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(Original Signature of Member)

116TH CONGRESS
1ST SESSION

H. R. 3141

To limit the collection of annual premiums under the FHA program for mortgage insurance for single family housing, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To limit the collection of annual premiums under the FHA program for mortgage insurance for single family housing, 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 “FHA Loan Afford-
5 ability Act of 2019”.

6 **SEC. 2. ANNUAL PREMIUMS.**

7 Paragraph (2) of section 203(c) of the National
8 Housing Act (12 U.S.C. 1709(c)(2)) is amended—

1 (1) in subparagraph (B)—

2 (A) in clause (i), by striking “For any”
3 and inserting “Subject to subparagraph (D),
4 for any”; and

5 (B) in clause (ii), by striking “For any”
6 and inserting “Subject to subparagraph (D),
7 for any”;

8 (2) in subparagraph (C)(i), by striking “In ad-
9 dition” and inserting “Subject to subparagraph (D),
10 in addition”; and

11 (3) by adding at the end the following new sub-
12 paragraph:

13 “(D) The Secretary may not collect any
14 annual premiums under this paragraph with re-
15 spect to a mortgage at any time that the re-
16 maining insured principal balance (excluding
17 the portion of the remaining balance attrib-
18 utable to the premium collected under subpara-
19 graph (A)) is 78 percent or less than the lower
20 of (i) the sales price of the dwelling at the sale
21 in connection with which the mortgage was
22 made, or (ii) the appraised value of the dwelling
23 at the time of the origination of the mortgage.”.