

116TH CONGRESS
2D SESSION

S. 3639

To require the Secretary of Housing and Urban Development to discount FHA single-family mortgage insurance premium payments for first-time homebuyers who complete a financial literacy housing counseling program.

IN THE SENATE OF THE UNITED STATES

MAY 7, 2020

Mr. PETERS (for himself and Mr. CORNYN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the Secretary of Housing and Urban Development to discount FHA single-family mortgage insurance premium payments for first-time homebuyers who complete a financial literacy housing counseling program.

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 “Housing Financial Lit-
5 eracy Act of 2020”.

1 **SEC. 2. DISCOUNT ON MORTGAGE INSURANCE PREMIUM**
2 **PAYMENTS FOR FIRST-TIME HOMEBUYERS**
3 **WHO COMPLETE FINANCIAL LITERACY HOUS-**
4 **ING COUNSELING PROGRAMS.**

5 The second sentence of section 203(c)(2)(A) of the
6 National Housing Act (12 U.S.C. 1709(c)(2)(A)) is
7 amended by striking “not exceed 2.75 percent of the
8 amount of the original insured principal obligation of the
9 mortgage.” and inserting “be, in the case of a mortgage
10 insured during the 4-year period beginning on the date
11 that is 1 year after the date of enactment of the Housing
12 Financial Literacy Act of 2020, 25 basis points lower than
13 the premium payment amount established by the Sec-
14 retary under the first sentence of this subparagraph, and,
15 in the case of a mortgage insured after that 4-year period,
16 set by the Secretary at a number of basis points lower
17 than that premium payment amount that corresponds to
18 the reduced risk of loss, if any, due to the counseling.”.

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