SECTION 1. SHORT TITLE.

This Act may be cited as the “Portfolio Lending and Mortgage Access Act”.

SEC. 2. SAFE HARBOR FOR certain loans held on portfolio.

(a) In general.—Section 129C of the Truth in Lending Act (15 U.S.C. 1639c) is amended by adding at the end the following:

“(j) Safe Harbor for certain loans held on portfolio.—

“(1) Safe harbor for creditors that are depository institutions.—

“(A) In general.—A creditor that is a depository institution shall not be subject to suit for failure to comply with subsection (a), (c)(1), or (f)(2) of this section or section 129H with respect to a residential mortgage loan, and
the banking regulators shall treat such loan as
a qualified mortgage, if—

“(i) the creditor has, since the origi-
nation of the loan, held the loan on the
balance sheet of the creditor; and

“(ii) all prepayment penalties with re-
spect to the loan comply with the limita-
tions described under subsection (c)(3).

“(B) EXCEPTION FOR CERTAIN TRANS-
fers.—In the case of a depository institution
that transfers a loan originated by that institu-
tion to another depository institution by reason
of the bankruptcy or failure of the originating
depository institution or the purchase of the
originating depository institution, the depository
institution transferring such loan shall be
deemed to have complied with the requirement
under subparagraph (A)(i).

“(2) SAFE HARBOR FOR MORTGAGE ORIGINA-
tors.—A mortgage originator shall not be subject
to suit for a violation of section 129B(c)(3)(B) for
steering a consumer to a residential mortgage loan
if—

“(A) the creditor of such loan is a deposi-
tory institution and has informed the mortgage
originator that the creditor intends to hold the
loan on the balance sheet of the creditor for the
life of the loan; and

“(B) the mortgage originator informs the
consumer that the creditor intends to hold the
loan on the balance sheet of the creditor for the
life of the loan.

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

“(A) BANKING REGULATORS.—The term
‘banking regulators’ means the Federal banking
agencies, the Bureau, and the National Credit
Union Administration.

“(B) DEPOSITORY INSTITUTION.—The
term ‘depository institution’ has the meaning
given that term under section 19(b)(1) of the
Federal Reserve Act (12 U.S.C. 505(b)(1)).

“(C) FEDERAL BANKING AGENCIES.—The
term ‘Federal banking agencies’ has the mean-
ing given that term under section 3 of the Fed-
eral Deposit Insurance Act.”.

(b) RULE OF CONSTRUCTION.—Nothing in the
amendment made by this Act may be construed as pre-
venting a balloon loan from qualifying for the safe harbor
provided under section 129C(j) of the Truth in Lending
Act if the balloon loan otherwise meets all of the requirements under such subsection (j), regardless of whether the balloon loan meets the requirements described under clauses (i) through (iv) of section 129C(b)(2)(E) of such Act.