

**AMENDMENT TO H.R. 1728, AS REPORTED  
OFFERED BY MR. POLIS OF COLORADO**

In paragraph (4) of section 129C(a) of the Truth in Lending Act (as added by section 201(a) of the bill), insert after subparagraph (D) the following new subparagraph:

1           “(E) REFINANCE OF HYBRID LOANS WITH  
2           CURRENT LENDER.—In considering any appli-  
3           cation for refinancing an existing hybrid loan  
4           by the creditor into a standard loan to be made  
5           by the same creditor in any case in which the  
6           sole net-tangible benefit to the mortgagor would  
7           be a reduction in monthly payment and the  
8           mortgagor has not been delinquent on any pay-  
9           ment on the existing hybrid loan, the creditor  
10          may—

11                   “(i) consider the mortgagor’s good  
12                   standing on the existing mortgage;

13                   “(ii) consider if the extension of new  
14                   credit would prevent a likely default should  
15                   the original mortgage reset and give such  
16                   concerns a higher priority as an acceptable  
17                   underwriting practice; and

1                   “(iii) offer rate discounts and other  
2                   favorable terms to such mortgagor that  
3                   would be available to new customers with  
4                   high credit ratings based on such under-  
5                   writing practice.”.

