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AMENDMENT TO H.R. 1728, AS REPORTED

OFFERED BY MR. GARRETT OF NEW JERSEY AND MR. MCHENRY OF NORTH CAROLINA

Amend section 129C(l) of the Truth in Lending Act (as added by section 213 of the bill) to read as follows:

1 "(l) CREDIT RISK RETENTION.—The Federal bank-
2 ing agencies shall prescribe regulations jointly to require
3 any creditor that makes a residential mortgage loan that
4 is not a qualified mortgage (as defined in section
5 129C(c)(2)(A)), to retain an economic interest in a portion
6 of the credit risk for any such loan that the creditor trans-
7 fers, sells or conveys to a third party. Such regulations
8 shall—
9 "(1) help ensure high quality underwriting
10 standards for mortgage lenders; and
11 "(2) facilitate appropriate risk management
12 practices by mortgage lenders, improve access of
13 consumers to mortgage credit on reasonable terms,
14 or otherwise serve the public interest.".