To encourage responsible homeowners to refinance mortgages, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mrs. FEINSTEIN introduced the following bill; which was read twice and referred to the Committee on ________________

A BILL

To encourage responsible homeowners to refinance mortgages, and for other purposes.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Expanding Refi-
nancing Opportunities Act of 2012”.

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SEC. 2. STREAMLINED REFINANCING OF NON-ENTERPRISE MORTGAGES THROUGH THE FEDERAL HOUSING ADMINISTRATION.

(a) AMENDMENT.—Title II of the National Housing Act (12 U.S.C. 1707 et seq.) is amended by adding at the end the following:

"SEC. 259. STREAMLINED REFINANCING OF NON-ENTERPRISE MORTGAGES.

“(a) DEFINITION.—In this section, the term ‘eligible mortgage’ means a mortgage that—

“(1) is not guaranteed by—

“(A) the Federal National Mortgage Association; or

“(B) the Federal Home Loan Mortgage Corporation;

“(2) is collateralized by an owner-occupied residence (as defined by the Secretary);

“(3) involves a principal obligation that does not exceed—

“(A) 140 percent of the value of the property collateralizing the mortgage; or

“(B) the loan limits in effect on the date of enactment of this section for loans insured by the Secretary under section 203(b); and

“(4) was executed by a mortgagor—
“(A) having a credit standing that the Secretary determines is satisfactory;

“(B) who has made each payment on the mortgage, within the month in which the payment was due, during the 6-month period preceding the date of refinancing of the mortgage under this section; and

“(C) who has not been 30 or more days delinquent on the mortgage more than once during the 1-year period preceding the date of refinancing of the mortgage under this section.

“(b) Refinancing Available.—The Secretary may insure or commit to insure any mortgage made to refinance an eligible mortgage.

“(c) Premiums.—The Secretary may collect such premiums with respect to the insurance of a mortgage under this section as the Secretary determines are appropriate.

“(d) Expanded Refinancing Fund.—

“(1) Establishment.—There is established in the Federal Housing Administration a fund to be known as the Expanded Refinancing Fund, which shall be available to the Secretary without fiscal year limitation to carry out this section.
“(2) LIMITATION.—No amounts of the Mutual Mortgage Insurance Fund established under section 202 may be used to carry out this section.

“(e) IMPLEMENTATION.—The Secretary may prescribe requirements, terms, and conditions to carry out this section by notice published in the Federal Register or by mortgagee letter.

“(f) SUNSET.—The Secretary may not insure or enter into a commitment to insure any mortgage under this section after December 31, 2014.”.

(b) APPROPRIATIONS.—Out of any money in the Treasury not otherwise appropriated, there are appropriated to the Expanded Refinancing Fund established under section 259 of the National Housing Act, as added by this section, $6,000,000,000.

SEC. 3. OFFSET.

(a) EXTENSION OF GSE GUARANTEE FEES.—Section 1327(f) of the Housing and Community Development Act of 1992 (12 U.S.C. 4547(f)) is amended by striking “2021” and inserting “2022”.

(b) EXTENSION OF FHA GUARANTEE FEES.—Section 402 of the Temporary Payroll Tax Cut Continuation Act of 2011 (Public Law 112–78; 125 Stat. 1289) is amended—
(1) in subsection (b), by striking “October 1, 2021” and inserting “October 1, 2022”; and

(2) by striking subsection (c).