

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 2767
OFFERED BY MR. GARRETT OF NEW JERSEY**

In section 303(7), insert after “security interest in real estate” the following: “(so long as such security interest has first been recorded or registered under State law to establish the priority of such interest)”.

In section 312(c)(1), insert after “originate,” the following: “aggregate, issue,”.

In section 331(b)(6), insert before the semicolon the following: “, where such standards and procedures include a requirement that any such mortgage-related document must first be recorded in the appropriate local jurisdiction, as may be required under State or local law”.

In section 331(b)(7), insert before the semicolon the following: “and for requiring the Repository to notify the appropriate local jurisdiction of such creation, assignment, or transfer”.

In section 332, add at the end the following: “Nothing in this section shall be construed as preempting any State or local law requiring a mortgage-related document to be recorded in the appropriate local jurisdiction.”.

Insert after section 344 the following:

1 **SEC. 345. CONFORMING AMENDMENT TO THE INVESTMENT**

2 **COMPANY ACT OF 1940.**

3 Section 3(c)(5)(C) of the Investment Company Act
4 of 1940 (15 U.S.C. 80a-3(c)(5)) is amended by inserting
5 before the period the following: “, including risk-sharing
6 transactions, qualified securities, and any other mortgage-
7 related instruments or products created ~~by mortgage-re-~~
8 ~~lated instruments~~ pursuant to the Protecting American
9 Taxpayers and Homeowners Act of 2013 or amendments
10 made by such Act”.

