

NOVEMBER 29, 2017

RULES COMMITTEE PRINT 115–44
TEXT OF H.R. 3971, COMMUNITY INSTITUTION
MORTGAGE RELIEF ACT OF 2017

[Showing the text of H.R. 3971 as ordered reported by the
Committee on Financial Services.]

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Community Institution
3 Mortgage Relief Act of 2017”.

4 **SEC. 2. COMMUNITY FINANCIAL INSTITUTION MORTGAGE**
5 **RELIEF.**

6 (a) EXEMPTION FROM ESCROW REQUIREMENTS FOR
7 LOANS HELD BY SMALLER CREDITORS.—Section 129D
8 of the Truth in Lending Act (15 U.S.C. 1639d) is amend-
9 ed—

10 (1) by adding at the end the following:

11 “(k) SAFE HARBOR FOR LOANS HELD BY SMALLER
12 CREDITORS.—

13 “(1) IN GENERAL.—A creditor shall not be in
14 violation of subsection (a) with respect to a loan if—

15 “(A) the creditor has consolidated assets of
16 \$25,000,000,000 or less; and

17 “(B) the creditor holds the loan on the bal-
18 ance sheet of the creditor for the 3-year period

1 beginning on the date of the origination of the
2 loan.

3 “(2) EXCEPTION FOR CERTAIN TRANSFERS.—

4 In the case of a creditor that transfers a loan to an-
5 other person by reason of the bankruptcy or failure
6 of the creditor, the purchase of the creditor, or a su-
7 pervisory act or recommendation from a State or
8 Federal regulator, the creditor shall be deemed to
9 have complied with the requirement under para-
10 graph (1)(B).”; and

11 (2) by striking the term “Board” each place
12 such term appears and inserting “Bureau”.

13 (b) MODIFICATION TO EXEMPTION FOR SMALL
14 SERVICERS OF MORTGAGE LOANS.—Section 6 of the Real
15 Estate Settlement Procedures Act of 1974 (12 U.S.C.
16 2605) is amended by adding at the end the following:

17 “(n) SMALL SERVICER EXEMPTION.—The Bureau
18 shall, by regulation, provide exemptions to, or adjustments
19 for, the provisions of this section for a servicer that annu-
20 ally services 30,000 or fewer mortgage loans, in order to
21 reduce regulatory burdens while appropriately balancing
22 consumer protections.”.

