

## Expanding American Homeownership Act of 2007

On September 18, 2007, the U.S. House of Representatives passed the “Expanding American Homeownership Act of 2007” by a vote of 348 to 72. The bill is intended to modernize and update the National Housing Act and to enable the Federal Housing Administration (FHA) to, among other things, use risk-based pricing to more effectively reach underserved borrowers. The bill includes authorization for the Secretary of HUD to expand mandatory pre-purchase counseling for “risky” loans as well as expand the availability of foreclosure prevention and loss mitigation counseling, and includes an NFCC (National Foundation for Credit Counseling)-supported authorization for \$100 million in housing counseling grants. During consideration of the bill, the House approved an amendment offered by Congresswoman Eddie Bernice Johnson (D-TX) to require participants who receive federal assistance through the Affordable Housing Fund to complete a financial literacy program. The bill still needs to pass the Senate before becoming law.