

[DISCUSSION DRAFT]

117TH CONGRESS
1ST SESSION

H. R. _____

To amend the National Housing Act to revise the treatment of student loan debt in the underwriting of FHA loans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. MEEKS introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the National Housing Act to revise the treatment of student loan debt in the underwriting of FHA loans, and for other purposes.

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 “Making FHA Work
5 for Borrowers with Student Debt Act of 2021”.

1 **SEC. 2. TREATMENT OF STUDENT LOAN DEBT BEING RE-**
2 **PAID.**

3 Section 203 of the National Housing Act (12 U.S.C.
4 1709) is amended by inserting after subsection (r) the fol-
5 lowing new subsection:

6 “(s) TREATMENT OF STUDENT LOAN DEBT BEING
7 REPAID.—

8 “(1) IN GENERAL.—In determining eligibility of
9 single-family mortgages, and mortgagors under such
10 mortgages, for insurance under this title, for pur-
11 poses of any calculation of the amount of liabilities
12 of a mortgagor, or comparison of the amount of
13 such liabilities to the income of the mortgagor, the
14 Secretary shall consider any covered educational li-
15 ability to be in the same monthly amount as the
16 amount that the mortgagor is actually required to
17 pay on a monthly basis in connection with such li-
18 ability.

19 “(2) COVERED EDUCATIONAL LIABILITY.—For
20 purposes of this subsection, the term ‘covered edu-
21 cational liability’ means a liability that—

22 “(A) is a student loan incurred for edu-
23 cational purposes;

24 “(B) is required to be repaid through pay-
25 ments made on a regular basis and is not in a
26 deferral status; and

1 “(C) for which documentation has been
2 provided that is sufficient, in the determination
3 of the Secretary, to demonstrate that the liabil-
4 ity complies with the requirements under sub-
5 paragraphs (A) and (B).”.