

**BACA**  
H.L.C.

**003**

**AMENDMENT**

**OFFERED BY MR. BACA TO THE AMENDMENT OF-  
FERED BY MR. AL GREEN OF TEXAS, MR.  
MCHENRY, AND MR. NEUGEBAUER**

Page 4, after line 7, insert the following new sub-  
section:

1 (c) ENHANCED MORTGAGE LOAN DISCLOSURES.—  
2 Section 128(b)(2) of the Truth in Lending Act (15 U.S.C.  
3 1638(b)(2)) is amended—

4 (1) by striking “(2) In the” and inserting “(2)  
5 MORTGAGE DISCLOSURES.—

6 “(A) IN GENERAL.—In the”;

7 (2) by striking “a residential mortgage trans-  
8 action, as defined in section 103(w)” and inserting  
9 “any extension of credit that is secured by the dwell-  
10 ing of a consumer”;

11 (3) by striking “shall be made in accordance”  
12 and all that follows through “extended, or”;

13 (4) by striking “If the” and all that follows  
14 through the end of the paragraph and inserting the  
15 following new subparagraphs:

16 “(B) STATEMENT AND TIMING OF DISCLO-  
17 SURES.—In the case of an extension of credit

1 that is secured by the dwelling of a consumer,  
2 in addition to the other disclosures required by  
3 subsection (a), the disclosures provided under  
4 this paragraph shall state in conspicuous type  
5 size and format, the following: 'You are not re-  
6 quired to complete this agreement merely be-  
7 cause you have received these disclosures or  
8 signed a loan application.'

9 "(i) state in conspicuous type size and  
10 format, the following: 'You are not re-  
11 quired to complete this agreement merely  
12 because you have received these disclosures  
13 or signed a loan application.'; and

14 "(ii) be furnished to the borrower not  
15 later than 7 business days before the date  
16 of consummation of the transaction, sub-  
17 ject to subparagraph (D).

18 "(C) VARIABLE RATES OR PAYMENT  
19 SCHEDULES.—In the case of an extension of  
20 credit that is secured by the dwelling of a con-  
21 sumer, under which the annual rate of interest  
22 is variable, or with respect to which the regular  
23 payments may otherwise be variable, in addition  
24 to the other disclosures required by subsection  
25 (a), the disclosures provided under this para-

1 graph shall label the payment schedule as fol-  
2 lows: 'Payment Schedule: Payments Will Vary  
3 Based on Interest Rate Changes'.

4 "(D) UPDATING APR.—In any case in  
5 which the disclosure statement provided 7 busi-  
6 ness days before the date of consummation of  
7 the transaction contains an annual percentage  
8 rate of interest that is no longer accurate, as  
9 determined under section 107(c), the creditor  
10 shall furnish an additional, corrected statement  
11 to the borrower, not later than 3 business days  
12 before the date of consummation of the trans-  
13 action."