

114TH CONGRESS  
1ST SESSION

# H. R. 1210

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## AN ACT

To amend the Truth in Lending Act to provide a safe harbor from certain requirements related to qualified mortgages for residential mortgage loans held on an originating depository institution's portfolio, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

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

4 **SEC. 2. SAFE HARBOR FOR CERTAIN LOANS HELD ON**  
5 **PORTFOLIO.**

6 (a) IN GENERAL.—Section 129C of the Truth in  
7 Lending Act (15 U.S.C. 1639c) is amended by adding at  
8 the end the following:

9 “(j) SAFE HARBOR FOR CERTAIN LOANS HELD ON  
10 PORTFOLIO.—

11 “(1) SAFE HARBOR FOR CREDITORS THAT ARE  
12 DEPOSITORY INSTITUTIONS.—

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

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

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

1           “(B) EXCEPTION FOR CERTAIN TRANS-  
2           FERS.—In the case of a depository institution  
3           that transfers a loan originated by that institu-  
4           tion to another depository institution by reason  
5           of the bankruptcy or failure of the originating  
6           depository institution or the purchase of the  
7           originating depository institution, the depository  
8           institution transferring such loan shall be  
9           deemed to have complied with the requirement  
10          under subparagraph (A)(i).

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

16                 “(A) the creditor of such loan is a depository  
17                 institution and has informed the mortgage  
18                 originator that the creditor intends to hold the  
19                 loan on the balance sheet of the creditor for the  
20                 life of the loan; and

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

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

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

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

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

15          (b) RULE OF CONSTRUCTION.—Nothing in the  
16          amendment made by this Act may be construed as pre-  
17          venting a balloon loan from qualifying for the safe harbor  
18          provided under section 129C(j) of the Truth in Lending  
19          Act if the balloon loan otherwise meets all of the require-  
20          ments under such subsection (j), regardless of whether the  
21          balloon loan meets the requirements described under

1 clauses (i) through (iv) of section 129C(b)(2)(E) of such  
2 Act.

Passed the House of Representatives November 18,  
2015.

Attest:

*Clerk.*

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