

AMENDMENT TO H.R. 1728

OFFERED BY MR. FRANK OF MASSACHUSETTS

Page 4, line 5, insert after “who” the following: “, for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain”.

Page 4, strike line 12 through 15 and insert the following: “residential mortgage loan;”.

Page 9, line 4, insert before the semicolon the following: “between the originator and the consumer”.

Page 9, strike line 11 through line 14 and insert the following:

1 “(E) include on all loan documents any
2 unique identifier of the mortgage originator
3 provided by the Nationwide Mortgage Licensing
4 System and Registry.”.

Page 10, line 20, strike “129B” and insert “129C”.

Page 14, line 6, strike “129B(a)” and insert “129C(a)”.

Page 14, line 11, strike “129B(b)” and insert “129C(b)”.

Page 14, line 19, strike “129B(c)(3)” and insert “129C(c)(3)”.

Page 15, after line 2, insert the following new subparagraph (and redesignate succeeding subparagraphs accordingly):

1 “(A) permitting yield spread premiums or
2 other similar incentive compensation;”.

Page 15, strike line 6 through line 8 and insert the following:

3 “(C) limiting or affecting the amount of
4 compensation received by a creditor upon the
5 sale of a consummated loan to a subsequent
6 purchaser;”.

Page 15, line 12, insert “mortgage” before “originator’s”.

Page 15, line 17, strike “129A(a)(1)(C)(ii)” and insert “129B(b)(1)(C)(i)”.

Page 15, line 18, after “loan” insert “(other than the amount of the principal)”.

Page 16, line 18, strike “[the greater of actual damages or]” and insert “the greater of actual damages or”.

Page 17, line 4, strike “(c)” and insert “(d)”.

Page 18, after line 5, insert the following (and re-designate succeeding subsections accordingly):

1 (c) TRUTH IN LENDING FINAL RULE.—Notwith-
2 standing any other provision of this Act, the regulations
3 adopted by the Board concerning Truth in Lending, 73
4 Fed. Reg. 44522 (July 30, 2008), shall take effect as de-
5 cided by the Board with such exceptions or revisions as
6 the Board determines necessary.

Page 19, beginning on line 17, strike “be based on” and insert “include”.

Page 20, line 13, after “creditor” insert “shall”.

Page 26, line 18, strike “(7)” and insert “(9)”.

Page 28, line 12, strike “or liquidating” and insert “, conservator, or liquidating”.

Page 28, line 24, after “receivers” insert “, conservators,”.

Page 32, line 11, strike “subsection” and insert “subsections”.

Page 33, line 1, strike “(c)” and insert “(d)”.

Page 34, line 2, insert the following after the period:
“For purposes of this subsection, a ‘qualified mortgage’

may not include a residential mortgage loan that has an adjustable interest rate.”.

Page 36, beginning on line 11, strike “and at no additional cost to the consumer”.

Page 47, line 23, strike the semicolon and insert “; and”.

Page 47, strike line 24.

Page 48, strike lines 1 and 2.

Page 48, line 3, strike “(5)” and insert “(3)”.

Page 49, line 23, insert after “rate,” the following: “or, in the case of such an adjustment or resetting that occurs within the first 6 months after consummation of such loan, at consummation,”.

Page 51, line 24, strike “129B(c)” and insert “129C(c)(2)(A)”.

Page 54, line 16, strike “3-day” and insert “3-business-day”.

Page 56, line 18, insert at the end the following: “For purposes of this subsection, ‘State and local legal organizations’ are those State and local organizations whose primary business or mission is to provide legal assistance.”.

Page 58, after line 2, insert the following:

1 (5) EFFECTIVE DATE.—Notwithstanding sec-
2 tion 217, this subsection shall take effect on the
3 date of the enactment of this Act.

Page 60, strike line 19 and all that follows through
page 61, line 19, and insert the following:

4 “(I) by a first mortgage on the
5 consumer’s principal dwelling, the an-
6 nual percentage rate at consummation
7 of the transaction will exceed by more
8 than 6.5 percentage points (8.5 per-
9 centage points, if the dwelling is per-
10 sonal property and the transaction is
11 for less than \$50,000) the average
12 prime offer rate, as defined in section
13 129C(c)(2)(B), for a comparable
14 transaction; or

15 “(II) by a subordinate or junior
16 mortgage on the consumer’s principal
17 dwelling, the annual percentage rate
18 at consummation of the transaction
19 will exceed by more than 8.5 percent-
20 age points the average prime offer
21 rate, as defined in section

1 129C(c)(2)(B), for a comparable
2 transaction;”.

Page 62, line 4, insert before the semicolon the following: “(or such other dollar amount as the Board shall prescribe by regulation)”.

Page 66, strike line 20 and all that follows through page 67, line 5 (and redesignate succeeding subsections accordingly).

Page 67, line 11, strike “(dd)” and insert “(cc)”.

Page 69, strike line 11 and all that follows through page 70, line 14.

Page 69, line 12, strike “(aa)(1)(4)(E)” and insert “(aa)(4)(E)”.

Page 70, strike line 17 and all that follows through page 71, line 7, and insert the following:

3 (a) PREPAYMENT PENALTY PROVISIONS.—Section
4 129(c)(2) of the Truth in Lending Act (15 U.S.C.
5 1639(c)(2)) is hereby repealed.

Page 71, strike line 17 and all that follows through page 73, line 13.

Page 79, after line 2, insert the following:

1 “(3) SERVICES CONSIDERED ASSIGNEE.—For
2 the purposes of this subsection, a servicer shall be
3 considered an assignee under the Truth in Lending
4 Act.”.

Page 80, beginning on line 3, strike “Secretary of Housing and Urban Development may prescribe such regulations as the Secretary” and insert “Board may prescribe such regulations as the Board”.

Page 80, line 22, strike “129B(b)” and insert “129C(b)”.

Page 81, strike lines 3 through 10 and insert the following (and redesignate succeeding sections and subsections and amend the table of contents accordingly);

5 “(v) CORRECTIONS AND UNINTENTIONAL VIOLA-
6 TIONS.—A creditor or assignee in a high cost loan who,
7 when acting in good faith, fails to comply with any re-
8 quirement under this section will not be deemed to have
9 violated such requirement if the creditor or assignee estab-
10 lishes that either—”.

Page 83, line 12, strike “consummated” and insert “for which an application is received by the creditor”.

