

114TH CONGRESS
1ST SESSION

H. R. 685

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

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 2015

Mr. HUIZENGA of Michigan (for himself, Mr. MEEKS, Mr. ROYCE, Mr. DAVID SCOTT of Georgia, Mr. JOYCE, Mr. STIVERS, Mr. MICHAEL F. DOYLE of Pennsylvania, Mr. MURPHY of Florida, Ms. MCCOLLUM, and Mr. FINCHER) introduced the following bill; which was referred to the Committee on Financial Services

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 “Mortgage Choice Act
5 of 2015”.

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 (C)—

8 (A) by inserting “and insurance” after
9 “taxes”;

10 (B) in clause (ii), by inserting “, except as
11 retained by a creditor or its affiliate as a result
12 of their participation in an affiliated business
13 arrangement (as defined in section 2(7) of the
14 Real Estate Settlement Procedures Act of 1974
15 (12 U.S.C. 2602(7))” after “compensation”;
16 and

17 (C) by striking clause (iii) and inserting
18 the following:

19 “(iii) the charge is—

20 “(I) a bona fide third-party charge
21 not retained by the mortgage originator,
22 creditor, or an affiliate of the creditor or
23 mortgage originator; or

24 “(II) a charge set forth in section
25 106(e)(1);”; and

26 (3) in subparagraph (D)—

1 (A) by striking “accident,”; and

2 (B) by striking “or any payments” and in-
3 serting “and any payments”.

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

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

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

13 **SEC. 3. RULEMAKING.**

14 Not later than the end of the 90-day period beginning
15 on the date of the enactment of this Act, the Bureau of
16 Consumer Financial Protection shall issue final regula-
17 tions to carry out the amendments made by this Act, and
18 such regulations shall be effective upon issuance.

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