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(Original Signature of Member)

113TH CONGRESS  
1ST SESSION

# H. R.

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To amend the Truth in Lending Act to improve upon the definitions provided for points and fees in connection with a mortgage transaction.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. HUIZENGA of Michigan introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To amend the Truth in Lending Act to improve upon the definitions provided for points and fees in connection with a mortgage transaction.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Consumer Mortgage  
5 Choice Act”.

1 **SEC. 2. DEFINITION OF POINTS AND FEES.**

2 (a) AMENDMENT TO SECTION 103 OF TILA.—Sec-  
3 tion 103(bb)(4) of the Truth in Lending Act (15 U.S.C.  
4 1602(bb)(4)) is amended—

5 (1) by striking “paragraph (1)(B)” and insert-  
6 ing “paragraph (1)(A) and section 129C”;

7 (2) in subparagraph (A), by striking “except in-  
8 terest or the time-price differential” and inserting  
9 the following:

10 “except—

11 “(i) interest and the time-price dif-  
12 ferential; and

13 “(ii) the amount of any loan level  
14 price adjustment payment set by the Fed-  
15 eral National Mortgage Association, the  
16 Federal Home Loan Mortgage Corpora-  
17 tion, the Federal Housing Administration,  
18 or similar governmental entity or govern-  
19 ment-sponsored enterprise”;

20 (3) by striking subparagraph (B) and inserting  
21 the following new subparagraph:

22 “(B) all compensation paid directly by a  
23 consumer to a mortgage originator, including a  
24 mortgage originator that is also the creditor in  
25 a table-funded transaction, but not including  
26 compensation paid by a mortgage originator or

1 a creditor to an individual employed by the  
2 mortgage originator or creditor”;

3 (4) in subparagraph (C)—

4 (A) by inserting “and insurance” after  
5 “taxes”;

6 (B) in clause (ii), by inserting “, except as  
7 retained by a creditor or its affiliate as a result  
8 of their participation in an affiliated business  
9 arrangement (as defined in section 2(7) of the  
10 Real Estate Settlement Procedures Act of 1974  
11 (12 U.S.C. 2602(7))” after “compensation”;  
12 and

13 (C) by striking clause (iii) and inserting  
14 the following:

15 “(iii) the charge is—

16 “(I) a bona fide third party  
17 charge not retained by the mortgage  
18 originator, creditor, or an affiliate of  
19 the creditor or mortgage originator; or

20 “(II) a charge set forth in section  
21 106(e)(1);” and

22 (5) in subparagraph (D)—

23 (A) by striking “accident,”; and

24 (B) by striking “or any payments” and in-  
25 serting “and any payments”.

1 (b) AMENDMENT TO SECTION 129C OF TILA.—Sec-  
2 tion 129C of the Truth in Lending Act (15 U.S.C. 1639c)  
3 is amended—

4 (1) in subsection (a)(5)(C), by striking “103”  
5 and all that follows through “or mortgage origi-  
6 nator” and inserting “103(bb)(4)” ; and

7 (2) in subsection (b)(2)(C)(i), by striking “103”  
8 and all that follows through “or mortgage origi-  
9 nator)” and inserting “103(bb)(4)”.