

116TH CONGRESS
1ST SESSION

S. _____

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

IN THE SENATE OF THE UNITED STATES

Mrs. SHAHEEN introduced the following bill; which was read twice and 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 Section 203(c)(2) of the National Housing Act (12
8 U.S.C. 1709(c)(2)) is amended—

9 (1) in subparagraph (B)—

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

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

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

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

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