

.....
(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R.

To require a review of the effects of FHA mortgage insurance policies, practices, and products on small-dollar mortgage lending, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. TLAIB introduced the following bill; which was referred to the Committee on _____

A BILL

To require a review of the effects of FHA mortgage insurance policies, practices, and products on small-dollar mortgage lending, 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 “Improving FHA Sup-
5 port for Small Dollar Mortgages Act of 2021”.

1 SEC. 2. REVIEW OF FHA SMALL-DOLLAR MORTGAGE PRAC-

2 TICES.

3 (a) CONGRESSIONAL FINDINGS.—The Congress finds
4 that—

(2) according to the Urban Institute, small-dollar mortgage loan applications in 2017 were denied by lenders at double the rate of denial for large mortgage loans, and this difference in denial rates cannot be fully explained by differences in the applicants' credit profiles;

(5) the causes behind these variations are not fully understood, but merit study that could assist in furthering the Department of Housing and Urban

1 Development's mission, including meeting the hous-
2 ing needs of borrowers the program is designed to
3 serve and reducing barriers to homeownership, while
4 protecting the solvency of the Mutual Mortgage In-
5 surance Fund.

6 (b) REVIEW.—The Secretary of Housing and Urban
7 Development shall conduct a review of its FHA single-
8 family mortgage insurance policies, practices, and prod-
9 ucts to identify any barriers or impediments to supporting,
10 facilitating, and making available mortgage insurance for
11 mortgages having an original principal obligation of
12 \$70,000 or less. Not later than the expiration of the 12-
13 month period beginning on the date of the enactment of
14 this Act, the Secretary shall submit a report to the Con-
15 gress describing the findings of such review and the ac-
16 tions that the Secretary will take, without adversely affect-
17 ing the solvency of the Mutual Mortgage Insurance Fund,
18 to remove such barriers and impediments to providing
19 mortgage insurance for such mortgages.