HR 4323

Consumer Mortgage Choice Act

Congress: 112 (2011–2013, Ended)
Chamber: House
Policy Area: Housing and Community Development
Introduced: Mar 29, 2012
Current Status: Referred to the Subcommittee on Financial Institutions and Consumer Credit.
Latest Action: Referred to the Subcommittee on Financial Institutions and Consumer Credit. (Apr 26, 2012)
Official Text: https://www.congress.gov/bill/112th-congress/house-bill/4323

Sponsor

Name: Rep. Huizenga, Bill [R-MI-2]
Party: Republican • **State:** MI • **Chamber:** House

Cosponsors (23 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Clay, Wm. Lacy [D-MO-1]	D · MO		Mar 29, 2012
Rep. Royce, Edward R. [R-CA-40]	R · CA		Mar 29, 2012
Rep. Scott, David [D-GA-13]	D · GA		Mar 29, 2012
Rep. Meeks, Gregory W. [D-NY-6]	D · NY		Apr 27, 2012
Rep. Schock, Aaron [R-IL-18]	R · IL		Apr 27, 2012
Rep. Hurt, Robert [R-VA-5]	R · VA		May 15, 2012
Rep. King, Peter T. [R-NY-3]	R · NY		May 15, 2012
Rep. Luetkemeyer, Blaine [R-MO-9]	R · MO		May 15, 2012
Rep. Renacci, James B. [R-OH-16]	R · OH		May 15, 2012
Rep. Stivers, Steve [R-OH-15]	R · OH		May 15, 2012
Rep. Grimm, Michael G. [R-NY-13]	R · NY		May 16, 2012
Rep. Campbell, John [R-CA-48]	R · CA		Jun 1, 2012
Rep. Peters, Gary C. [D-MI-9]	D · MI		Jun 1, 2012
Rep. Loebsack, David [D-IA-2]	D · IA		Jun 5, 2012
Rep. Bass, Karen [D-CA-33]	D · CA		Jun 7, 2012
Rep. Roe, David P. [R-TN-1]	R · TN		Jun 18, 2012
Rep. Blackburn, Marsha [R-TN-7]	R · TN		Jun 26, 2012
Rep. Carney, John C., Jr. [D-DE-At Large]	D · DE		Jun 27, 2012
Rep. Black, Diane [R-TN-6]	R · TN		Jul 13, 2012
Rep. Gibson, Christopher P. [R-NY-20]	R · NY		Jul 13, 2012
Rep. Hayworth, Nan A. S. [R-NY-19]	R · NY		Jul 13, 2012
Rep. Marchant, Kenny [R-TX-24]	R · TX		Nov 13, 2012
Rep. Griffin, Tim [R-AR-2]	R · AR		Nov 15, 2012

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred to	Apr 26, 2012

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

Summary (as of Mar 29, 2012)

Consumer Mortgage Choice Act - Amends the Truth in Lending Act with respect to requirements for disclosure to a consumer of points and fees information about a consumer credit transaction, secured by the consumer's principal dwelling, but which is not a residential mortgage transaction, a reverse mortgage transaction, or a transaction under an open end credit plan, when the total points and fees the consumer must pay at or before closing will exceed 8% percent of the total loan amount or $400, whichever is greater. (Such consumer credit transactions might include an equity credit line to which consumer purchases or leases may be charged.)

Excludes from the computation of such points and fees any compensation paid by a mortgage originator or a creditor to an individual person employed by the mortgage originator or creditor.

Excludes also escrows for future payments of insurance.

Modifies the criteria for exclusion from the computation of points and fees of certain reasonable charges elsewhere exempted from the computation of the finance charge in extensions of credit secured by an interest in real property. Excludes from points and fees any such reasonable charges even though a creditor receives compensation, but only in so far as the creditor or its affiliate retains the compensation as a result of their participation in an affiliated business arrangement.

(An "affiliated business arrangement" is one in which: (1) a person who is in a position to refer business incident to or a part of a real estate settlement service involving a federally related mortgage loan, or an associate of such person, has either an affiliate relationship with or a direct or beneficial ownership interest of more than 1% in a provider of settlement services; and (2) either of such persons directly or indirectly refers such business to that provider or affirmatively influences the provider's selection.)

Revises the additional requirement that such a reasonable charge be paid to a third party unaffiliated with the creditor. Requires the charge to be: (1) a bona fide third party charge not retained by the mortgage originator, creditor, or an affiliate; or (2) a fee or premium for title examination, title insurance, or similar purposes.

Modifies the conditions under which federal departments and agencies may exempt refinancings under a streamlined refinancing from an income verification requirement that, at the time a refinancing is consummated, the consumer has a reasonable ability to repay the loan and all applicable taxes, insurance, and assessments. Repeals the exception for bona fide third party charges not retained by the mortgage originator, creditor, or an affiliate from the requirement that total points and fees not exceed 3% of the total new loan amount. (Thus subjects such charges to the same 3% ceiling.)

Actions Timeline

- **Apr 26, 2012:** Referred to the Subcommittee on Financial Institutions and Consumer Credit.
- **Mar 29, 2012:** Introduced in House
- **Mar 29, 2012:** Referred to the House Committee on Financial Services.

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