

HR 6487

Taxpayer Protections and Market Access for Mortgage Finance Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Housing and Community Development

Introduced: Dec 8, 2016

Current Status: Referred to the Subcommittee on Commodity Exchanges, Energy, and Credit.

Latest Action: Referred to the Subcommittee on Commodity Exchanges, Energy, and Credit. (Dec 16, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/6487>

Sponsor

Name: Rep. Royce, Edward R. [R-CA-39]

Party: Republican • **State:** CA • **Chamber:** House

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Moore, Gwen [D-WI-4]	D · WI		Dec 8, 2016

Committee Activity

Committee	Chamber	Activity	Date
Agriculture Committee	House	Referred to	Dec 16, 2016
Financial Services Committee	House	Referred To	Dec 8, 2016
Ways and Means Committee	House	Referred To	Dec 8, 2016

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

Taxpayer Protections and Market Access for Mortgage Finance Act of 2016

This bill amends the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 to direct the Federal Housing Finance Agency (FHFA) to establish guidelines to require the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) to engage in significant and increasing credit risk transfer transactions.

A "risk transfer transaction" provides for: (1) the sale, disposition, retention, or transfer within the private sector of credit risk on any single-family residential mortgage loan or a pool of such loans that back securities on which the enterprise guarantees the timely payment of principal and interest; or (2) the retention by the private sector of any such credit risk in connection with the sale of any such loan or security to an enterprise.

The enterprises may set and publish guarantee fees commensurate with the reduced credit risk resulting from any new risk transfer transactions. The bill exempts certain swaps entered into for the purpose of transferring or sharing credit risk in connection with a risk transfer transaction from the Commodity Exchange Act.

The FHFA must also require Fannie Mae and Freddie Mac to: (1) establish a five-year pilot program under which each enterprise must annually engage in at least one front-end (before or simultaneous with the acquisition of the loan or security by the enterprise) risk sharing transaction for which both bank and non-bank mortgage originators having under \$10 billion in assets are eligible participants, and (2) jointly establish a pilot program to increase the amount of risk that is transferred by the enterprises using private mortgage insurance.

Actions Timeline

- **Dec 16, 2016:** Referred to the Subcommittee on Commodity Exchanges, Energy, and Credit.
- **Dec 8, 2016:** Introduced in House
- **Dec 8, 2016:** Referred to the Committee on Financial Services, and in addition to the Committees on Agriculture, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.