

112TH CONGRESS
2D SESSION

H. R. 3849

To amend the S.A.F.E. Mortgage Licensing Act of 2008 to provide an exception from the definition of loan originator for certain loans made with respect to manufactured homes, to amend the Truth in Lending Act to modify the definition of a high-cost mortgage, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 2012

Mr. FINCHER (for himself, Mr. DONNELLY of Indiana, and Mr. GARY G. MILLER of California) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the S.A.F.E. Mortgage Licensing Act of 2008 to provide an exception from the definition of loan originator for certain loans made with respect to manufactured homes, to amend the Truth in Lending Act to modify the definition of a high-cost mortgage, 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 “Preserving Access to
5 Manufactured Housing Act”.

1 **SEC. 2. MODIFICATIONS TO DEFINITIONS.**

2 (a) LOAN ORIGINATOR DEFINITION.—Section
3 1503(4) of the S.A.F.E. Mortgage Licensing Act of 2008
4 (12 U.S.C. 5102(4)) is amended—

5 (1) in subparagraph (A)—

6 (A) in clause (iii), by striking “and” at the
7 end;

8 (B) in clause (iv), by striking the period
9 and inserting “; and”; and

10 (C) by adding at the end the following new
11 clause:

12 “(v) does not include an individual or
13 entity that is a seller of manufactured
14 homes unless such individual or entity is
15 engaged in the business of a loan origi-
16 nator or receives compensation or gain for
17 engaging in activities described under
18 clause (i) that is in excess of any com-
19 pensation or gain received in a comparable
20 cash transaction.”; and

21 (2) by adding at the end the following:

22 “(E) ENGAGED IN THE BUSINESS OF A
23 LOAN ORIGINATOR.—For purposes of this para-
24 graph, the term ‘engaged in the business of a
25 loan originator’ means to perform loan origi-
26 nator activities described under subparagraph

1 (A)(i) as a regular course of trade or business
2 in exchange for compensation or gain paid sole-
3 ly for engaging in the sale or distribution of
4 residential mortgage loans.”.

5 (b) HIGH-COST MORTGAGE DEFINITION.—Section
6 103(bb)(1)(A)(i) of the Truth in Lending Act (15 U.S.C.
7 1602(bb)(1)(A)(i)), as added by section 1431 of the Dodd-
8 Frank Wall Street Reform and Consumer Protection Act,
9 is amended—

10 (1) in subclause (I)—

11 (A) by striking “(8.5 percentage points, if
12 the dwelling is personal property and the trans-
13 action is for less than \$50,000)”;

14 (B) by striking “or” at the end;

15 (2) in subclause (II), by adding “or” at the
16 end; and

17 (3) by adding at the end the following:

18 “(III) by a first mortgage on a
19 consumer’s principal dwelling that is
20 considered personal property (or is a
21 consumer credit transaction that does
22 not include the purchase of real prop-
23 erty on which a dwelling is to be
24 placed), the annual percentage rate at
25 consummation of the transaction will

1 exceed the average prime offer rate,
2 as defined in section 129C(b)(2)(B),
3 for a comparable transaction, by more
4 than—

5 “(aa) 8.5 percentage points,
6 in the case of a transaction in an
7 amount of \$50,000 or more, but
8 less than \$75,000 (as such
9 amounts are adjusted by the Bu-
10 reau to reflect the change in the
11 Consumer Price index);

12 “(bb) 10.5 percentage
13 points, in the case of a trans-
14 action in an amount of \$30,000
15 or more, but less than \$50,000
16 (as such amounts are adjusted by
17 the Bureau to reflect the change
18 in the Consumer Price index); or

19 “(cc) such percentage
20 points, above those described
21 under item (bb), as the Bureau
22 shall prescribe, in the case of a
23 transaction that is in an amount
24 of \$30,000 or less (as such
25 amount is adjusted by the Bu-

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reau to reflect the change in the
Consumer Price Index);”.

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