

§ 4808. Revising regulatory requirements for transfers of all types of assets with recourse

(a) Review and revision of regulations

(1) In general

During the 180-day period beginning on September 23, 1994, each appropriate Federal banking agency shall, consistent with the principles of safety and soundness and the public interest—

(A) review the agency's regulations and written policies relating to transfers of assets with recourse by insured depository institutions; and

(B) in consultation with the other Federal banking agencies, promulgate regulations that better reflect the exposure of an insured depository institution to credit risk from transfers of assets with recourse.

(2) Regulations required

Before the end of the 180-day period beginning on September 23, 1994, each appropriate Federal banking agency shall prescribe the regulations developed pursuant to paragraph (1)(B).

(b) Regulations required

(1) In general

After the end of the 180-day period beginning on September 23, 1994, the amount of risk-based capital required to be maintained, under regulations prescribed by the appropriate Federal banking agency, by any insured depository institution with respect to assets transferred with recourse by such institution may not exceed the maximum amount of recourse for which such institution is contractually liable under the recourse agreement.

(2) Exception for safety and soundness

The appropriate Federal banking agency may require any insured depository institution to maintain risk-based capital in an amount greater than the amount determined under paragraph (1), if the agency determines, by regulation or order, that such higher amount is necessary for safety and soundness reasons.

(c) Coordination with section 1835(b) of this title

This section shall not be construed as superseding the applicability of section 1835(b) of this title.

(d) Definitions

For purposes of this section, the terms “appropriate Federal banking agency”, “Federal banking agency”, and “insured depository institution” have the same meanings as in section 1813 of this title.

(Pub. L. 103-325, title III, § 350, Sept. 23, 1994, 108 Stat. 2242.)

§ 4809. “Plain language” requirement for Federal banking agency rules

(a) In general

Each Federal banking agency shall use plain language in all proposed and final rulemakings published by the agency in the Federal Register after January 1, 2000.

(b) Report

Not later than March 1, 2001, each Federal banking agency shall submit to the Congress a report that describes how the agency has complied with subsection (a) of this section.

(c) Definition

For purposes of this section, the term “Federal banking agency” has the meaning given that term in section 1813 of this title.

(Pub. L. 106-102, title VII, § 722, Nov. 12, 1999, 113 Stat. 1471.)

CODIFICATION

Section was enacted as part of the Gramm-Leach-Bliley Act, and not as part of title III of Pub. L. 103-322 which comprises this chapter.

CHAPTER 49—HOMEOWNERS PROTECTION

Sec.	Definitions.
4901.	Termination of private mortgage insurance.
4902.	(a) Borrower cancellation.
	(b) Automatic termination.
	(c) Final termination.
	(d) Treatment of loan modifications.
	(e) No further payments.
	(f) Return of unearned premiums.
	(g) Exceptions for high risk loans.
	(h) Accrued obligation for premium payments.
4903.	Disclosure requirements.
	(a) Disclosures for new mortgages at time of transaction.
	(b) Disclosures for existing mortgages.
	(c) Inclusion in other annual notices.
	(d) Standardized forms.
4904.	Notification upon cancellation or termination.
	(a) In general.
	(b) Notice of grounds.
4905.	Disclosure requirements for lender paid mortgage insurance.
	(a) Definitions.
	(b) Exclusion.
	(c) Notices to mortgagor.
	(d) Standard forms.
4906.	Fees for disclosures.
4907.	Civil liability.
	(a) In general.
	(b) Timing of actions.
	(c) Limitations on liability.
4908.	Effect on other laws and agreements.
	(a) Effect on State law.
	(b) Effect on other agreements.
4909.	Enforcement.
	(a) In general.
	(b) Additional enforcement powers.
	(c) Enforcement and reimbursement.
4910.	Construction.
	(a) PMI not required.
	(b) No preclusion of cancellation or termination agreements.

§ 4901. Definitions

In this chapter, the following definitions shall apply:

(1) Adjustable rate mortgage

The term “adjustable rate mortgage” means a residential mortgage that has an interest rate that is subject to change. A residential mortgage that: (A) does not fully amortize over the term of the obligation; and (B) contains a conditional right to refinance or mod-