

## Murphy's Subprime Mortgage Provision Survives Committee Vote

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WASHINGTON, D.C. – This week, the House Financial Services Committee approved its comprehensive mortgage reform and anti-predatory lending legislation, which included a provision pushed by Congressman Chris Murphy (CT-5) to protect consumers from being steered into higher cost loans than they qualify for.

"There needs to be a high level of trust between home buyers and the people who make and broker their loans, and that trust has been broken with the subprime mortgage crisis. I am thrilled that my provision to protect consumers was included in Financial Services Committee Chairman Frank's larger bill," said Murphy.

Murphy's provision intends to end payments to mortgage originators who steer consumers into higher cost mortgages. According to the Center for Responsible Lending, 85 to 90 percent of all subprime mortgages included payments that could provide incentives for brokers to steer borrowers into higher cost loans.

Murphy worked with Chairman Frank and concerned mortgage brokers to make modifications to the measure before it was finalized in Committee this week.

For more information on the larger mortgage reform bill, H.R. 3915, the "The Mortgage Reform and Anti-Predatory Lending Act of 2007", visit the Financial Services Committee web site.

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