

Amendments - H.R. 1728 Mortgage Reform and Anti-Predatory Lending Act

Frank (MA) -Managers amendment which makes a number of changes to the bill as follows:

Stipulates that all regulations and rule writing by the federal banking agencies will be coordinated through the Financial Institutions Examination Council.

Expands the prohibitions on loan originators from steering consumers towards loans that the consumer lacks the ability to repay. The amendment would prohibit a mortgage originator from arranging for a consumer to finance any origination fee, except for bona fide third party settlement charges. The amendment would also prohibit an originator from mischaracterizing the credit history of a consumer, mischaracterizing the appraised value of a property, or discouraging a consumer from taking a less expensive mortgage. Requires the federal banking agencies to include model disclosure forms for creditors with any new regulations.

Requires the Secretary of HUD, in consultation with the Secretary of Treasury, to study the creation of requirements that would provide for the widespread use of shared appreciation mortgages as a means of strengthening the housing market.

Allows creditors to consider a borrower's good standing above other credit history when making a determination to refinance an existing hybrid loan into a standard loan with a net tangible benefit to the consumer.

Requires mortgage originators to notify consumers if they are subject to protection under state anti-deficiency laws-which protect a purchaser of a foreclosed home from paying any deficit between the sale proceeds and the outstanding loan balance.

Requires creditors to disclose to consumers their policy toward acceptance of partial mortgage payments.

Stipulates that the bill's provisions would not limit the application of any state laws which provides remedies for violations under the bill and were in effect on the date of enactment.

Requires creditors to disclose the amount of interest that a consumer of residential mortgage will pay over the life of the loan.

Requires creditors to include the address, telephone number, and Internet address of housing counseling agencies on disclosure forms.

Requires the GAO to report on whether credit risk retention programs in the bill have significantly reduced risks to the larger credit market and secondary mortgage market.

Requires landlords to notify tenants if their property becomes subject to foreclosure.

Prohibits third parties from charging consumers to renew, extend, or modify a high-cost mortgage. The amendment also prohibits third parties from charging consumers for negotiating with a creditor on behalf of the consumer.

Requires the Office of Housing Counseling, which is established in the bill, to consider the lack of basic water and sewer systems when determining "areas that lack sufficient services."

Requires HUD to establish a default foreclosure database which collects data on foreclosures and mortgage defaults and makes the information publicly available.

Requires GAO to conduct a study to determine the effects that the changes to the appraisal requirements of Fannie Mae and Freddie Mac have on mortgage brokers, independent appraisers, and consumers.

Establishes a program to stabilize multifamily properties which are delinquent or at risk of default. The program would be used to ensure the protection of tenants in multifamily dwellings by creating "sustainable financing" for those homes and by "maintaining the level of federal, state, and city subsidies."

Adopted Voice

Y ✓	N
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Frank (MA) -Strikes a provision that prohibits funds for foreclosure legal assistance to low and moderate income homeowners from going to organizations that have been indicted for a violation of federal election law or employ any individual who has been indicted for such a violation. The amendment replaces the provision with language that prohibits funds from going to an organization that has been convicted of a federal election violation or employs an individual convicted of such a violation. The amendment would allow organizations that have been indicted of federal election violations, such as ACORN, to receive money under the bill.

Y 245	N 176
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Bachus (AL) -Requires ten percent of the \$180 million in the bill for grants to HUD-approved housing counseling agencies and State housing finance agencies to be used to assist the Neighbor Reinvestment Corporation in providing notice to borrower's who are delinquent on loans they received through the program.

Adopted Voice

Y ✓	N
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Perlmutter (CO) -Allows the purchaser of a foreclosed home, with tenants occupying the home under a lease, to move into the home if the purchaser uses the home as their primary residence and gives the tenants 30 days notice to vacate. Currently, the bill requires such a home owner to provide 90 days notice. In addition, the amendment would allow a creditor to accelerate indebtedness on a high-cost mortgage (which is prohibited in the bill) if the repayment of the loan has been accelerated because of a default in payment or if there has been a material violation of some other provision of the loan payment schedule.

Adopted Voice

Y ✓	N
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Hensarling (TX) -Strikes provisions in the bill that make mortgage assignees and securitizers liable for deceptive mortgage loan origination practices.

Y 171	N 252
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Moore (KS)-Requires any income verification to use IRS transcripts of tax returns provided by a third party, or "such other similar method" that verifies income by a third party, as the federal banking agencies prescribe in their regulations.

Adopted Voice

Y ✓	N
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Price (GA) -Prohibits titles I, II, and III of the underlying legislation from taking effect until 90 days after the Federal Reserve provides written certification to Congress that those titles will not reduce the availability or increase the cost of credit for qualified mortgages.

Y 167	N 259
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McNerney (CA) -Authorizes HUD, when awarding assistance grants for approved housing counseling agencies, to give priority to areas with the highest foreclosure rate.

Adopted Voice

Y ✓	N
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McHenry (NC) -Strikes title III from the underlying legislation. Title III expands the Home Ownership and Equity Protection Act (HOEPA) by revising and enlarging the definition of "high-cost mortgages" to include money loans, construction loans, and open-end loans-none of which are covered under current law. The title also limits late fees on high-cost mortgages, prohibits a creditor from accelerating indebtedness on a high-cost mortgage, and prohibits refinancing into a new high-cost mortgage if there is no net tangible benefit to the consumer.

Y 171	N 255
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Dahlkemper (PA) -Requires HUD, when producing educational materials for mortgage consumers, to include a description of the advantages of prepayment.

Adopted Voice

Y ✓	N
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Brown-Waite (FL) -Expands the scope of the GAO study required in the bill to include a report on consumer and small businesses mortgage availability as well as homebuyers and mortgage lending.

Adopted Voice

Y ✓	N
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Titus (NV) -Requires a mortgage loan originator to present the consumer with the comparative costs and benefits of each mortgage offered, with equal prominence, in writing.

Adopted Voice

Y ✓	N
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Mario Diaz-Balart (FL) -Requires HUD to study the effects of drywall imported from China between 2004 and 2007 on mortgage loan foreclosures. The amendment would require HUD to report its findings to Congress within 120 days of enactment.

Adopted Voice

Y ✓	N
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Weiner (NY) -Requires Fannie Mae and Freddie Mac to take actions to revise fee schedules, occupancy and presale guidelines, and other underwriting standards in order to ensure the availability of mortgage credit for condominium and cooperative housing. The amendment would allow agencies to consider the relative health of the local housing market when revising standards.

Adopted Voice

Y ✓	N
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Daily Schedule

THURSDAY, MAY 7, 2009:

The House meets at 10:00 a.m.

Five one minutes per side.

H.R. 1728 - Mortgage Reform and Anti-Predatory Lending Act (Rep. Miller (NC) – Financial Services)

[Amendments](#)

Complete Consideration

Rule #2

Y 247	N 174
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[Sessions Motion to Recommit H.R. 1728](#)

MTR

Y ✓	N
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Passage

Y **300**

N **114**