



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 21, 2017

H.R. 1699 **Preserving Access to Manufactured Housing Act of 2017**

As ordered reported by the House Committee on Financial Services on October 12, 2017

H.R. 1699 would amend the Truth in Lending Act (TILA) and the SAFE Mortgage Licensing Act to change the definitions of mortgage originator, loan originator, and high-cost mortgage. Under TILA, employees of manufactured-home retailers that do not accept residential mortgage loan applications, offer or negotiate terms of loans, or advise consumers on loan terms are excluded from the definition of mortgage originator.

H.R. 1699 would broaden that exception to include retailers of manufactured homes and their employees, as long as they receive no more compensation for selling a home with a mortgage than they would for selling the same home for cash. The bill also would amend the SAFE Mortgage Licensing Act to exempt the same people from the definition of loan originator.

TILA also provides special protections, such as restrictions on certain fees, to consumers who are offered high-cost mortgages. H.R. 1699 would increase the amount an originator or creditor could charge in interest rates and fees for a loan on manufactured housing before the loan would be considered a high-cost mortgage.

Based on an analysis of information from the Consumer Financial Protection Bureau, CBO estimates that enacting H.R. 1699 would increase direct spending by less than \$500,000 for that agency to implement the proposed changes to TILA and the SAFE Mortgage Licensing Act. Because enacting the bill would affect direct spending, pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 1699 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 1699 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Stephen Rabent. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.