



Sen. Jacqueline Y. Collins

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LRB097 19115 KTG 67418 a

1 AMENDMENT TO SENATE BILL 3522

2 AMENDMENT NO. _____. Amend Senate Bill 3522 on page 3 by
3 replacing lines 21 through 24 with the following:

4 "junior mortgage, the average prime offer rate, as defined in
5 Section 129C(b)(2)(B) of the federal Truth in Lending Act, for
6 a comparable transaction as of the date on which the interest
7 rate for the transaction is set, ~~yield on U.S. Treasury~~
8 ~~securities having comparable periods of maturity to the loan~~
9 ~~maturity as of the fifteenth day of the month immediately~~
10 ~~preceding the month in which the application for the loan is~~
11 ~~received by the lender"; and~~

12 on page 4 by replacing lines 3 through 24 with the following:

13 "and fees payable in connection with the transaction, other
14 than bona fide third-party charges not retained by the mortgage
15 originator, creditor, or an affiliate of the mortgage

1 ~~originator or creditor, by the consumer at or before closing~~
2 will exceed (1) the greater of 5% of the total loan amount in
3 the case of a transaction for \$20,000 or more or (2) the lesser
4 of 8% of the total loan amount or \$1,000 (or such other dollar
5 amount as prescribed by federal regulation pursuant to the
6 federal Dodd-Frank Act) in the case of a transaction for less
7 than \$20,000, except that, with respect to all transactions,
8 bona fide loan discount points may be excluded as provided for
9 in Section 35 of this Act. or \$800. The \$800 figure shall be
10 adjusted annually on January 1 by the annual percentage change
11 in the Consumer Price Index for All Urban Consumers for all
12 items published by the United States Department of Labor. "High
13 risk home loan" does not"; and

14 on page 6 by replacing lines 4 and 5 with the following:

15 "closing or financed directly or indirectly into the loan for
16 any credit life, credit"; and

17 on page 10 by replacing lines 14 through 21 with the following:

18 "finances, directly or indirectly, any points and fees. No
19 lender shall transfer, deal in, offer, or make a high risk home
20 loan that finances any prepayment fee or penalty payable by the
21 consumer in a refinancing transaction if the creditor or an
22 affiliate of the creditor is the noteholder of the note being

1 refinanced ~~in excess of 6% of the total loan amount.~~".