HR 3043

Zero Downpayment Pilot Program Act of 2006

Congress: 109 (2005–2007, Ended)
Chamber: House
Policy Area: Housing and Community Development
Introduced: Jun 23, 2005
Current Status: Placed on the Union Calendar, Calendar No. 326.
Latest Action: Placed on the Union Calendar, Calendar No. 326. (Jul 17, 2006)
Official Text: https://www.congress.gov/bill/109th-congress/house-bill/3043

Sponsor

Name: Rep. Tiberi, Patrick J. [R-OH-12]
Party: Republican • **State:** OH • **Chamber:** House

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Scott, David [D-GA-13]	D · GA		Jun 23, 2005

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Hearings By (subcommittee)	Jun 30, 2005

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

Summary (as of Jul 17, 2006)

Zero Downpayment Pilot Program Act of 2006 - (Sec. 2) Amends the National Housing Act to authorize the Secretary of Housing and Urban Development to insure first-time homeowner zero-downpayment mortgages for one-family residences, including one- to three-unit dwellings, condominiums, cooperatives, and manufactured housing.

Requires a mortgage, to be eligible for insurance, to involve a principal obligation of not more than 100% of the property's appraised value plus any initial service charges, appraisal, inspection, and other related fees.

Requires independent mortgagor counseling prior to loan application, including specific counseling regarding real estate property management for mortgagors purchasing dwellings with two to three units.

Requires the mortgagee to provide the mortgagor with an option for notice of foreclosure prevention counseling, to be provided 60 days after delinquency.

Requires the Secretary to monitor and make necessary adjustments to mortgage premiums and underwriting standards, including limiting the availability of mortgage insurance, to ensure that the Mutual Mortgage Insurance Fund (MMIF) shall continue to generate a negative credit subsidy.

Requires a mortgagor credit evaluation by the Federal Housing Administration's (FHA) Technology Open To Approved Lenders (TOTAL) Mortgage Scorecard or other standardized credit scoring system.

Requires any mortgage involving a property on which is located a dwelling designed principally for a two- or three-family residence to meet any additional underwriting standards the Secretary may establish.

Requires a written mortgagee disclosure to the mortgagor of incremental costs.

Declares that the aggregate number of mortgages insured under this Act may not exceed 10% of the aggregate number of FHA mortgages and loans insured in the preceding fiscal year.

Sets the maximum aggregate number of insured program mortgages under this Act at 50,000.

Requires suspension of the program if the FHA single-family claim rate exceeds 3.5%.

Sunsets the program after September 30, 2010.

Directs the Comptroller General to: (1) report to Congress annually on the performance of mortgages insured under this Act; and (2) study and report to Congress on the financial soundness of the MMIF, and the impact of any expansion or extension upon it, if authority to insure mortgages is either expanded to more than 50,000 mortgages, or is extended to a date after September 30, 2010 (including any permanent extension of such authority).

Actions Timeline

- **Jul 17, 2006:** Reported (Amended) by the Committee on Financial Services. H. Rept. 109-571.
- **Jul 17, 2006:** Reported (Amended) by the Committee on Financial Services. H. Rept. 109-571.
- **Jul 17, 2006:** Placed on the Union Calendar, Calendar No. 326.
- **May 24, 2006:** Committee Consideration and Mark-up Session Held.
- **May 24, 2006:** Ordered to be Reported (Amended) by Voice Vote.
- **Jun 30, 2005:** Referred to the Subcommittee on Housing and Community Opportunity.
- **Jun 30, 2005:** Subcommittee Hearings Held.
- **Jun 23, 2005:** Introduced in House
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- **Jun 23, 2005:** Referred to the House Committee on Financial Services.