

114TH CONGRESS  
1ST SESSION

# H. R. 685

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IN THE SENATE OF THE UNITED STATES

APRIL 15, 2015

Received; read twice and referred to the Committee on Banking, Housing, and  
Urban Affairs

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## AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Mortgage Choice Act  
3 of 2015”.

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

5 (a) AMENDMENT TO SECTION 103 OF TILA.—Sec-  
6 tion 103(bb)(4) of the Truth in Lending Act (15 U.S.C.  
7 1602(bb)(4)) is amended—

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

10 (2) in subparagraph (C)—

11 (A) by inserting “and insurance” after  
12 “taxes”;

13 (B) in clause (ii), by inserting “, except as  
14 retained by a creditor or its affiliate as a result  
15 of their participation in an affiliated business  
16 arrangement (as defined in section 2(7) of the  
17 Real Estate Settlement Procedures Act of 1974  
18 (12 U.S.C. 2602(7))” after “compensation”;  
19 and

20 (C) by striking clause (iii) and inserting  
21 the following:

22 “(iii) the charge is—

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

1                   “(II) a charge set forth in section  
2                   106(e)(1);” and  
3                   (3) in subparagraph (D)—  
4                   (A) by striking “accident,”; and  
5                   (B) by striking “or any payments” and in-  
6                   serting “and any payments”.

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

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

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

16 **SEC. 3. RULEMAKING.**

17                   Not later than the end of the 90-day period beginning  
18                   on the date of the enactment of this Act, the Bureau of  
19                   Consumer Financial Protection shall issue final

1 regulations to carry out the amendments made by this  
2 Act, and such regulations shall be effective upon issuance.

Passed the House of Representatives April 14, 2015.

Attest:

KAREN L. HAAS,

*Clerk.*