

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Dodd-Frank Wall Street Reform and Consumer Protec-
4 tion Act”.

5 (b) **TABLE OF CONTENTS.**—The table of contents for
6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Severability.
- Sec. 4. Effective date.
- Sec. 5. Budgetary effects.
- Sec. 6. Antitrust savings clause.

TITLE I—FINANCIAL STABILITY

- Sec. 101. Short title.
- Sec. 102. Definitions.

Subtitle A—Financial Stability Oversight Council

- Sec. 111. Financial Stability Oversight Council established.
- Sec. 112. Council authority.
- Sec. 113. Authority to require supervision and regulation of certain nonbank financial companies.
- Sec. 114. Registration of nonbank financial companies supervised by the Board of Governors.
- Sec. 115. Enhanced supervision and prudential standards for nonbank financial companies supervised by the Board of Governors and certain bank holding companies.
- Sec. 116. Reports.
- Sec. 117. Treatment of certain companies that cease to be bank holding companies.
- Sec. 118. Council funding.
- Sec. 119. Resolution of supervisory jurisdictional disputes among member agencies.
- Sec. 120. Additional standards applicable to activities or practices for financial stability purposes.
- Sec. 121. Mitigation of risks to financial stability.
- Sec. 122. GAO Audit of Council.
- Sec. 123. Study of the effects of size and complexity of financial institutions on capital market efficiency and economic growth.

Subtitle B—Office of Financial Research

- Sec. 151. Definitions.
- Sec. 152. Office of Financial Research established.

1 **Subtitle D—Improvements to the**
2 **Asset-Backed Securitization**
3 **Process**

4 **SEC. 941. REGULATION OF CREDIT RISK RETENTION.**

5 (a) DEFINITION OF ASSET-BACKED SECURITY.—Sec-
6 tion 3(a) of the Securities Exchange Act of 1934 (15
7 U.S.C. 78c(a)) is amended by adding at the end the fol-
8 lowing:

9 “(77) ASSET-BACKED SECURITY.—The term
10 ‘asset-backed security’—

11 “(A) means a fixed-income or other secu-
12 rity collateralized by any type of self-liquidating
13 financial asset (including a loan, a lease, a
14 mortgage, or a secured or unsecured receivable)
15 that allows the holder of the security to receive
16 payments that depend primarily on cash flow
17 from the asset, including—

18 “(i) a collateralized mortgage obliga-
19 tion;

20 “(ii) a collateralized debt obligation;

21 “(iii) a collateralized bond obligation;

22 “(iv) a collateralized debt obligation of
23 asset-backed securities;

24 “(v) a collateralized debt obligation of
25 collateralized debt obligations; and

1 “(vi) a security that the Commission,
2 by rule, determines to be an asset-backed
3 security for purposes of this section; and

4 “(B) does not include a security issued by
5 a finance subsidiary held by the parent com-
6 pany or a company controlled by the parent
7 company, if none of the securities issued by the
8 finance subsidiary are held by an entity that is
9 not controlled by the parent company.”.

10 (b) CREDIT RISK RETENTION.—The Securities Ex-
11 change Act of 1934 (15 U.S.C. 78a et seq.) is amended
12 by inserting after section 15F, as added by this Act, the
13 following:

14 **“SEC. 15G. CREDIT RISK RETENTION.**

15 “(a) DEFINITIONS.—In this section—

16 “(1) the term ‘Federal banking agencies’ means
17 the Office of the Comptroller of the Currency, the
18 Board of Governors of the Federal Reserve System,
19 and the Federal Deposit Insurance Corporation;

20 “(2) the term ‘insured depository institution’
21 has the same meaning as in section 3(c) of the Fed-
22 eral Deposit Insurance Act (12 U.S.C. 1813(e));

23 “(3) the term ‘securitizer’ means—

24 “(A) an issuer of an asset-backed security;

25 or

1402

1 “(B) a person who organizes and initiates
2 an asset-backed securities transaction by selling
3 or transferring assets, either directly or indi-
4 rectly, including through an affiliate, to the
5 issuer; and

6 “(4) the term ‘originator’ means a person
7 who—

8 “(A) through the extension of credit or
9 otherwise, creates a financial asset that
10 collateralizes an asset-backed security; and

11 “(B) sells an asset directly or indirectly to
12 a securitizer.

13 “(b) REGULATIONS REQUIRED.—

14 “(1) IN GENERAL.—Not later than 270 days
15 after the date of enactment of this section, the Fed-
16 eral banking agencies and the Commission shall
17 jointly prescribe regulations to require any
18 securitizer to retain an economic interest in a por-
19 tion of the credit risk for any asset that the
20 securitizer, through the issuance of an asset-backed
21 security, transfers, sells, or conveys to a third party.

22 “(2) RESIDENTIAL MORTGAGES.—Not later
23 than 270 days after the date of the enactment of
24 this section, the Federal banking agencies, the Com-
25 mission, the Secretary of Housing and Urban Devel-

1 opment, and the Federal Housing Finance Agency,
2 shall jointly prescribe regulations to require any
3 securitizer to retain an economic interest in a por-
4 tion of the credit risk for any residential mortgage
5 asset that the securitizer, through the issuance of an
6 asset-backed security, transfers, sells, or conveys to
7 a third party.

8 “(c) STANDARDS FOR REGULATIONS.—

9 “(1) STANDARDS.—The regulations prescribed
10 under subsection (b) shall—

11 “(A) prohibit a securitizer from directly or
12 indirectly hedging or otherwise transferring the
13 credit risk that the securitizer is required to re-
14 tain with respect to an asset;

15 “(B) require a securitizer to retain—

16 “(i) not less than 5 percent of the
17 credit risk for any asset—

18 “(I) that is not a qualified resi-
19 dential mortgage that is transferred,
20 sold, or conveyed through the issuance
21 of an asset-backed security by the
22 securitizer; or

23 “(II) that is a qualified residen-
24 tial mortgage that is transferred, sold,
25 or conveyed through the issuance of

1404

1 an asset-backed security by the
2 securitizer, if 1 or more of the assets
3 that collateralize the asset-backed se-
4 curity are not qualified residential
5 mortgages; or

6 “(ii) less than 5 percent of the credit
7 risk for an asset that is not a qualified res-
8 idential mortgage that is transferred, sold,
9 or conveyed through the issuance of an
10 asset-backed security by the securitizer, if
11 the originator of the asset meets the un-
12 derwriting standards prescribed under
13 paragraph (2)(B);

14 “(C) specify—

15 “(i) the permissible forms of risk re-
16 tention for purposes of this section;

17 “(ii) the minimum duration of the
18 risk retention required under this section;
19 and

20 “(iii) that a securitizer is not required
21 to retain any part of the credit risk for an
22 asset that is transferred, sold or conveyed
23 through the issuance of an asset-backed se-
24 curity by the securitizer, if all of the assets

1 that collateralize the asset-backed security
2 are qualified residential mortgages;

3 “(D) apply, regardless of whether the
4 securitizer is an insured depository institution;

5 “(E) with respect to a commercial mort-
6 gage, specify the permissible types, forms, and
7 amounts of risk retention that would meet the
8 requirements of subparagraph (B), which in the
9 determination of the Federal banking agencies
10 and the Commission may include—

11 “(i) retention of a specified amount or
12 percentage of the total credit risk of the
13 asset;

14 “(ii) retention of the first-loss position
15 by a third-party purchaser that specifically
16 negotiates for the purchase of such first
17 loss position, holds adequate financial re-
18 sources to back losses, provides due dili-
19 gence on all individual assets in the pool
20 before the issuance of the asset-backed se-
21 curities, and meets the same standards for
22 risk retention as the Federal banking
23 agencies and the Commission require of
24 the securitizer;

1 “(iii) a determination by the Federal
2 banking agencies and the Commission that
3 the underwriting standards and controls
4 for the asset are adequate; and

5 “(iv) provision of adequate representa-
6 tions and warranties and related enforce-
7 ment mechanisms; and

8 “(F) establish appropriate standards for
9 retention of an economic interest with respect
10 to collateralized debt obligations, securities
11 collateralized by collateralized debt obligations,
12 and similar instruments collateralized by other
13 asset-backed securities; and

14 “(G) provide for—

15 “(i) a total or partial exemption of
16 any securitization, as may be appropriate
17 in the public interest and for the protec-
18 tion of investors;

19 “(ii) a total or partial exemption for
20 the securitization of an asset issued or
21 guaranteed by the United States, or an
22 agency of the United States, as the Fed-
23 eral banking agencies and the Commission
24 jointly determine appropriate in the public
25 interest and for the protection of investors,

1407

1 except that, for purposes of this clause, the
2 Federal National Mortgage Association
3 and the Federal Home Loan Mortgage
4 Corporation are not agencies of the United
5 States;

6 “(iii) a total or partial exemption for
7 any asset-backed security that is a security
8 issued or guaranteed by any State of the
9 United States, or by any political subdivi-
10 sion of a State or territory, or by any pub-
11 lic instrumentality of a State or territory
12 that is exempt from the registration re-
13 quirements of the Securities Act of 1933
14 by reason of section 3(a)(2) of that Act
15 (15 U.S.C. 77c(a)(2)), or a security de-
16 fined as a qualified scholarship funding
17 bond in section 150(d)(2) of the Internal
18 Revenue Code of 1986, as may be appro-
19 priate in the public interest and for the
20 protection of investors; and

21 “(iv) the allocation of risk retention
22 obligations between a securitizer and an
23 originator in the case of a securitizer that
24 purchases assets from an originator, as the

1 Federal banking agencies and the Commis-
2 sion jointly determine appropriate.

3 “(2) ASSET CLASSES.—

4 “(A) ASSET CLASSES.—The regulations
5 prescribed under subsection (b) shall establish
6 asset classes with separate rules for securitizers
7 of different classes of assets, including residen-
8 tial mortgages, commercial mortgages, commer-
9 cial loans, auto loans, and any other class of as-
10 sets that the Federal banking agencies and the
11 Commission deem appropriate.

12 “(B) CONTENTS.—For each asset class es-
13 tablished under subparagraph (A), the regula-
14 tions prescribed under subsection (b) shall in-
15 clude underwriting standards established by the
16 Federal banking agencies that specify the
17 terms, conditions, and characteristics of a loan
18 within the asset class that indicate a low credit
19 risk with respect to the loan.

20 “(d) ORIGINATORS.—In determining how to allocate
21 risk retention obligations between a securitizer and an
22 originator under subsection (c)(1)(E)(iv), the Federal
23 banking agencies and the Commission shall—

24 “(1) reduce the percentage of risk retention ob-
25 ligations required of the securitizer by the percent-

1 age of risk retention obligations required of the
2 originator; and

3 “(2) consider—

4 “(A) whether the assets sold to the
5 securitizer have terms, conditions, and charac-
6 teristics that reflect low credit risk;

7 “(B) whether the form or volume of trans-
8 actions in securitization markets creates incen-
9 tives for imprudent origination of the type of
10 loan or asset to be sold to the securitizer; and

11 “(C) the potential impact of the risk reten-
12 tion obligations on the access of consumers and
13 businesses to credit on reasonable terms, which
14 may not include the transfer of credit risk to a
15 third party.

16 “(e) EXEMPTIONS, EXCEPTIONS, AND ADJUST-
17 MENTS.—

18 “(1) IN GENERAL.—The Federal banking agen-
19 cies and the Commission may jointly adopt or issue
20 exemptions, exceptions, or adjustments to the rules
21 issued under this section, including exemptions, ex-
22 ceptions, or adjustments for classes of institutions or
23 assets relating to the risk retention requirement and
24 the prohibition on hedging under subsection (c)(1).

1 “(2) APPLICABLE STANDARDS.—Any exemp-
2 tion, exception, or adjustment adopted or issued by
3 the Federal banking agencies and the Commission
4 under this paragraph shall—

5 “(A) help ensure high quality underwriting
6 standards for the securitizers and originators of
7 assets that are securitized or available for
8 securitization; and

9 “(B) encourage appropriate risk manage-
10 ment practices by the securitizers and origina-
11 tors of assets, improve the access of consumers
12 and businesses to credit on reasonable terms, or
13 otherwise be in the public interest and for the
14 protection of investors.

15 “(3) CERTAIN INSTITUTIONS AND PROGRAMS
16 EXEMPT.—

17 “(A) FARM CREDIT SYSTEM INSTITU-
18 TIONS.—Notwithstanding any other provision of
19 this section, the requirements of this section
20 shall not apply to any loan or other financial
21 asset made, insured, guaranteed, or purchased
22 by any institution that is subject to the super-
23 vision of the Farm Credit Administration, in-
24 cluding the Federal Agricultural Mortgage Cor-
25 poration.

1 “(B) OTHER FEDERAL PROGRAMS.—This
2 section shall not apply to any residential, multi-
3 family, or health care facility mortgage loan
4 asset, or securitization based directly or indi-
5 rectly on such an asset, which is insured or
6 guaranteed by the United States or an agency
7 of the United States. For purposes of this sub-
8 section, the Federal National Mortgage Associa-
9 tion, the Federal Home Loan Mortgage Cor-
10 poration, and the Federal home loan banks
11 shall not be considered an agency of the United
12 States.

13 “(4) EXEMPTION FOR QUALIFIED RESIDENTIAL
14 MORTGAGES.—

15 “(A) IN GENERAL.—The Federal banking
16 agencies, the Commission, the Secretary of
17 Housing and Urban Development, and the Di-
18 rector of the Federal Housing Finance Agency
19 shall jointly issue regulations to exempt quali-
20 fied residential mortgages from the risk reten-
21 tion requirements of this subsection.

22 “(B) QUALIFIED RESIDENTIAL MORT-
23 GAGE.—The Federal banking agencies, the
24 Commission, the Secretary of Housing and
25 Urban Development, and the Director of the

1412

1 Federal Housing Finance Agency shall jointly
2 define the term ‘qualified residential mortgage’
3 for purposes of this subsection, taking into con-
4 sideration underwriting and product features
5 that historical loan performance data indicate
6 result in a lower risk of default, such as—

7 “(i) documentation and verification of
8 the financial resources relied upon to qual-
9 ify the mortgagor;

10 “(ii) standards with respect to—

11 “(I) the residual income of the
12 mortgagor after all monthly obliga-
13 tions;

14 “(II) the ratio of the housing
15 payments of the mortgagor to the
16 monthly income of the mortgagor;

17 “(III) the ratio of total monthly
18 installment payments of the mort-
19 gator to the income of the mortgagor;

20 “(iii) mitigating the potential for pay-
21 ment shock on adjustable rate mortgages
22 through product features and underwriting
23 standards;

24 “(iv) mortgage guarantee insurance or
25 other types of insurance or credit enhance-

1 ment obtained at the time of origination,
2 to the extent such insurance or credit en-
3 hancement reduces the risk of default; and

4 “(v) prohibiting or restricting the use
5 of balloon payments, negative amortization,
6 prepayment penalties, interest-only pay-
7 ments, and other features that have been
8 demonstrated to exhibit a higher risk of
9 borrower default.

10 “(C) LIMITATION ON DEFINITION.—The
11 Federal banking agencies, the Commission, the
12 Secretary of Housing and Urban Development,
13 and the Director of the Federal Housing Fi-
14 nance Agency in defining the term ‘qualified
15 residential mortgage’, as required by subpara-
16 graph (B), shall define that term to be no
17 broader than the definition ‘qualified mortgage’
18 as the term is defined under section 129C(e)(2)
19 of the Truth in Lending Act, as amended by
20 the Consumer Financial Protection Act of
21 2010, and regulations adopted thereunder.

22 “(5) CONDITION FOR QUALIFIED RESIDENTIAL
23 MORTGAGE EXEMPTION.—The regulations issued
24 under paragraph (4) shall provide that an asset-
25 backed security that is collateralized by tranches of

1 other asset-backed securities shall not be exempt
2 from the risk retention requirements of this sub-
3 section.

4 “(6) CERTIFICATION.—The Commission shall
5 require an issuer to certify, for each issuance of an
6 asset-backed security collateralized exclusively by
7 qualified residential mortgages, that the issuer has
8 evaluated the effectiveness of the internal super-
9 visory controls of the issuer with respect to the pro-
10 cess for ensuring that all assets that collateralize the
11 asset-backed security are qualified residential mort-
12 gages.

13 “(f) ENFORCEMENT.—The regulations issued under
14 this section shall be enforced by—

15 “(1) the appropriate Federal banking agency,
16 with respect to any securitizer that is an insured de-
17 pository institution; and

18 “(2) the Commission, with respect to any
19 securitizer that is not an insured depository institu-
20 tion.

21 “(g) AUTHORITY OF COMMISSION.—The authority of
22 the Commission under this section shall be in addition to
23 the authority of the Commission to otherwise enforce the
24 securities laws.

1 “(h) AUTHORITY TO COORDINATE ON RULE-
2 MAKING.—The Chairperson of the Financial Stability
3 Oversight Council shall coordinate all joint rulemaking re-
4 quired under this section.

5 “(i) EFFECTIVE DATE OF REGULATIONS.—The regu-
6 lations issued under this section shall become effective—

7 “(1) with respect to securitizers and originators
8 of asset-backed securities backed by residential
9 mortgages, 1 year after the date on which final rules
10 under this section are published in the Federal Reg-
11 ister; and

12 “(2) with respect to securitizers and originators
13 of all other classes of asset-backed securities, 2 years
14 after the date on which final rules under this section
15 are published in the Federal Register.”.

16 (e) STUDY ON RISK RETENTION.—

17 (1) STUDY.—The Board of Governors of the
18 Federal Reserve System, in coordination and con-
19 sultation with the Comptroller of the Currency, the
20 Director of the Office of Thrift Supervision, the
21 Chairperson of the Federal Deposit Insurance Cor-
22 poration, and the Securities and Exchange Commis-
23 sion shall conduct a study of the combined impact
24 on each individual class of asset-backed security es-
25 tablished under section 15G(c)(2) of the Securities

1 Exchange Act of 1934, as added by subsection (b),
2 of—

3 (A) the new credit risk retention require-
4 ments contained in the amendment made by
5 subsection (b), including the effect credit risk
6 retention requirements have on increasing the
7 market for Federally subsidized loans; and

8 (B) the Financial Accounting Statements
9 166 and 167 issued by the Financial Account-
10 ing Standards Board.

11 (2) REPORT.—Not later than 90 days after the
12 date of enactment of this Act, the Board of Gov-
13 ernors of the Federal Reserve System shall submit
14 to Congress a report on the study conducted under
15 paragraph (1). Such report shall include statutory
16 and regulatory recommendations for eliminating any
17 negative impacts on the continued viability of the
18 asset-backed securitization markets and on the avail-
19 ability of credit for new lending identified by the
20 study conducted under paragraph (1).

21 **SEC. 942. DISCLOSURES AND REPORTING FOR ASSET-**
22 **BACKED SECURITIES.**

23 (a) SECURITIES EXCHANGE ACT OF 1934.—Section
24 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.
25 78o(d)) is amended—

1417

1 (1) by striking “(d) Each” and inserting the
2 following:

3 “(d) SUPPLEMENTARY AND PERIODIC INFORMA-
4 TION.—

5 “(1) IN GENERAL.—Each”;

6 (2) in the third sentence, by inserting after “se-
7 curities of each class” the following: “, other than
8 any class of asset-backed securities,”; and

9 (3) by adding at the end the following:

10 “(2) ASSET-BACKED SECURITIES.—

11 “(A) SUSPENSION OF DUTY TO FILE.—The
12 Commission may, by rule or regulation, provide
13 for the suspension or termination of the duty to
14 file under this subsection for any class of asset-
15 backed security, on such terms and conditions
16 and for such period or periods as the Commis-
17 sion deems necessary or appropriate in the pub-
18 lic interest or for the protection of investors.

19 “(B) CLASSIFICATION OF ISSUERS.—The
20 Commission may, for purposes of this sub-
21 section, classify issuers and prescribe require-
22 ments appropriate for each class of issuers of
23 asset-backed securities.”.

1 (b) SECURITIES ACT OF 1933.—Section 7 of the Se-
2 curities Act of 1933 (15 U.S.C. 77g) is amended by add-
3 ing at the end the following:

4 “(e) DISCLOSURE REQUIREMENTS.—

5 “(1) IN GENERAL.—The Commission shall
6 adopt regulations under this subsection requiring
7 each issuer of an asset-backed security to disclose,
8 for each tranche or class of security, information re-
9 garding the assets backing that security.

10 “(2) CONTENT OF REGULATIONS.—In adopting
11 regulations under this subsection, the Commission
12 shall—

13 “(A) set standards for the format of the
14 data provided by issuers of an asset-backed se-
15 curity, which shall, to the extent feasible, facili-
16 tate comparison of such data across securities
17 in similar types of asset classes; and

18 “(B) require issuers of asset-backed securi-
19 ties, at a minimum, to disclose asset-level or
20 loan-level data, if such data are necessary for
21 investors to independently perform due dili-
22 gence, including—

23 “(i) data having unique identifiers re-
24 lating to loan brokers or originators;

1 “(ii) the nature and extent of the
2 compensation of the broker or originator of
3 the assets backing the security; and

4 “(iii) the amount of risk retention by
5 the originator and the securitizer of such
6 assets.”.

7 **SEC. 943. REPRESENTATIONS AND WARRANTIES IN ASSET-**
8 **BACKED OFFERINGS.**

9 Not later than 180 days after the date of enactment
10 of this Act, the Securities and Exchange Commission shall
11 prescribe regulations on the use of representations and
12 warranties in the market for asset-backed securities (as
13 that term is defined in section 3(a)(77) of the Securities
14 Exchange Act of 1934, as added by this subtitle) that—

15 (1) require each national recognized statistical
16 rating organization to include in any report accom-
17 panying a credit rating a description of—

18 (A) the representations, warranties, and
19 enforcement mechanisms available to investors;
20 and

21 (B) how they differ from the representa-
22 tions, warranties, and enforcement mechanisms
23 in issuances of similar securities; and

24 (2) require any securitizer (as that term is de-
25 fined in section 15G(a) of the Securities Exchange

1 Act of 1934, as added by this subtitle) to disclose
2 fulfilled and unfulfilled repurchase requests across
3 all trusts aggregated by the securitizer, so that in-
4 vestors may identify asset originators with clear un-
5 derwriting deficiencies.

6 **SEC. 944. EXEMPTED TRANSACTIONS UNDER THE SECURI-**
7 **TIES ACT OF 1933.**

8 (a) **EXEMPTION ELIMINATED.**—Section 4 of the Se-
9 curities Act of 1933 (15 U.S.C. 77d) is amended—

10 (1) by striking paragraph (5); and

11 (2) by striking “(6) transactions” and inserting
12 the following:

13 “(5) transactions”.

14 (b) **CONFORMING AMENDMENT.**—Section
15 3(a)(4)(B)(vii)(I) of the Securities Exchange Act of 1934
16 (15 U.S.C. 78c(a)(4)(B)(vii)(I)) is amended by striking
17 “4(6)” and inserting “4(5)”.

18 **SEC. 945. DUE DILIGENCE ANALYSIS AND DISCLOSURE IN**
19 **ASSET-BACKED SECURITIES ISSUES.**

20 Section 7 of the Securities Act of 1933 (15 U.S.C.
21 77g), as amended by this subtitle, is amended by adding
22 at the end the following:

23 “(d) **REGISTRATION STATEMENT FOR ASSET-**
24 **BACKED SECURITIES.**—Not later than 180 days after the
25 date of enactment of this subsection, the Commission shall

1 issue rules relating to the registration statement required
2 to be filed by any issuer of an asset-backed security (as
3 that term is defined in section 3(a)(77) of the Securities
4 Exchange Act of 1934) that require any issuer of an asset-
5 backed security—

6 “(1) to perform a review of the assets under-
7 lying the asset-backed security; and

8 “(2) to disclose the nature of the review under
9 paragraph (1).”.

10 **SEC. 946. STUDY ON THE MACROECONOMIC EFFECTS OF**
11 **RISK RETENTION REQUIREMENTS.**

12 (a) **STUDY REQUIRED.**—The Chairman of the Finan-
13 cial Services Oversight Council shall carry out a study on
14 the macroeconomic effects of the risk retention require-
15 ments under this subtitle, and the amendments made by
16 this subtitle, with emphasis placed on potential beneficial
17 effects with respect to stabilizing the real estate market.
18 Such study shall include—

19 (1) an analysis of the effects of risk retention
20 on real estate asset price bubbles, including a retro-
21 spective estimate of what fraction of real estate
22 losses may have been averted had such requirements
23 been in force in recent years;

24 (2) an analysis of the feasibility of minimizing
25 real estate price bubbles by proactively adjusting the

1 percentage of risk retention that must be borne by
2 creditors and securitizers of real estate debt, as a
3 function of regional or national market conditions;

4 (3) a comparable analysis for proactively ad-
5 justing mortgage origination requirements;

6 (4) an assessment of whether such proactive ad-
7 justments should be made by an independent regu-
8 lator, or in a formulaic and transparent manner;

9 (5) an assessment of whether such adjustments
10 should take place independently or in concert with
11 monetary policy; and

12 (6) recommendations for implementation and
13 enabling legislation.

14 (b) REPORT.—Not later than the end of the 180-day
15 period beginning on the date of the enactment of this title,
16 the Chairman of the Financial Services Oversight Council
17 shall issue a report to the Congress containing any find-
18 ings and determinations made in carrying out the study
19 required under subsection (a).