

**[DISCUSSION DRAFT]**

117<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R.** \_\_\_\_\_

To promote access to mortgage credit during the COVID–19 pandemic by preventing restrictions on providing Federal backing for single-family mortgage loans in forbearance, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. VARGAS introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

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**A BILL**

To promote access to mortgage credit during the COVID–19 pandemic by preventing restrictions on providing Federal backing for single-family mortgage loans in forbearance, 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 “Promoting Access to  
5       Credit for Homebuyers Act of 2021”.

1 **SEC. 2. FANNIE MAE AND FREDDIE MAC.**

2 (a) PURCHASE REQUIREMENTS.—During the period  
3 that begins 5 days after the date of the enactment of this  
4 Act and ends 60 days after the covered period with respect  
5 to the mortgage, notwithstanding any other provision of  
6 law, an enterprise may not refuse to purchase any single-  
7 family mortgage originated on or after February 1, 2020,  
8 that otherwise would have been eligible for purchase by  
9 such enterprise, solely due to the fact that the borrower  
10 has, for the borrower’s previous mortgage or on the mort-  
11 gage being purchased—

12 (1) entered into forbearance as a result of a fi-  
13 nancial hardship due, directly or indirectly, to the  
14 COVID-19 emergency;

15 (2) requested forbearance as a result of a finan-  
16 cial hardship due, directly or indirectly, to the  
17 COVID-19 emergency; or

18 (3) inquired as to options related to forbearance  
19 as a result of a financial hardship due, directly or  
20 indirectly, to the COVID-19 emergency.

21 (b) PROHIBITION ON RESTRICTIONS.—With respect  
22 to purchase of single-family mortgages described in sub-  
23 section (a) and specified in any of paragraphs (1) through  
24 (3) of such subsection, an enterprise may not—

1           (1) establish additional restrictions that are not  
2           applicable to similarly situated mortgages under  
3           which the borrower is not in forbearance;

4           (2) charge a higher guarantee fee (within the  
5           meaning provided such term in section 1327 of the  
6           Housing and Community Development Act of 1992  
7           (12 U.S.C. 4547)), or loan level pricing adjustment,  
8           or otherwise alter pricing for such mortgages, rel-  
9           ative to similarly situated mortgages under which  
10          the borrower is not in forbearance;

11          (3) apply repurchase requirements to such  
12          mortgages that are more restrictive than repurchase  
13          requirements applicable to similarly situated mort-  
14          gages under which the borrower is not in forbear-  
15          ance; or

16          (4) require lender indemnification of such mort-  
17          gages, solely due to the fact that the borrower is in  
18          forbearance.

19          (c) FRAUD DETECTION.—This section may not be  
20          construed to prevent an enterprise from conducting over-  
21          sight and review of single-family mortgages purchased  
22          when a borrower is in forbearance on the borrower's pre-  
23          vious mortgage, or on the mortgage being purchased, for  
24          purposes of detecting fraud. An enterprise shall report any  
25          fraud detected to the Director.

1           (d) ENTERPRISE CAPITAL.—During the period that  
2 begins 5 days after the date of the enactment of this Act  
3 and ends 60 days after the covered period with respect  
4 to a mortgage, notwithstanding any other provision of law,  
5 a forbearance on such mortgage shall not be considered  
6 to be a delinquency under such mortgage for purposes of  
7 calculating capital of an enterprise for any purpose under  
8 title XIII of the Housing and Community Development  
9 Act of 1992 (12 U.S.C. 4501 et seq.).

10           (e) RULES OF CONSTRUCTION.—

11           (1) PURCHASE PARAMETERS.—This section  
12 may not be construed to require an enterprise to  
13 purchase single-family mortgages that do not meet  
14 existing or amended purchase parameters, other  
15 than parameters related to borrower forbearance, es-  
16 tablished by such enterprise.

17           (2) EMPLOYMENT; INCOME.—This section may  
18 not be construed to prevent an enterprise from es-  
19 tablishing additional requirements to ensure that a  
20 borrower has not lost their job or income prior to a  
21 mortgage closing.

22           (f) IMPLEMENTATION.—The Director may issue any  
23 guidance, orders, and regulations necessary to carry out  
24 this section.

1 **SEC. 3. FHA.**

2 (a) PROHIBITION ON RESTRICTIONS.—During the  
3 period that begins 5 days after the date of the enactment  
4 of this Act and ends 60 days after the covered period with  
5 respect to the mortgage, notwithstanding any other provi-  
6 sion of law, the Secretary of Housing and Urban Develop-  
7 ment may not deny the provision of mortgage insurance  
8 for a single-family mortgage originated on or after Feb-  
9 ruary 1, 2020, may not implement additional premiums  
10 or otherwise alter pricing for such a mortgage, may not  
11 require mortgagee indemnification, and may not establish  
12 additional restrictions on such a mortgagor, solely due to  
13 the fact that the borrower has—

14 (1) entered into forbearance as a result of a fi-  
15 nancial hardship due, directly or indirectly, to the  
16 COVID-19 emergency;

17 (2) requested forbearance as a result of a finan-  
18 cial hardship due, directly or indirectly, to the  
19 COVID-19 emergency; or

20 (3) inquired as to options related to forbearance  
21 as a result of a financial hardship due, directly or  
22 indirectly, to the COVID-19 emergency.

23 (b) RULES OF CONSTRUCTION.—

24 (1) INSURANCE.—This section may not be con-  
25 strued to require the Secretary of Housing and  
26 Urban Development to provide insurance on single-

1 family mortgages that do not meet existing or  
2 amended insurance parameters, other than param-  
3 eters related to borrower forbearance, established by  
4 the Secretary.

5 (2) EMPLOYMENT; INCOME.—This section may  
6 not be construed to prevent the Secretary of Hous-  
7 ing and Urban Development from establishing addi-  
8 tional requirements regarding insurance on single-  
9 family mortgages to ensure that a borrower has not  
10 lost their job or income prior to a mortgage closing.

11 **SEC. 4. REPORTING REQUIREMENTS.**

12 (a) FHFA ACTIONS.—During the COVID-19 emer-  
13 gency, the Director may not increase guarantee fees, loan  
14 level pricing adjustments, or any other fees or implement  
15 any restrictions on access to credit unless the Director  
16 provides 48-hour advance notice of such increase or re-  
17 strictions to the Committee on Financial Services of the  
18 House of Representatives and the Committee on Banking,  
19 Housing, and Urban Affairs of the Senate together with  
20 a detailed report of the policy rationale for the decision,  
21 including any and all data considered in making such deci-  
22 sion.

23 (b) QUARTERLY REPORTS BY ENTERPRISES AND  
24 FHA.—

1           (1) REQUIREMENT.—Each enterprise and the  
2           Secretary of Housing and Urban Development, with  
3           respect to the FHA mortgage insurance programs,  
4           shall provide reports to the Congress, and make  
5           such reports publicly available, not less frequently  
6           than quarterly regarding the impact of COVID-19  
7           pandemic on the such enterprises’ and program’s  
8           ability to meet their charter requirements, civil  
9           rights responsibilities, mandates under the CARES  
10          Act (Public Law 116–136), and other laws enacted  
11          in response to the COVID-19 pandemic, and other  
12          requirements under law. The first such report shall  
13          be submitted not later than the expiration of the 3-  
14          month period beginning upon the date of the enact-  
15          ment of this Act and the requirement under this  
16          paragraph to submit such reports shall terminate  
17          upon the expiration of the 2-year period beginning  
18          upon the termination of the COVID-19 emergency.

19          (2) CONTENT.—Each report required under  
20          paragraph (1) shall include the following information  
21          for the most recent quarter for which data is avail-  
22          able:

23                  (A) ENTERPRISES.—For each report re-  
24                  quired by an enterprise:

1 (i) The number of single-family and  
2 multi-family residential mortgage loans  
3 purchased by the enterprise and the un-  
4 paid principal balance of such mortgage  
5 loans purchased, disaggregated by—

6 (I) mortgage loans made to low-  
7 and moderate-income borrowers;

8 (II) mortgage loans made for  
9 properties in low- and moderate-in-  
10 come census tracts; and

11 (III) mortgage loans made for  
12 properties in central cities, rural  
13 areas, and underserved areas.

14 (ii) In the single-family residential  
15 mortgage market—

16 (I) the total number, unpaid  
17 principal balance, and length of  
18 forbearances provided to borrowers,  
19 including whether or not the forbear-  
20 ance was requested by the borrower;

21 (II) a detailed breakdown of the  
22 loan modifications offered to bor-  
23 rowers and whether the borrowers ac-  
24 cepted the offer including the total  
25 number and unpaid principal balance



1 of loan modifications ultimately made  
2 to borrowers;

3 (III) a detailed breakdown of the  
4 home retention options offered to bor-  
5 rowers and whether the borrowers ac-  
6 cepted the offer including the total  
7 number and unpaid principal balance  
8 of other home retention options ul-  
9 timately made to borrowers; and

10 (IV) the total number of out-  
11 comes that included short-sales, deed-  
12 in-lieu of foreclosure, and foreclosure  
13 sales.

14 (iii) A description of any efforts by  
15 the enterprise to provide assistance and  
16 support to consumers who are not pro-  
17 ficient in English.

18 (iv) A description of any other efforts  
19 by the enterprise to provide assistance to  
20 low- and moderate-income communities,  
21 central cities, rural areas, and other under-  
22 served areas, such as financial literacy and  
23 education or support of fair housing and  
24 housing counseling agencies.

1 (v) A description of any other assist-  
2 ance provided by the enterprise to con-  
3 sumers in response to the COVID-19 pan-  
4 demic.

5 (B) FHA.—For each report required with  
6 respect to the FHA mortgage insurance pro-  
7 grams:

8 (i) The number and unpaid principal  
9 balance for all residential mortgage loans,  
10 disaggregated by type, insured under such  
11 programs.

12 (ii) The total number, unpaid prin-  
13 cipal balance, and length of forbearances  
14 provided to borrowers, including whether  
15 or not the forbearance was requested by  
16 the borrower.

17 (iii) A detailed breakdown of the loan  
18 modifications offered to borrowers and  
19 whether the borrowers accepted the offer  
20 including the total number and unpaid  
21 principal balance of loan modifications ulti-  
22 mately made to borrowers.

23 (iv) A detailed breakdown of the home  
24 retention options offered to borrowers and  
25 whether the borrowers accepted the offer

1 including the total number and unpaid  
2 principal balance of other home retention  
3 options ultimately made to borrowers.

4 (v) A description of any efforts under  
5 such programs to provide assistance and  
6 support to consumers who are not pro-  
7 ficient in English.

8 (vi) A description of any other efforts  
9 under such programs to provide assistance  
10 to low- and moderate-income communities,  
11 central cities, rural areas, and other under-  
12 served areas, such as financial literacy and  
13 education or support of fair housing and  
14 housing counseling agencies.

15 (vii) A description of any other assist-  
16 ance provided under such programs to con-  
17 sumers in response to the COVID-19 pan-  
18 demic.

19 (C) PROVISIONS TO BE INCLUDED IN ALL  
20 REPORTS.—Each report required under para-  
21 graph (1) shall include, to the degree reason-  
22 ably possible, the following information:

23 (i) An analysis of all loan level data  
24 required by subparagraphs (A) and (B)  
25 disaggregated by race, national origin, gen-

1 der, disability status, whether or not the  
2 borrower seeking or obtaining assistance  
3 speaks English as a second language, the  
4 preferred language of the borrower, debt-  
5 to-income level of the borrower, loan-to-  
6 value ratio of the loan, and credit score of  
7 the borrower.

8 (ii) A geographical analysis at the  
9 census tract level, but if information is not  
10 available at the census tract level for any  
11 of the items required by subparagraphs  
12 (A) and (B), the geographical analysis  
13 shall be provided at the zip code level for  
14 the item for which a census tract analysis  
15 was not possible.

16 (iii) A description of any policy  
17 changes made by the enterprise or Sec-  
18 retary of Housing and Urban Develop-  
19 ment, as appropriate, in response to the  
20 COVID-19 pandemic and analysis of ac-  
21 tions taken to ensure that such policy  
22 changes were in compliance with all rel-  
23 evant civil rights responsibilities, including  
24 the Fair Housing Act, including the Af-  
25 firmatively Furthering Fair Housing provi-

1           sion, the Equal Credit Opportunity Act,  
2           the Community Reinvestment Act of 1977,  
3           the Federal Housing Enterprises Financial  
4           Safety and Soundness Act of 1992, the  
5           Housing and Economic Recovery Act of  
6           2008, Federal Home Loan Bank Act, Ex-  
7           ecutive Orders 11063 and 12892, the Fed-  
8           eral National Mortgage Association Char-  
9           ter Act, and the Federal Home Loan Mort-  
10          gage Corporation Act.

11          (c) REPORT BY GAO.—Not later than the expiration  
12 of the 120-day period that begins upon the termination  
13 of the COVID-19 emergency, the Comptroller General of  
14 the United States shall submit to the Congress and make  
15 public available a report on—

16           (1) the extent to which the enterprises and the  
17          FHA mortgage insurance programs provided loan  
18          products, forbearances, loan modifications, and  
19          COVID-19-related assistance to consumers;

20           (2) the availability and type of any such assist-  
21          ance provided post-forbearance; and

22           (3) the overall ability of the enterprises and the  
23          FHA mortgage insurance programs to successfully  
24          meet their charter requirements, civil rights respon-  
25          sibilities, and other requirements under law.

1 **SEC. 5. DEFINITIONS.**

2 For purposes of this Act, the following definitions  
3 shall apply:

4 (1) COVERED PERIOD.—The term “covered pe-  
5 riod” means, with respect to a federally backed  
6 mortgage loan, the period of time during which the  
7 borrower under such loan may request forbearance  
8 on the loan under section 4022(b) of the CARES  
9 Act (15 U.S.C. 9056; Public Law 116–136; 134  
10 Stat. 490).

11 (2) COVID-19 EMERGENCY.—The term  
12 “COVID-19 emergency” has the meaning given such  
13 term in section 4022 of the CARES Act (15 U.S.C.  
14 9056; Public Law 116–136; 134 Stat. 490).

15 (3) DIRECTOR.—The term “Director” means  
16 the Director of the Federal Housing Finance Agen-  
17 cy.

18 (4) ENTERPRISE.—The term “enterprise” has  
19 the meaning given such term in section 1303 of the  
20 Housing and Community Development Act of 1992  
21 (12 U.S.C. 4502).