

given to the consumer, the mortgage originator or its agent, directly or indirectly—

(A) has contacted not fewer than 3 State certified appraisers or State licensed appraisers, as applicable, on the mortgage originator's approved appraiser list in the market area in accordance with part 226 of title 12, Code of Federal Regulations; and

(B) has documented that no State certified appraiser or State licensed appraiser, as applicable, was available within 5 business days beyond customary and reasonable fee and timeliness standards for comparable appraisal assignments, as documented by the mortgage originator or its agent;

(3) the transaction value is less than \$400,000; and

(4) the mortgage originator is subject to oversight by a Federal financial institutions regulatory agency.

(c) Sale, assignment, or transfer

A mortgage originator that makes a loan without an appraisal under the terms of subsection (b) shall not sell, assign, or otherwise transfer legal title to the loan unless—

(1) the loan is sold, assigned, or otherwise transferred to another person by reason of the bankruptcy or failure of the mortgage originator;

(2) the loan is sold, assigned, or otherwise transferred to another person regulated by a Federal financial institutions regulatory agency, so long as the loan is retained in portfolio by the person;

(3) the sale, assignment, or transfer is pursuant to a merger of the mortgage originator with another person or the acquisition of the mortgage originator by another person or of another person by the mortgage originator; or

(4) the sale, loan, or transfer is to a wholly owned subsidiary of the mortgage originator, provided that, after the sale, assignment, or transfer, the loan is considered to be an asset of the mortgage originator for regulatory accounting purposes.

(d) Exception

Subsection (b) shall not apply if—

(1) a Federal financial institutions regulatory agency requires an appraisal under section 225.63(c), 323.3(c), 34.43(c), or 722.3(e) of title 12, Code of Federal Regulations; or

(2) the loan is a high-cost mortgage, as defined in section 1602 of title 15.

(e) Anti-evasion

Each Federal financial institutions regulatory agency shall ensure that any mortgage originator that the Federal financial institutions regulatory agency oversees that makes a significant amount of loans under subsection (b) is complying with the requirements of subsection (b)(2) with respect to each loan.

(Pub. L. 101-73, title XI, §1127, as added Pub. L. 115-174, title I, §103, May 24, 2018, 132 Stat. 1299.)

CHAPTER 35—RIGHT TO FINANCIAL PRIVACY

Sec.
3401. Definitions.

Sec. 3402.	Access to financial records by Government authorities prohibited; exceptions.
3403.	Confidentiality of financial records.
3404.	Customer authorizations.
3405.	Administrative subpoena and summons.
3406.	Search warrants.
3407.	Judicial subpoena.
3408.	Formal written request.
3409.	Delayed notice.
3410.	Customer challenges.
3411.	Duty of financial institutions.
3412.	Use of information.
3413.	Exceptions.
3414.	Special procedures.
3415.	Cost reimbursement.
3416.	Jurisdiction.
3417.	Civil penalties.
3418.	Injunctive relief.
3419.	Suspension of limitations.
3420.	Grand jury information; notification of certain persons prohibited.
3421.	Repealed.
3422.	Applicability to Securities and Exchange Commission.
3423.	Immunity from suit for disclosure of financial exploitation of senior citizens.

§ 3401. Definitions

For the purpose of this chapter, the term—

(1) “financial institution”, except as provided in section 3414 of this title, means any office of a bank, savings bank, card issuer as defined in section 1602(n)¹ of title 15, industrial loan company, trust company, savings association, building and loan, or homestead association (including cooperative banks), credit union, or consumer finance institution, located in any State or territory of the United States, the District of Columbia, Puerto Rico, Guam, American Samoa, or the Virgin Islands;

(2) “financial record” means an original of, a copy of, or information known to have been derived from, any record held by a financial institution pertaining to a customer's relationship with the financial institution;

(3) “Government authority” means any agency or department of the United States, or any officer, employee, or agent thereof;

(4) “person” means an individual or a partnership of five or fewer individuals;

(5) “customer” means any person or authorized representative of that person who utilized or is utilizing any service of a financial institution, or for whom a financial institution is acting or has acted as a fiduciary, in relation to an account maintained in the person's name;

(6) “holding company” means—

(A) any bank holding company (as defined in section 1841 of this title); and

(B) any company described in section 1843(f)(1) of this title;

(7) “supervisory agency” means with respect to any particular financial institution, holding company, or any subsidiary of a financial institution or holding company, any of the following which has statutory authority to examine the financial condition, business operations, or records or transactions of that institution, holding company, or subsidiary—

¹ See References in Text note below.