

***In the Senate of the United States,***

*September 2, 2003.*

*Resolved*, That the bill from the House of Representatives (H.R. 659) entitled “An Act to amend section 242 of the National Housing Act regarding the requirements for mortgage insurance under such Act for hospitals.”, do pass with the following

**AMENDMENT:**

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2       *This Act may be cited as the “Hospital Mortgage In-*  
3 *surance Act of 2003”.*

1 **SEC. 2. STANDARDS FOR DETERMINING NEED AND FEASI-**  
2 **BILITY FOR HOSPITALS.**

3 (a) *IN GENERAL.*—Paragraph (4) of section 242(d) of  
4 the National Housing Act (12 U.S.C. 1715z–7) is amended  
5 to read as follows:

6 “(4)(A) The Secretary shall require satisfactory evi-  
7 dence that the hospital will be located in a State or political  
8 subdivision of a State with reasonable minimum standards  
9 of licensure and methods of operation for hospitals and sat-  
10 isfactory assurance that such standards will be applied and  
11 enforced with respect to the hospital.

12 “(B) The Secretary shall establish the means for deter-  
13 mining need and feasibility for the hospital, if the State  
14 does not have an official procedure for determining need  
15 for hospitals. If the State has an official procedure for deter-  
16 mining need for hospitals, the Secretary shall require that  
17 such procedure be followed before the application for insur-  
18 ance is submitted, and the application shall document that  
19 need has also been established under that procedure.”.

20 (b) *EFFECTIVE DATE.*—

21 (1) *IN GENERAL.*—The amendment made by this  
22 subsection (a) shall take effect and apply as of the  
23 date of the enactment of this Act.

24 (2) *EFFECT OF REGULATORY AUTHORITY.*—Any  
25 authority of the Secretary of Housing and Urban De-  
26 velopment to issue regulations to carry out the

1        *amendment made by subsection (a) may not be con-*  
 2        *strued to affect the effectiveness or applicability of*  
 3        *such amendment under paragraph (1) of this sub-*  
 4        *section.*

5        **SEC. 3. EXEMPTION FOR CRITICAL ACCESS HOSPITALS.**

6        *(a) IN GENERAL.—Section 242 of the National Hous-*  
 7        *ing Act (12 U.S.C.1715z-7) is amended—*

8                *(1) in subsection (b)(1)(B), by inserting “, unless*  
 9        *the facility is a critical access hospital (as that term*  
 10        *is defined in section 1861(mm)(1) of the Social Secu-*  
 11        *rity Act (42 U.S.C. 1395x(mm)(1)))” after “tuber-*  
 12        *culosis”; and*

13                *(2) by adding at the end the following:*

14                *“(i) TERMINATION OF EXEMPTION FOR CRITICAL AC-*  
 15        *CESS HOSPITALS.—*

16                *“(1) IN GENERAL.—The exemption for critical*  
 17        *access hospitals under subsection (b)(1)(B) shall have*  
 18        *no effect after July 31, 2006.*

19                *“(2) REPORT TO CONGRESS.—Not later than 3*  
 20        *years after July 31, 2003, the Secretary shall submit*  
 21        *a report to Congress detailing the effects of the exemp-*  
 22        *tion of critical access hospitals from the provisions of*  
 23        *subsection (b)(1)(B) on—*

24                *“(A) the provision of mortgage insurance to*  
 25        *hospitals under this section; and*

1                   “(B) the General Insurance Fund estab-  
2                   lished under section 519.”.

3 **SEC. 4. STUDY OF BARRIERS TO RECEIPT OF INSURED**  
4                   **MORTGAGES BY FEDERALLY QUALIFIED**  
5                   **HEALTH CENTERS.**

6           (a) *IN GENERAL.*—The Secretary of Housing and  
7 Urban Development shall conduct a study on the barriers  
8 to the receipt of mortgage insurance by Federally qualified  
9 health centers (as defined in section 1905(l)(2)(B) of the So-  
10 cial Security Act (42 U.S.C. 1396d(l)(2)(B))) under section  
11 1101 of the National Housing Act (12 U.S.C. 1749aaa), or  
12 other programs under that Act.

13           (b) *REPORT.*—Not later than 6 months after the date  
14 of enactment of this Act, the Secretary of Housing and  
15 Urban Development shall submit a report regarding any  
16 appropriate legislative and regulatory changes needed to en-  
17 able Federally qualified health centers to access mortgage  
18 insurance under section 1101 of the National Housing Act  
19 (12 U.S.C. 1749aaa), or other programs under that Act  
20 to—

21                   (1) the Committee on Banking, Housing, and  
22                   Urban Affairs of the Senate; and

1           (2) *the Committee on Financial Services of the*  
2           *House of Representatives.*

Attest:

*Secretary.*

108TH CONGRESS  
1ST SESSION

**H. R. 659**

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**AMENDMENT**