

HR 1782

Fairness for Homeowners Act of 2009

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Mar 30, 2009

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Mar 30, 2009)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/1782>

Sponsor

Name: Rep. Ellison, Keith [D-MN-5]

Party: Democratic • **State:** MN • **Chamber:** House

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Cummings, Elijah E. [D-MD-7]	D · MD		Apr 23, 2009

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Mar 30, 2009

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
111 S 863	Related bill	Apr 22, 2009: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Fairness for Homeowners Act of 2009 - Amends the Truth in Lending Act to prohibit a creditor or mortgage broker from arranging a consumer credit transaction secured by the principal dwelling of a consumer without first verifying the consumer's reasonable ability to to make the scheduled payments of principal, interest (including variable interest), real estate taxes, homeowner's insurance, assessments, and mortgage insurance premiums.

Prescribes criteria to: (1) determine such consumer's reasonable ability to pay a variable interest rate; and (2) verify the consumer's income and financial resources. Declares a consumer's statement of income or financial resources insufficient evidence of the consumer's financial status.

Prohibits consumer equity in the principal dwelling that secures the consumer credit transaction from being used to establish ability to make payments.

Prohibits a mortgage broker or creditor from: (1) steering, counseling, or directing a consumer to rates, charges, principal amount, or prepayment terms that are more expensive than those for which the consumer qualifies; (2) arranging for any consumer credit transaction secured by the principal dwelling of a consumer that is more expensive than that for which the consumer qualifies; (3) engaging in certain mischaracterizations.

Prohibits prepayment penalties. Limits finance points, charges, and fees. Cites duties owed to a consumer by a mortgage broker.

Requires creditors and mortgage brokers to obtain independent verification that a borrower seeking to refinance a special mortgage has received counseling on the transaction's advisability. Defines "special mortgage" as one that: (1) was originated, subsidized, funded, or guaranteed by or through a state, tribal, or local government, or nonprofit organization; and (2) bears one or more specified nonstandard payment terms which substantially benefit the consumer.

Prescribes minimum financial requirements for mortgage brokers.

Excludes reverse mortgages from coverage by this Act.

Actions Timeline

- **Mar 30, 2009:** Introduced in House
- **Mar 30, 2009:** Referred to the House Committee on Financial Services.