

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 129 Session of
2023

INTRODUCED BY GROVE, M. MACKENZIE, GREINER, KAUFFMAN, DIAMOND,
KEEFER, MOUL, PICKETT, SMITH, HAMM AND SCHEUREN, MAY 30, 2023

REFERRED TO COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT,
MAY 30, 2023

A RESOLUTION

1 Urging the Biden Administration and the Federal Housing Finance
2 Agency to rescind the administration's proposed updates to
3 the upfront fees and matrices for the purchases, rate-term
4 refinancing and cash-out refinancing of mortgage loans.

5 WHEREAS, On January 19, 2023, the Federal Housing Finance
6 Agency (FHFA) Director stated that, "By locking in the upfront
7 fee eliminations announced last October, FHFA is taking another
8 step to ensure that the Enterprises (Fannie Mae Lender and
9 Freddie Mac) advance their mission of facilitating equitable and
10 sustainable access to homeownership"; and

11 WHEREAS, According to the FHFA press release, the updates
12 "include developing a pricing framework to maintain support for
13 single-family purchase borrowers limited by wealth or income,
14 while ensuring a level playing field"; and

15 WHEREAS, The Biden Administration and FHFA updates punish
16 financially responsible borrowers by imposing higher fees on
17 borrowers with healthier credit scores to subsidize at-risk home
18 buyers with lower credit scores; and

1 WHEREAS, An individual's credit score is a number ranging
2 from 300 to 850 and rates the individual on how likely the
3 individual is to repay a loan and make on time payments; and

4 WHEREAS, An individual's credit score is based on your credit
5 history, which can include open accounts, total debt, repayment
6 history, types of loans and inquiries to your credit; and

7 WHEREAS, Prospective lenders review an individual's credit
8 score to determine whether or not to give the individual a line
9 of credit and it also determines the terms, including length and
10 interest rate, of the loan; and

11 WHEREAS, When a lender is doing a credit risk assessment on a
12 potential loan applicant, the lender reviews the applicant's
13 credit history, capacity to repay, capital, the loan's
14 conditions and any collateral the applicant may have; and

15 WHEREAS, Credit score and credit history are one of many
16 factors used by creditors to review, evaluate and determine an
17 individual's ability to acquire a line of credit; and

18 WHEREAS, Being a responsible borrower is a core concept of
19 developing financial independence; and

20 WHEREAS, Having an understanding and encouraging financial
21 literacy empowers all communities and will lead to a stronger
22 and more educated workforce; and

23 WHEREAS, When communities are financially capable, everyone
24 benefits; and

25 WHEREAS, Providing financial literacy education and awareness
26 to underserved communities should be a priority; and

27 WHEREAS, Providing underserved communities with the tools
28 needed to make effective financial decisions will provide the
29 education and awareness of personal finance, reinforcing the
30 value in making responsible financial decisions; and

1 WHEREAS, Over-subsidizing demand for housing will not help
2 home ownership if supply does not expand along with it; and

3 WHEREAS, Since the Federal Government has not achieved the
4 results it wanted with its previous housing interventions, the
5 Biden Administration and FHFA is now attempting to correct
6 previous flawed interventions; therefore be it

7 RESOLVED, That the House of Representatives of the
8 Commonwealth of Pennsylvania urge the Biden Administration and
9 the Federal Housing Finance Agency to immediately rescind the
10 administration's proposed updates to the upfront fees and
11 matrices for the purchases, rate-term refinancing and cash-out
12 refinancing of mortgage loans; and be it further

13 RESOLVED, That individuals with a higher credit score should
14 not be penalized for following the terms and conditions of the
15 lending contracts they enter into; and be it further

16 RESOLVED, That copies of this resolution be transmitted to
17 all of the following:

18 (1) The President of the United States.

19 (2) The President pro tempore of the United States
20 Senate.

21 (3) The Speaker of the United States House of
22 Representatives.

23 (4) Each member of Congress from Pennsylvania.