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December 9, 2019

The Honorable Maxine Waters  
Chairwoman  
U.S. House Committee on  
Financial Services  
2221 Rayburn House Office Building  
Washington, DC 20515

The Honorable Patrick McHenry  
Ranking Member  
U.S. House Committee on  
Financial Services  
2004 Rayburn House Office Building  
Washington, DC 20515

Dear Chairwoman Waters and Ranking Member McHenry:

On behalf of the 1.4 million members of the National Association of REALTORS® (NAR), NAR is pleased to support several bills under consideration by the Committee that protect homebuyers' creditworthiness in an effort to promote a vibrant housing market and economy. Nearly 90 percent of home sales are financed and a borrower's credit report and credit score are a critical gateway to obtaining a mortgage that depends on accuracy and transparency. Furthermore, given the increased dependence on credit reports by creditors, employers, insurers and law enforcement, NAR believes Americans should not be penalized by mistakes in their credit reports.

- H.R. 2445, the "Self-Employed Mortgage Access Act," sponsored by Reps. Emmer (R-MN) and Foster (D-IL), will promote flexibility within the qualified mortgage (QM) rule on verifying sources of incomes and debt used to estimate a borrower's ability to repay. The legislation helps creditworthy Americans with non-W-2 income sources, including many REALTORS®, and incentivizes the government and enterprise guarantee programs to update their guides to reflect such innovation.
- The "Protecting Your Credit Score Act of 2019," introduced by Rep. Gottheimer (D-NJ), would increase consumer access to free credit scores, improve transparency in the reporting process and use of consumer credit information, create higher standards for vetting credit information, and institute a reliable method for contesting and correcting inaccurate information.

NAR also supports several bills on student loan debt and its intersection with credit reports. According to NAR's "2019 Profile of Homebuyers and Sellers," 51 percent of all borrowers cited student loan debt as a reason for delaying saving for a home purchase. These bills address those concerns, specifically:

- H.R. 5294, the "Student Borrower Protections Act," introduced by Rep. Adams (D-NC) would require student loan servicers to provide borrowers with more accurate repayment options and resources, and set minimum industry standards for all student loan transactions. The bill would also require the government to establish standards for reporting credit information about borrowers' student loans. The bill also provides consumers with tools to enforce the standards on loan servicing standards and information furnished on borrowers. Finally, the bill would require schools to confirm student loan need, counsel students before they sign on to private education loan debt, and inform students of any unused federal student aid eligibility.
- H.R. 4545, the "Private Loan Disability Discharge Act of 2019," introduced by Rep. Dean (D-PA) would extend certain federal student loan protections to



private student loans. The bill would also require discharge of private student loans in the case of permanent disability of the borrower and permanently exempt any tax liability accrued from the discharge, which currently only runs until January 1, 2026.

- H.R. 5287, the “Fair Student Loan Debt Collection Practices Act,” introduced by Rep. Lawson (D-FL), would bar debt collectors from collecting on certain Federal student loan debt when the borrower would not be required to make payments under an income-driven repayment plan.

REALTORS® urge your support for these critical bills, which will help ensure the American Dream of homeownership is not out of reach due to an inaccurate determination on willingness and ability to repay a mortgage.

Sincerely,

A handwritten signature in black ink, appearing to read "Vince Malta", written in a cursive style.

Vince Malta

2020 President, National Association of REALTORS®

cc: U.S. House Committee on Financial Services