰ A recent Government Accountability Office (GAO) report found that some lenders use alternative data to help them determine a borrower's creditworthiness, especially when consumers lack a credit score. Still, very few mortgages in recent years have been issued using alternative data.⁴¹ The report also noted recent changes in the mortgage industry that may encourage more lenders to consider alternative data in mortgage underwriting; specifically, Fannie Mae's August

³⁷ National Association of Housing and Redevelopment Officials, [NAHRO Capital Fund Backlog One-Pager](#) (2019).

³⁸ CFPB, [Who are the credit invisibles?](#) (Dec. 2016).

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ GAO, [Use of Alternative Data Is Limited but Has Potential Benefits](#) (Dec. 2021).

2021 update to its automated underwriting system (AUS) incorporated consistent rent payment history provided by the lender with the permission of the mortgage applicant.⁴²

Testimony from the National Consumer Law Center (NCLC) before the House Financial Services Committee Task Force on Financial Technology highlighted that there is an underutilized provision of Regulation B, the CFPB regulation that implements ECOA, that may encourage more lenders to consider rent payments and other alternative data, specifically when it requested by the consumer.⁴³ The provision specifies that a creditor must consider "any information the applicant may present that tends to indicate the credit history being considered by the creditor does not accurately reflect the applicant's creditworthiness."⁴⁴ In her testimony, Chi Chi Wu noted that this provision "could be useful in encouraging lenders to consider alternative data. However, it is only a first step in that they are not required to treat such information with the same weight and in the same manner as credit report history information."

The ANS to H.R. 8485 would codify this provision of Regulation B to require lenders to consider additional creditworthiness information that is not typically found on a consumer's credit report in the underwriting process upon the consumer's request that this additional data be included. It also requires lenders to provide each mortgage applicant a disclosure explaining the applicant's right to provide additional credit information to the lender for consideration, as well as examples of those additional credit data. Furthermore, it would require lenders to treat any additional data with the same weight and in the same manner as credit information currently provided on a consumer's credit report.

The following organizations support this bill: Consumer Reports, Liberation in a Generation, National Consumer Law Center (on behalf of its low-income clients), and UnidosUS.

Section-by-Section: [See Appendix J.](#)

10. Amendment in the Nature of a Substitute to H.R. 8478, the "Credit Reporting Accuracy After a Legal Name Change Act." (Rep. Pressley)

Summary: The ANS to H.R. 8478 would require the use of a consumer's current legal name on consumer reports after the consumer requests the consumer reporting agency to do so, which would respect transgender and non-binary consumers' decisions to change their names and protect them from facing potentially severe adverse effects from having their former name reflected on their credit report. The bill would also help ensure that an individual's credit history is not lost after a name change.

Background: The nationwide credit reporting agencies – Equifax, Experian, and TransUnion – have developed policies to facilitate last name changes after marriage or divorce; specifically, consumers are told to relay the name change to those who are furnishing information to the credit bureaus, and subsequent information is added to the consumer's existing credit file.⁴⁵ However, when a consumer legally changes their first name, the credit bureaus have not updated their algorithms to reconcile information that creditors and other furnishers provide in the new legal name.⁴⁶ Instead, the information furnished after a legal name change is added to the consumer's entirely new credit file.⁴⁷ The loss of prior credit history can lead to a drop in credit score or no credit information, forcing individuals to rebuild their credit from scratch and limiting their credit opportunities in the interim. Even if a consumer is able to update their existing credit

⁴² *Id.*

⁴³ HFSC, [Testimony](#) of Chi Chi Wu, at the Task Force on Financial Technology hearing, "[Examining the Use of Alternative Data in Underwriting and Credit Scoring to Expand Access to Credit](#)" (Jul. 25, 2019).

⁴⁴ 12 C.F.R. § 1002.6(b)(6)(ii).

⁴⁵ See, e.g., Lars Mackenzie, [The Afterlife of Data: Identity, Surveillance, and Capitalism in Trans Credit Reporting](#), *Transgender Studies Quarterly* (Feb. 2017).

⁴⁶ Name Acknowledgement Means Everything Coalition, [The Credit Reporting Accuracy After a Legal Name Change Act of 2022](#).

⁴⁷ *Id.*

file with their new legal name, the previous name can be included in the credit report, which can then be disclosed to creditors, landlords, or employers, who can then infer the consumer's transgender identity.⁴⁸ This can lead to unlawful discrimination or harassment based on that consumer's gender identity.

The reforms included in this bill will help prevent discrimination in credit, housing, and employment by protecting transgender consumers' gender identities on their consumer reports. The bill will also ensure clear and transparent processes exist for transgender and nonbinary consumers to update their consumer reports to ensure these consumers are treated the same way as those who have a name change due to marriage or divorce.

The following organizations support this bill: American Civil Liberties Union, California Employment Lawyers Association, Center for LGBTQ Economic Advancement & Research, CenterLink: The Community of LGBT Centers, CR (formerly Consumer Reports), Equality California, GLBTQ Legal Advocates & Defenders, Human Rights Campaign, Lambda Legal, National Center for Lesbian Rights, National Center for Transgender Equality, National Consumer Law Center, National LGBTQ Task Force, Transgender Law Center, Transgender Legal Defense and Education Fund, and UC Berkeley School of Law, Center for Consumer Law and Economic Justice.

Section-by-Section: [See Appendix K.](#)

11. Resolution to Reauthorize the House Financial Services Committee's Task Force on Artificial Intelligence

Summary: This resolution reauthorizes the Committee's Task Force on Artificial Intelligence through January 2, 2023.

Background: The Task Force on Artificial Intelligence will conduct hearings and investigations relating to artificial intelligence within the Committee's Rule X jurisdiction and may issue reports to the Committee detailing its findings and recommendations. Artificial intelligence, machine learning, and other related emerging technologies continue to re-shape our financial system. As financial institutions, housing providers, and other market participants seek to use these technologies to increase access to credit and other financial services, policymakers are assessing the possibility of algorithmic bias, how a secure digital identity could come to fruition, the use of regulatory technology ("RegTech") and supervisory technology ("SupTech") by financial and housing regulators, and how AI may exacerbate existing racial and gender discrimination in the financial services. This Task Force will consider these and other related issues. The Chair of the Task Force will be Representative Foster.

12. Resolution to Reauthorize the House Financial Services Committee's Task Force on Financial Technology

Summary: This resolution reauthorizes the Committee's Task Force on Financial Technology through January 2, 2023.

Background: The Task Force on Financial Technology will conduct hearings and oversight relating to financial technology within the Committee's Rule X jurisdiction and may issue reports to the Committee detailing its findings and recommendations. Financial technology companies, or "fintechs" are a quickly growing segment of the financial services industry with an increase in digital banking. Due to their focus on harnessing new technologies, fintechs have the potential to open up access to products and services to communities who have been neglected by traditional lenders in the financial services space. However,

⁴⁸ *Id.*

concerns remain that the current legal and regulatory framework may not be fully equipped to regulate fintech activities or protect consumers and investors who use their rapidly changing products, including Buy Now Pay Later products, Earned Wage Access, and Overdraft Avoidance, as well as emerging topics such as consumer data sharing and the lack of diversity in VC funding of fintechs. This Task Force will consider these and related issues. The Chair of the Task Force will be Representative Lynch.

[Appendix A: Section by Section for ANS to H.R. 1728, the "Strategy and Investment in Rural Housing Preservation Act of 2021" \(Rep. Axne\)](#)

Section 1. Short title.

- This section establishes the short title of the bill as "Strategy and Investment in Rural Housing Preservation Act of 2021."

Section 2. Permanent Establishment of Housing Preservation and Revitalization Program.

- This section amends Title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.) by adding a new section, establishing a program for the preservation and revitalization of multifamily rental housing projects financed with loans under sections 514, 515, and 516.
- The newly added section 545 is entitled "Housing Preservation and Revitalization Program."
- Subsection (a) of the new section 545 establishes the program for the preservation and revitalization of multifamily rental housing projects financed with loans under sections 514, 515, and 516.
- Subsection (b) of the new section 545 requires USDA to notify owners of properties financed under section 515 or both sections 514 and 516 that their loan will mature within four years and set forth options and financial incentives that are available to extend the loan term or to decouple their rental assistance contract. Subsection (b) also requires USDA to provide notice to tenants living in properties financed with a loan made or insured under section 514, 515, or 516 and that will mature within two years to inform them of the date that the loan will mature, the possible actions that may happen after the loan matures, and how they can protect their rights to reside in federally assisted housing after the loan matures. Notice to tenants must be translated into other languages when the property is located in an area with a significant number of residents who speak other languages.
- Subsection (c) of the new section 545 provides the USDA Secretary with several options to restructure existing loans to ensure that projects have sufficient resources to be preserved and provide safe and affordable housing for low-income residents and farm laborers.
- Subsection (d) provides that when the Secretary offers to restructure a loan pursuant to subsection (c), the Secretary must offer to renew the Section 521 rental assistance contract for a 20-year term that is subject to annual appropriations, provided that the owner agrees to bring the property up to standards that will ensure it is maintained as decent, safe, and sanitary housing for the full term of the rental assistance contract.
- Subsection (e) of the new section 545 requires that as part of the preservation and revitalization agreement for a project, the Secretary must obtain a restrictive use agreement that obligates the owner to operate the project in accordance with Title V for a specified amount of time.
- Subsection (f) of the new section 545 provides that if the Secretary determines that a maturing loan for a project cannot reasonably be restructured in accordance with subsection (c) and the project was operating with a Section 521 rental assistance contract, notwithstanding any provisions in section 521, the Secretary may renew the rental assistance contract for a term of at least 10 years but no more than 20 years, subject to annual appropriations. In the case the rental assistance contract is renewed, the owner of the property is obligated to maintain the project as safe, decent, and sanitary housing and to operate the development in accordance with Title V, except that rents shall be based on the lesser of the budget-based needs of the project, or the operating cost adjustment factor as a payment standards as provided under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437 note).
- Subsection (g) of the new section 545 would allow the Secretary to provide grants to qualified nonprofit organizations and public housing agencies to provide technical assistance to loan

borrowers to facilitate the acquisition of multifamily properties in areas where the Secretary determines there is a risk of loss of affordable housing.

- Subsection (h) of the new section 545 provides that after loans for a rental project originally financed under section 515 or both sections 514 and 516 have matured or have been prepaid and the owner has chosen not to restructure the loan pursuant to subsection (c), tenants residing in the project will have 18 months prior to loan maturation or prepayment to transfer the rental assistance assigned to the tenant's unit to another rental project originally financed under section 515 or both sections 514 and 516, and the owner of the initial project may rent the tenant's previous unit to a new tenant without income restrictions.
- Subsection (i) of the new section 545 provides for administrative expenses.
- Subsection (j) of the new section 545 authorizes \$200,00,000 to be appropriated for each fiscal year from 2023 through 2027.

Section 3. Eligibility for Rural Housing Vouchers.

- This section amends section 542 of the Housing Act of 1949 (42 U.S.C. 1490r) to include a new subsection (c) that expands the eligibility of low-income households, including those not receiving rental assistance, to receive a section 542 voucher to include those residing in a property financed with a loan made or insured under section 514 or 515 which has been prepaid, has been foreclosed, or has matured after September 30, 2005, or residing in a property assisted under section 514 or 516 that is owned by a nonprofit organization or public agency.

Section 4. Amount of Voucher Assistance.

- This section provides that, notwithstanding any other provisions of law, the monthly assistance payment amount for the household receiving a section 542 voucher shall be determined as provided in subsection (a) of Section 542 of the Housing Act of 1949 (42 U.S.C. 1490r).

Section 5. Use of Available Rental Assistance.

- This section amends subsection (d) of section 521 of the Housing Act of 1949 (42 U.S.C. 1490a(d)) to provide that when an assisted family terminates its rental assistance, the owner of the rental property may use the assistance authority to provide that rental assistance to another eligible unassisted family already residing in the same project as the previously assisted family or to an eligible unassisted family that newly occupies a rental unit in the property. If the owner does not provide the rental assistance within six months, the Secretary must use the remaining authority to provide assistance to other eligible families residing in other rental projects originally financed under section 515 or both sections 514 and 516.

Section 6. Funding for Multifamily Technical Improvements.

- This section provides the Secretary \$50,000,000 for fiscal year 2023 to improve the technology at USDA to process loans for multifamily housing and manage such housing. Once the funds are appropriated, USDA will have five years to make such updates.

Section 7. Plan for Preserving Affordability of Rental Projects.

- Subsection (a) requires the Secretary of Agriculture to submit to Congress, no later than six months after the bill is enacted, a written plan for preserving affordable rental projects supported by USDA section 514 or 515 loans. The plan must include performance goals and measures, specific actions

and mechanisms to achieve those goals and measures, detailed reporting on outcomes, and legislative recommendations to assist in achieving the goals under the plan.

- Subsection (b) requires the Secretary of Agriculture to establish an advisory committee that will assist the Secretary in preserving section 514 and 515 properties through the MPR program and in implementing the plan required by subsection (a). The advisory committee consists of 13 diverse stakeholders appointed as members by the Secretary. The advisory committee will meet at least once a calendar quarter. The advisory committee will assist the Rural Housing Service to improve estimates of the size, scope, and condition of the rental housing portfolio of the Service. It will also review current policies and procedures of the Rural Housing Service regarding preservation of affordable rental housing financed under sections 514, 515, and 538 of the Housing Act of 1949, the Multifamily Preservation and Revitalization Demonstration program (MPR), and the rental assistance program and making recommendations regarding improvements and modifications to such policies and procedures. Additionally, the advisory committee will provide ongoing review of the Rural Housing Service program results and provide reports to Congress and the public on meetings, recommendations, and other findings. Any amounts made available for USDA administrative costs may be used for costs of travel by members of the advisory committee to meetings of the committee.

Section 8. Covered Housing Programs.

- This section amends paragraph (3) of section 41411(a) of the Violence Against Women Act of 1994 (34 U.S.C. 12491(a)(3)) to extend VAWA housing protections to the USDA's section 542 voucher program.

Appendix B: Section by Section for ANS to H.R. 2965, the "Naomi Schwartz Safe Parking Act of 2021" (Rep. Carbajal)

Section 1. Short title.

- This section establishes the short title of the bill as the "Naomi Schwartz Safe Parking Act of 2022."

Section 2. Eligible activity under Emergency Solutions Grant program.

- This section amends section 415 of the McKinney-Vento Homeless Assistance Act to include safe parking as an eligible activity under the Emergency Solutions Grant program.
- This section also amends section 411 of the McKinney-Vento Homeless Assistance Act to define "safe parking" as an activity that: 1) provides homeless persons living in vehicles, including motor homes, with a safe place to park their vehicle overnight to facilitate a transition to more stable housing; and 2) provides re-housing and supportive services.

Appendix C: Section by Section for ANS to H.R. 4277, the "Overdraft Protection Act of 2021" (Rep. Maloney)

Section 1. Short title.

- The short title is the Overdraft Protection Act of 2022.

Section 2. Findings and Purpose.

- The section establishes findings and the purpose of this Act, which is to protect consumers by limiting abusive overdraft coverage fees and practices, and by providing meaningful disclosures and consumer choice in connection with overdraft coverage fees.

Section 3. Fair Marketing and Provision of Overdraft Coverage Programs.

- This section adds a new section 140B to the Truth in Lending Act, with the following subsections:
 - Section 140B(a). This subsection defines key terms relating to overdraft coverage for purposes of this new section 140B of TILA.
 - Section 140B(b). This subsection prohibits unfair or deceptive marketing to market overdraft coverage.
 - Section 140B(c). This subsection requires institutions to provide clear and conspicuous overdraft coverage disclosure in marketing materials. It requires the disclosure of overdraft coverage fees and requires institutions to notify consumers that if they do not opt-in for overdraft coverage, their transactions may be declined, and they will not be charged a fee when those transactions are declined.
 - Section 140B(d). This subsection prohibits institutions from charging overdraft fees unless a consumer has consented in writing for overdraft protection.
 - Section 140B(e). This subsection requires institutions to clearly disclose to consumers that they will be charged no more than one overdraft coverage fee per month, and no more than six overdraft coverage fees per calendar year, and that the institution retains the discretion to pay without charge or reject any other overdrafts incurred. It requires that the financial institution provide information about any overdraft products that are available and identify the differences in terms with respect to how the products differ.
 - Section 140B(f). This subsection requires institutions to clearly disclose the dollar amount of overdraft coverage fees and NSF fees charged to the consumer for the relevant period and year to date in periodic statements.
 - Section 140B(g). This subsection prohibits institutions from including the amount available under a consumer's overdraft coverage program as part of the consumer's account balance and requires institutions to display the account balance more prominently than any amount available under the overdraft coverage program.
 - Section 140B(h). This subsection requires institutions to promptly notify consumers, through a reasonable means selected by the consumer, when overdraft coverage has been accessed.
 - Section 140B(i). This subsection requires institutions to provide prompt notice, through a reasonable means selected by the consumer, if the institution terminates or suspends a consumer's access to an overdraft coverage program, including a clear rationale for the action. This section requires institutions to warn the consumer if completing a transaction at an ATM terminal or branch teller may trigger overdraft coverage fees, including the amount of the fees.
 - Section 140B(j). This subsection generally limits institutions from charging more than one overdraft coverage fee per month and more than six per year, though CFPB may increase the annual limit. This subsection also requires that overdraft coverage fees be reasonable

- and proportional to the amount of the overdraft and to the cost to the financial institution in providing the overdraft coverage for that transaction. The CFPB, in consultation with the financial regulators, may issue rules to provide an amount for any overdraft coverage fee that is presumed to be reasonable and proportional. Additionally, it requires institutions to post transactions in a manner that minimizes overdraft fees and non-sufficient fund fees.
- Section 140B(k). This subsection prohibits institutions from charging an overdraft coverage fee on any type of transaction if the overdraft results solely from a debit hold placed on an account that exceeds the actual dollar amount of the transaction.
 - Section 140B(l). This subsection requires institutions to provide consumers who have not consented to overdraft coverage with the same terms and conditions as those who have consented to overdraft coverage, except for features of such overdraft coverage.
 - Section 140B(m). This subsection prohibits institutions from charging NSF fees for any debit card transactions or any transactions at ATMs. It also requires the amount of any non-sufficient fund fee be reasonable and proportional to the cost to the financial institution directly associated with returning the transaction. The CFPB, in consultation with the financial regulators, may issue rules to provide an amount for any non-sufficient fund fee that is presumed to be reasonable and proportional.
 - Section 140B(n). This subsection prohibits institutions from reporting consumers to a credit agency for overdrawing accounts if fees are paid under the terms of the overdraft program.
 - Section 140B(o). This subsection prohibits construing any provision in Section 3 as prohibiting a depository institution from retaining the discretion to pay, without assessing an overdraft coverage fee or charge, an overdraft incurred by a consumer.

Section 4. Regulatory Authority of the Bureau.

- This section requires the CFPB to issue the final rules and publish model forms necessary to carry out section 140B of the TILA within 18 months.
- It also stipulates that in issuing rules and guidance, including any with respect to the calculation of annual percentage rates, the CFPB consider the impact on low-income consumers.
- This section additionally requires CFPB to conduct a study and issue a report on the impact on financial institutions with less than \$1 billion in assets and the communities they serve. CFPB may subsequently revise its final rules with respect to such institutions.

Section 5. Effective Date.

- This section states that the effective date of this Act is 2 years after its enactment.
- This section also imposes a 2-year moratorium on institutions increasing overdraft coverage fees or non-sufficient fund fees.

Appendix D: Section by Section for ANS to H.R. 4865, the "Registration for Index-Linked Annuities Act" (Rep. Adams)

Section 1. Short Title

- Provides for the citation of H.R. 4865 as the “Registration for Index-Linked Annuities Act.”

Section 2. Parity for registered Index-Linked Annuities Regarding Registration Rules

- Subsection (a) provides for the definitions of terms utilized in the bill.
- Subsection (b) requires the SEC to, not more than 180 days after enactment, to put forward within 18 months new rules that would provide for the development of a new, tailored form for RILAs. The form is required to ensure that there is sufficient investor testing to ensure consumers are adequately protected.
- Subsection (c) provides that, if the SEC has failed to finalize the new form in subsection (b), that any RILA may utilize Form N-4.

Appendix E: Section by Section for ANS to H.R. 6889, the “Credit Union Board Modernization Act” (Rep. Vargas)

Section 1. Short title.

- This section establishes the short title of the bill as the “Credit Union Board Modernization Act”.

Section 2. Frequency of Board of Directors Meetings.

- This section requires that the board of directors of a de novo Federal credit union meet not less frequently than monthly during each of the first five years of its existence.
- The section requires that the board of directors of a Federal credit union with a composite rating of either 1 or 2 under the Uniform Financial Institutions Rating System and with a capability management rating of either 1 or 2 meet not less than six times annually, with at least one meeting held during each fiscal quarter.
- This section requires that the board of directors of a Federal credit union with a composite rating of either 3, 4, or 5 under the Uniform Financial Institutions Rating System or with a capability management rating of either 3, 4, or 5 meet not less frequently than once a month.

Appendix F: Section by Section for ANS to H.R. 7123, the "Studying Barriers to Housing Act" (Rep. Garcia, S.)

Section 1. Short title.

- This section establishes the short title of the bill as the “Studying Barriers to Housing Act.”

Section 2. GAO study and report on reducing homelessness through public housing and Section 8 rental assistance.

- This section directs the Government Accountability Office (GAO) to conduct a study to identify barriers limiting public housing agencies (PHAs) from providing housing assistance to people experiencing homelessness through public housing and the Housing Choice Voucher program.
- Subsection (a) requires the study to include:
 - Consideration of laws, regulations, notices or guidance regarding waiting lists, documentation requirements, tenant screening, and funding formulas or performance measures creating barriers to serving persons and families experiencing homelessness.
 - Analysis of the effects of the limitation under section 8(o)(13)(B) of the U.S. Housing Act of 1937, relating to the maximum amount of housing voucher assistance that a PHA may use for project-based assistance.
 - Identification of barriers to fair housing, and to the coordination of federal housing assistance and homelessness funds to affirmatively further fair housing for protected classes disproportionately experiencing homelessness.
- Subsection (b) requires the GAO to submit the study to Congress within a year of enactment.

Appendix H: Section by Section for ANS to H.R. _____, Aligning SEC Regulations for the World Bank's International Development Association Act" (Rep. Waters)

Section 1. Short title.

- This section establishes the short title of the bill as the “Aligning SEC Regulations for the World Bank's International Development Association Act of 2022”

Section 2.

- This section exempts securities issued by the International Development Association (IDA) and any securities guaranteed by IDA from registration requirements under section 3(a)(2) of the Securities Act of 1933 and reporting requirements under section 3(a)(12) of the Securities Exchange Act of 1934.
- This section requires IDA to file with the Securities and Exchange Commission (SEC) annual and other reports with regard to such securities that the SEC determines appropriate in view of the special character of IDA and its operations and necessary in the public interest or for the protection of investors.
- This section authorizes the SEC to suspend at any time the exemption from securities law that the legislation accords to IDA and requires the SEC Commission to include in its annual reports to Congress such information that it deems advisable with regard to the operations and effect of this legislation.

Appendix I: [Section by Section for ANS to H.R. 8476, the "Housing Inspections Accountability Act of 2022" \(Rep. Ocasio-Cortez\)](#)

Section 1. Short Title.

- This section establishes the short title of the bill as the “Housing Inspections Accountability Act of 2022.”

Section 2. Annual Reports and Database Regarding Failed Inspections.

- This section requires that the Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA) jointly report to Congress on an annual basis with information regarding housing projects that are funded through the agencies’ federal rental assistance programs and have received failing or unsatisfactory inspection scores in the preceding 12 months.
 - Such reports shall also include the defects and violations identified and the status of their remediation, the number of failed properties that have requested an appeal, the share of properties granted an appeal, as well as the number of households living in such properties who are on a waitlist to be moved to a different unit.
- This section also requires that HUD and USDA jointly develop a searchable online database that is available to the public and contains the information provided in the agencies’ annual reports to Congress. Such database shall not make any personally identifiable information available.

Appendix J: Section by Section for ANS to H.R. 8485, the "Expanding Access to Credit through Consumer-Permissioned Data Act." (Rep. Williams)

Section 1. Short title.

- This section establishes the short title of the bill as the “Expanding Access to Credit through Consumer-Permissioned Data Act”.

Section 2. Findings.

- This section establishes findings for the act, including the importance of the availability of alternative data in mortgage lending for consumers without credit scores.

Section 3. Requirement to Consider Additional Credit Information when Making Mortgage Loans.

- This section amends the Equal Credit Opportunity Act to require creditors extending a mortgage loan to consider consumer-permissioned alternative credit information not reported through a consumer reporting agency, where the applicant gives the creditor permission to access on the applicant’s behalf and does not believe that credit information reported through consumer reporting agencies fully or accurately reflects their creditworthiness. Consumer-permissioned alternative credit information will be defined by CFPB consistent with Regulation B, and in the judgment of CFPB, the information relates to the type of information that the creditor would consider if otherwise reported.
- This section ensures a creditor shall treat consumer-permissioned alternative credit information in the same manner and with the same weight as the creditor would treat the same information if it were provided by a consumer reporting agency, as defined by CFPB. However, a creditor may disregard this information if the creditor reasonably determines that such information is the result of a material misrepresentation, according to CFPB.
- This section requires creditors to provide applicants for a mortgage loan with a notice that includes an explanation of the applicant’s right under this section, including examples of additional information they can provide, as well as the benefits of providing such information and the right of the creditor to disregard such information if they determine there is a material misrepresentation. Notices shall be made available in each of the eight languages most commonly spoken by individuals with limited English proficiency, as determined by CFPB. CFPB will establish form language to be used by creditors in providing the notices.
- This section ensures that those who develop or maintain an underwriting system for mortgage loans shall ensure such system complies with this act.
- This section directs CFPB to consult with the Federal Housing Finance Agency, the Department of Housing and Urban Development, and any other Federal agency that insures, guarantees, supplements, or assists Federally backed single-family or multifamily mortgage loans to issue regulations that are necessary to capture consumer-permissioned data in automated underwriting systems.
- Under this section, the CFPB shall issue final rules to carry out the act not later than the end of the 18-month period beginning on the date of enactment of this act, and the act shall apply to creditors on and after the effective date of such final rules.

Appendix K: Section by Section for ANS to H.R. 8478, the "Credit Reporting Accuracy After a Legal Name Change Act." (Rep. Pressley)

Section 1. Short title.

- This section establishes the short title of the bill as the “Credit Reporting Accuracy After a Legal Name Change Act of 2022”.

Section 2. Findings; Sense of Congress.

- This section establishes findings for the act and why the act is integral for equity in access to credit, housing, and employment for transgender and nonbinary consumers.
- This section also establishes a sense of Congress that CFPB should take measures to address the problems faced by transgender and nonbinary consumers after they change their legal names by requiring consumer reporting agencies to take action to improve their accuracy and transparency.

Section 3. Requirement to Use a Consumer’s Current Legal Name on Consumer Reports.

- This section amends the Fair Credit Reporting Act to ensure that consumer reports use the consumer’s current legal name, after receiving a request from the consumer to use only the consumer’s current legal name on all consumer reports.