

S 1834

Residential Mortgage Market Privatization and Standardization Act of 2011

**Congress:** 112 (2011–2013, Ended)

**Chamber:** Senate

**Policy Area:** Housing and Community Development

**Introduced:** Nov 9, 2011

**Current Status:** Committee on Banking, Housing, and Urban Affairs. Hearings held. Hearings printed: S.Hrg. 112-408.

**Latest Action:** Committee on Banking, Housing, and Urban Affairs. Hearings held. Hearings printed: S.Hrg. 112-408. (Nov 15, 2011)

**Official Text:** <https://www.congress.gov/bill/112th-congress/senate-bill/1834>

Sponsor

**Name:** Sen. Corker, Bob [R-TN]

**Party:** Republican • **State:** TN • **Chamber:** Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Chambliss, Saxby [R-GA]	R · GA		Feb 7, 2012

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Hearings By (full committee)	Nov 15, 2011

Subjects & Policy Tags

**Policy Area:**

Housing and Community Development

Related Bills

No related bills are listed.

Residential Mortgage Market Privatization and Standardization Act of 2011 - Amends the National Housing Act and the Federal Home Loan Mortgage Corporation Act to require the Director of the Federal Housing Finance Agency (FHFA) to begin reducing by at least 10% per year the percentage of the value of a trust certificate or other security that may be guaranteed by the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac) (government-sponsored enterprises or GSEs).

Covers single-family or multifamily residential mortgage loans originated, serviced, or subserviced, in whole or in part, owned directly or indirectly, or securitized or resecuritized, by an entity, affiliate, or subsidiary regulated by any one of specified federal agencies. Directs each such agency to require that all entities they regulate put into the public domain reasonably accurate and complete data relating to covered mortgage loans.

Amends the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 to require the FHFA Director to establish a program to encourage the development of a deliverable residential mortgage (DRM) futures market (for forward contracts for the sale of mortgage-backed securities collateralized exclusively by DRMs) that: (1) compliments the TBA market (for forward contracts for the sale of mortgage-backed securities that do not specify the particular mortgage-backed securities that will be delivered to the buyer); (2) creates incentives for trading by participants in the TBA market; and (3) has the potential to replace the TBA market.

Amends the Securities Act of 1933 and the Securities Exchange Act of 1934 to exempt from regulation and registration requirements any mortgage-backed security collateralized exclusively by DRMs.

Requires the Director, as conservator of the GSEs, to: (1) identify any GSE property that would be of value to nongovernmental entities; and (2) sell it to them.

Directs the federal banking agencies to: (1) establish jointly specific minimum standards for mortgage underwriting; and (2) review, and if necessary revise, them every five years.

Makes it a violation of federal law: (1) for any mortgage loan originator to fail to comply with such minimum standards in originating a residential mortgage loan; (2) for any company to maintain an extension of credit on a revolving basis to any person to fund a residential mortgage loan, unless the company reasonably determines that the loan was subject to no less stringent underwriting standards; or (3) for any company to purchase, fund by assignment, or guarantee a residential mortgage loan, unless the company also reasonably determines that the loan was subject to no less stringent underwriting standards.

Authorizes the federal banking agencies to issue rules jointly to exempt from specified downpayment requirements tax-exempt charitable organizations that are also mortgage loan originators.

Amends the Securities Exchange Act of 1934 to repeal credit risk retention and qualified residential mortgage (QRM) rules.

Requires the Director to develop a uniform pooling and servicing agreement (PSA) to: (1) address all issues relating to the pool trustee; and (2) create uniform loss mitigation standards, including standards for a single point of contact for troubled borrowers, an industry wide net-present-value model for determining when to conduct a loan modification rather than foreclosure, and national standards for the foreclosure process.

Requires the FHFA Director to establish a Mortgage Electronic Registration System to incorporate a single national database for all mortgage title transfers.

Requires the Comptroller of the Currency, the Chairperson of the Federal Deposit Insurance Corporation (FDIC), the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Consumer Financial Protection Bureau (CFPB) to develop jointly, under FHFA direction, uniform regulatory practices for the mortgage market.

### **Actions Timeline**

---

- **Nov 15, 2011:** Committee on Banking, Housing, and Urban Affairs. Hearings held. Hearings printed: S.Hrg. 112-408.
- **Nov 9, 2011:** Introduced in Senate
- **Nov 9, 2011:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.