CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 3, 2015

H.R. 1529
Community Institution Mortgage Relief Act of 2015

As ordered reported by the House Committee on Financial Services on March 26, 2015

Under current law, mortgage lenders must establish escrow accounts for the payment of property taxes and certain insurance premiums related to the property securing the mortgage. H.R. 1529 would amend the Truth in Lending Act to exempt a lender from the requirement to hold those escrow funds if the lender has consolidated assets of $10 billion or less or if it holds the mortgage on its balance sheet for 3 years after the date of origination. H.R. 1529 also would direct the Bureau of Consumer Financial Protection (CFPB) to exempt mortgage servicers from certain requirements related to, among other things, administering escrow accounts if they service 20,000 or fewer mortgage loans annually.

Based on information from the CFPB, CBO estimates that enacting this bill would increase direct spending by less than $500,000 for expenses of the CFPB to prepare and enforce new rules to implement the legislation. Because enacting H.R. 1529 would affect direct spending, pay-as-you-go procedures apply. CBO estimates that enacting H.R. 1529 would not affect revenues. Implementing the bill would not affect spending subject to appropriation because the CFPB is permanently authorized to spend amounts transferred from the Federal Reserve System.

H.R. 1529 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Susan Willie. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.