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109TH CONGRESS, 2d Session | HOUSE OF REPRESENTATIVES | REPORT 109–742

REPORT ON THE ACTIVITY

OF THE

COMMITTEE ON FINANCIAL SERVICES

FOR THE

ONE HUNDRED NINTH CONGRESS

JANUARY 2, 2007.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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LETTER OF TRANSMITTAL

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, January 2, 2007.

Hon. KAREN L. HAAS,
Clerk, House of Representatives,
Washington, DC.

DEAR MRS. HAAS: Pursuant to clause 1(d) of rule XI of the Rules of the House of Representatives for the 109th Congress, I present herewith a report on the activity of the Committee on Financial Services for the 109th Congress, including the Committee's review and study of legislation within its jurisdiction, and the oversight activities undertaken by the Committee.

Yours truly,

MICHAEL G. OXLEY,
Chairman.

CONTENTS

	Page
Letter of Transmittal	III
Jurisdiction	1
Rules of the Committee	4
Membership and Organization	17
Legislative and Oversight Activities	23
Full Committee	25
Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises	95
Subcommittee on Domestic and International Monetary Policy, Trade, and Technology	107
Subcommittee on Financial Institutions and Consumer Credit	117
Subcommittee on Housing and Community Opportunity	123
Subcommittee on Oversight and Investigations	137
Oversight Plan for the 109th Congress	143
Implementation of the Oversight Plan for the 109th Congress	165
Appendix I—Committee Legislation: Committee Reports and Public Laws	197
Appendix II—Committee Publications: Committee Hearings and Committee Prints	199

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Mr. OXLEY, from the Committee on Financial Services, submitted to the Committee on the Budget the following

R E P O R T

Clause 1(d) of rule XI of the Rules of the House of Representatives for the 109th Congress requires that each standing committee, not later than January 2 of each odd-numbered year, submit to the House a report on the activities of that committee, including separate sections summarizing the legislative and oversight activities of that committee during that congress.

JURISDICTION

RULES OF THE HOUSE

Clause 1(g) of rule X of the Rules of the House of Representatives for the 109th Congress sets forth the jurisdiction of the Committee on Financial Services as follows—

(1) Banks and banking, including deposit insurance and Federal monetary policy.

(2) Economic stabilization, defense production, renegotiation, and control of the price of commodities, rents, and services.

(3) Financial aid to commerce and industry (other than transportation).

(4) Insurance generally.

(5) International finance.

(6) International financial and monetary organization.

(7) Money and credit, including currency and the issuance of notes and redemption thereof; gold and silver, including the coinage thereof; valuation and revaluation of the dollar.

(8) Public and private housing.

(9) Securities and exchanges.

59–006

(10) Urban development.

MEMORANDUM OF UNDERSTANDING

The Committee on Financial Services was established when the House agreed to H. Res. 5, establishing the Rules of the House of Representatives for the 107th Congress, on January 3, 2001. The jurisdiction of the Committee on Financial Services consists of the jurisdiction granted the Committee on Banking and Financial Services in the 106th Congress, along with jurisdiction over insurance generally and securities and exchanges, matters which had previously been within the jurisdiction of the Committee on Commerce in the 106th and previous congresses. On January 20, 2001,[1] the Speaker inserted the following memorandum of understanding between the chairmen of the Committee on Financial Services and the Committee on Energy and Commerce further clarifying these jurisdictional changes—

JANUARY 20, 2001

On January 3, 2001, the House agreed to H. Res. 5, establishing the rules of the House for the 107th Congress. Section 2(d) of H. Res. 5 contained a provision renaming the Banking Committee as the Financial Services Committee and transferring jurisdiction over securities and exchanges and insurance from the Commerce Committee to the Financial Services Committee. The Commerce Committee was also renamed the Energy and Commerce Committee.

The Committee on Energy and Commerce and the Committee on Financial Services jointly acknowledge as the authoritative source of legislative history concerning section 2(d) of H. Res. 5 the following statement of Rules Committee Chairman David Dreier during floor consideration of the resolution:

"In what is obviously one of our most significant changes, Mr. Speaker, section 2(d) of the resolution establishes a new Committee on Financial Services, which will have jurisdiction over the following matters:

"(1) banks and banking, including deposit insurance and Federal monetary policy;

"(2) economic stabilization, defense production, renegotiation, and control of the price of commodities, rents, and services;

"(3) financial aid to commerce and industry (other than transportation);

"(4) insurance generally;

"(5) international finance;

"(6) international financial and monetary organizations;

"(7) money and credit, including currency and the issuance of notes and redemption thereof; gold and silver, including the coinage thereof; valuation and revaluation of the dollar;

"(8) public and private housing;

"(9) securities and exchanges; and

"(10) urban development.

"Mr. Speaker, jurisdiction over matters relating to securities and exchanges is transferred in its entirety from the Committee on Commerce, which will be redesignated under this rules change to

[1] The version of the memorandum printed in the January 20, 2001 Congressional Record contained a typographic error. A corrected version of the memorandum, which appears below, was printed in the January 30, 2001 edition of the Congressional Record.

the Committee on Energy and Commerce, and it will now be transferred from the new Committee on Energy and Commerce to this new Committee on Financial Services. This transfer is not intended to convey to the Committee on Financial Services jurisdiction currently in the Committee on Agriculture regarding commodity exchanges.

"Furthermore, this change is not intended to convey to the Committee on Financial Services jurisdiction over matters relating to regulation and SEC oversight of multi-State public utility holding companies and their subsidiaries, which remain essentially matters of energy policy.

"Mr. Speaker, as a result of the transfer of jurisdiction over matters relating to securities and exchanges, redundant jurisdiction over matters relating to bank capital markets activities generally and depository institutions securities activities, which were formerly matters in the jurisdiction of the Committee on Banking and Financial Services, have been removed from clause 1 of rule X.

"Matters relating to insurance generally, formerly within the jurisdiction of the redesignated Committee on Energy and Commerce, are transferred to the jurisdiction of the Committee on Financial Services.

"The transfer of any jurisdiction to the Committee on Financial Services is not intended to limit the Committee on Energy and Commerce's jurisdiction over consumer affairs and consumer protection matters.

"Likewise, existing health insurance jurisdiction is not transferred as a result of this change.

"Furthermore, the existing jurisdictions of other committees with respect to matters relating to crop insurance, Workers' Compensation, insurance anti-trust matters, disaster insurance, veterans' life and health insurance, and national social security policy are not affected by this change.

"Finally, Mr. Speaker, the changes and legislative history involving the Committee on Financial Services and the Committee on Energy and Commerce do not preclude future memorandum of understanding between the chairmen of these respective committees."

By this memorandum the two committees undertake to record their further mutual understandings in this matter, which will supplement the statement quoted above.

It is agreed that the Committee on Energy and Commerce will retain jurisdiction over bills dealing broadly with electronic commerce, including electronic communications networks (ECNs). However, a bill amending the securities laws to address the specific type of electronic securities transaction currently governed by a special SEC regulation as an Alternative Trading System (ATS) would be referred to the Committee on Financial Services.

While it is agreed that the jurisdiction of the Committee on Financial Services over securities and exchanges includes anti-fraud authorities under the securities laws, the Committee on Energy and Commerce will retain jurisdiction only over the issue of setting of accounting standards by the Financial Accounting Standards Board.

W.J. "BILLY" TAUZIN,
Chairman, Committee on Energy and Commerce,
MICHAEL G. OXLEY,
Chairman, Committee on Financial Services.

However, on the opening day of the 109th Congress (January 4, 2005), the following announcement was made by the Speaker:
The SPEAKER. Based on discussions with the relevant committees, the further mutual understandings contained in the final two paragraphs of the "Memorandum of Understanding Between Energy and Commerce Committee and Financial Services Committee" dated January 30, 2001, shall no longer provide jurisdictional guidance.

RULES OF THE COMMITTEE ON FINANCIAL SERVICES FOR THE ONE HUNDRED NINTH CONGRESS

RULE 1

GENERAL PROVISIONS

(a) The rules of the House are the rules of the Committee on Financial Services (hereinafter in these rules referred to as the "Committee") and its subcommittees so far as applicable, except that a motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are privileged motions in the Committee and shall be considered without debate. A proposed investigative or oversight report shall be considered as read if it has been available to the members of the Committee for at least 24 hours (excluding Saturdays, Sundays, or legal holidays except when the House is in session on such day).

(b) Each subcommittee is a part of the Committee, and is subject to the authority and direction of the Committee and to its rules so far as applicable.

(c) The provisions of clause 2 of rule XI of the Rules of the House are incorporated by reference as the rules of the Committee to the extent applicable.

RULE 2

MEETINGS

Calling of Meetings

(a)(1) The Committee shall regularly meet on the first Tuesday of each month when the House is in session.

(2) A regular meeting of the Committee may be dispensed with if, in the judgment of the Chairman of the Committee (hereinafter

in these rules referred to as the "Chair"), there is no need for the meeting.

(3) Additional regular meetings and hearings of the Committee may be called by the Chair, in accordance with clause 2(g)(3) of rule XI of the rules of the House.

(4) Special meetings shall be called and convened by the Chair as provided in clause 2(c)(2) of rule XI of the Rules of the House.

Notice for Meetings

(b)(1) The Chair shall notify each member of the Committee of the agenda of each regular meeting of the Committee at least two calendar days before the time of the meeting.

(2) The Chair shall provide to each member of the Committee, at least two calendar days before the time of each regular meeting for each measure or matter on the agenda a copy of—

(A) the measure or materials relating to the matter in question; and

(B) an explanation of the measure or matter to be considered, which, in the case of an explanation of a bill, resolution, or similar measure, shall include a summary of the major provisions of the legislation, an explanation of the relationship of the measure to present law, and a summary of the need for the legislation.

(3) The agenda and materials required under this subsection shall be provided to each member of the Committee at least three calendar days before the time of the meeting where the measure or matter to be considered was not approved for full Committee consideration by a subcommittee of jurisdiction.

(4) The provisions of this subsection may be waived by a two-thirds vote of the Committee or by the Chair with the concurrence of the ranking minority member.

RULE 3

MEETING AND HEARING PROCEDURES

In General

(a)(1) Meetings and hearings of the Committee shall be called to order and presided over by the Chair or, in the Chair's absence, by the member designated by the Chair as the Vice Chair of the Committee, or by the ranking majority member of the Committee present as Acting Chair.

(2) Meetings and hearings of the committee shall be open to the public unless closed in accordance with clause 2(g) of rule XI of the Rules of the House.

(3) Any meeting or hearing of the Committee that is open to the public shall be open to coverage by television broadcast, radio broadcast, and still photography in accordance with the provisions of clause 4 of rule XI of the Rules of the House (which are incorporated by reference as part of these rules). Operation and use of any Committee operated broadcast system shall be fair and nonpartisan and in accordance with clause 4(b) of rule XI and all other applicable rules of the Committee and the House.

(4) Opening statements by members at the beginning of any hearing or meeting of the Committee shall be limited to 5 minutes

each for the Chair or ranking minority member, or their respective designee, and 3 minutes each for all other members.

(5) No person, other than a Member of Congress, Committee staff, or an employee of a Member when that Member has an amendment under consideration, may stand in or be seated at the rostrum area of the Committee rooms unless the Chair determines otherwise.

Quorum

(b)(1) For the purpose of taking testimony and receiving evidence, two members of the Committee shall constitute a quorum.

(2) A majority of the members of the Committee shall constitute a quorum for the purposes of reporting any measure or matter, of authorizing a subpoena, of closing a meeting or hearing pursuant to clause 2(g) of rule XI of the rules of the House (except as provided in clause 2(g)(2)(A) and (B)) or of releasing executive session material pursuant to clause 2(k)(7) of rule XI of the rules of the House.

(3) For the purpose of taking any action other than those specified in paragraph (2) one-third of the members of the Committee shall constitute a quorum.

Voting

(c)(1) No vote may be conducted on any measure or matter pending before the Committee unless the requisite number of members of the Committee is actually present for such purpose.

(2) A record vote of the Committee shall be provided on any question before the Committee upon the request of one-fifth of the members present.

(3) No vote by any member of the Committee on any measure or matter may be cast by proxy.

(4) In accordance with clause 2(e)(1)(B) of rule XI, a record of the vote of each member of the Committee on each record vote on any measure or matter before the Committee shall be available for public inspection at the offices of the Committee, and, with respect to any record vote on any motion to report or on any amendment, shall be included in the report of the Committee showing the total number of votes cast for and against and the names of those members voting for and against.

(5) POSTPONED RECORD VOTES.—

(A) Subject to subparagraph (B), the Chairman may postpone further proceedings when a record vote is ordered on the question of approving any measure or matter or adopting an amendment. The Chairman may resume proceedings on a postponed request at any time, but no later than the next meeting day.

(B) In exercising postponement authority under subparagraph (A), the Chairman shall take all reasonable steps necessary to notify members on the resumption of proceedings on any postponed record vote;

(C) When proceedings resume on a postponed question, notwithstanding any intervening order for the previous question, an underlying proposition shall remain subject to further de-

bate or amendment to the same extent as when the question was postponed.

Hearing Procedures

(d)(1)(A) The Chair shall make public announcement of the date, place, and subject matter of any committee hearing at least one week before the commencement of the hearing, unless the Chair, with the concurrence of the ranking minority member, or the Committee by majority vote with a quorum present for the transaction of business, determines there is good cause to begin the hearing sooner, in which case the Chair shall make the announcement at the earliest possible date.

(B) Not less than three days before the commencement of a hearing announced under this paragraph, the Chair shall provide to the members of the Committee a concise summary of the subject of the hearing, or, in the case of a hearing on a measure or matter, a copy of the measure or materials relating to the matter in question and a concise explanation of the measure or matter to be considered.

(2) To the greatest extent practicable—

(A) each witness who is to appear before the Committee shall file with the Committee two business days in advance of the appearance sufficient copies (including a copy in electronic form), as determined by the Chair, of a written statement of proposed testimony and shall limit the oral presentation to the Committee to brief summary thereof; and

(B) each witness appearing in a non-governmental capacity shall include with the written statement of proposed testimony a curriculum vitae and a disclosure of the amount and source (by agency and program) of any Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two preceding fiscal years.

(3) The requirements of paragraph (2)(A) may be modified or waived by the Chair when the Chair determines it to be in the best interest of the Committee.

(4) The five-minute rule shall be observed in the interrogation of witnesses before the Committee until each member of the Committee has had an opportunity to question the witnesses. No member shall be recognized for a second period of 5 minutes to interrogate witnesses until each member of the Committee present has been recognized once for that purpose.

(5) Whenever any hearing is conducted by the Committee on any measure or matter, the minority party members of the Committee shall be entitled, upon the request of a majority of them before the completion of the hearing, to call witnesses with respect to that measure or matter during at least one day of hearing thereon.

Subpoenas and Oaths

(e)(1) Pursuant to clause 2(m) of rule XI of the Rules of the House, a subpoena may be authorized and issued by the Committee or a subcommittee in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present, or pursuant to paragraph (2).

(2) The Chair, with the concurrence of the ranking minority member, may authorize and issue subpoenas under such clause during any period for which the House has adjourned for a period in excess of 3 days when, in the opinion of the Chair, authorization and issuance of the subpoena is necessary to obtain the material or testimony set forth in the subpoena. The Chair shall report to the members of the Committee on the authorization and issuance of a subpoena during the recess period as soon as practicable, but in no event later than one week after service of such subpoena.

(3) Authorized subpoenas shall be signed by the Chair or by any member designated by the Committee, and may be served by any person designated by the Chair or such member.

(4) The Chair, or any member of the Committee designated by the Chair, may administer oaths to witnesses before the Committee.

Special Procedures

(f)(1)(A) COMMEMORATIVE MEDALS AND COINS.—It shall not be in order for the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology to hold a hearing on any commemorative medal or commemorative coin legislation unless the legislation is cosponsored by at least two-thirds of the members of the House.

(B) It shall not be in order for the subcommittee to approve a bill or measure authorizing commemorative coins for consideration by the full Committee which does not conform with the mintage restrictions established by section 5112 of title 31, United States Code.

(C) In considering legislation authorizing Congressional gold medals, the subcommittee shall apply the following standards—

(i) the recipient shall be a natural person;

(ii) the recipient shall have performed an achievement that has an impact on American history and culture that is likely to be recognized as a major achievement in the recipient's field long after the achievement;

(iii) the recipient shall not have received a medal previously for the same or substantially the same achievement;

(iv) the recipient shall be living or, if deceased, shall have been deceased for not less than 5 years and not more than 25 years;

(v) the achievements were performed in the recipient's field of endeavor, and represent either a lifetime of continuous superior achievements or a single achievement so significant that the recipient is recognized and acclaimed by others in the same field, as evidenced by the recipient having received the highest honors in the field.

(2) TESTIMONY OF CERTAIN OFFICIALS.—

(A) Notwithstanding subsection (a)(4), when the Chair announces a hearing of the Committee for the purpose of receiving—

(i) testimony from the Chairman of the Federal Reserve Board pursuant to section 2B of the Federal Reserve Act (12 U.S.C. 221 et seq.), or

(ii) testimony from the Chairman of the Federal Reserve Board or a member of the President's cabinet at the invita-

tion of the Chair, the Chair may, in consultation with the ranking minority member, limit the number and duration of opening statements to be delivered at such hearing. The limitation shall be included in the announcement made pursuant to subsection (d)(1)(A), and shall provide that the opening statements of all members of the Committee shall be made a part of the hearing record.

RULE 4

PROCEDURES FOR REPORTING MEASURES OR MATTERS

(a) No measure or matter shall be reported from the Committee unless a majority of the Committee is actually present.

(b) The Chair of the Committee shall report or cause to be reported promptly to the House any measure approved by the Committee and take necessary steps to bring a matter to a vote.

(c) The report of the Committee on a measure which has been approved by the Committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the Committee a written request, signed by a majority of the members of the Committee, for the reporting of that measure pursuant to the provisions of clause 2(b)(2) of rule XIII of the Rules of the House.

(d) All reports printed by the Committee pursuant to a legislative study or investigation and not approved by a majority vote of the Committee shall contain the following disclaimer on the cover of such report: "This report has not been officially adopted by the Committee on Financial Services and may not necessarily reflect the views of its Members."

(e) The Chair is directed to offer a motion under clause 1 of rule XXII of the Rules of the House whenever the Chair considers it appropriate.

RULE 5

SUBCOMMITTEES

Establishment and Responsibilities of Subcommittees

(a)(1) There shall be 5 subcommittees of the Committee as follows:

(A) SUBCOMMITTEE ON CAPITAL MARKETS, INSURANCE, AND GOVERNMENT SPONSORED ENTERPRISES.—The jurisdiction of the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises includes—

(i) securities, exchanges, and finance;

(ii) capital markets activities;

(iii) activities involving futures, forwards, options, and other types of derivative instruments;

(iv) secondary market organizations for home mortgages including the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Agricultural Mortgage Corporation;

(v) the Office of Federal Housing Enterprise Oversight;

(vi) the Federal Home Loan Banks; and

(vii) insurance generally.

(B) SUBCOMMITTEE ON DOMESTIC AND INTERNATIONAL MONETARY POLICY, TRADE, AND TECHNOLOGY.—The jurisdiction of the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology includes—

(i) financial aid to all sectors and elements within the economy;

(ii) economic growth and stabilization;

(iii) defense production matters as contained in the Defense Production Act of 1950, as amended;

(iv) domestic monetary policy, and agencies which directly or indirectly affect domestic monetary policy, including the effect of such policy and other financial actions on interest rates, the allocation of credit, and the structure and functioning of domestic financial institutions;

(v) coins, coinage, currency, and medals, including commemorative coins and medals, proof and mint sets and other special coins, the Coinage Act of 1965, gold and silver, including the coinage thereof (but not the par value of gold), gold medals, counterfeiting, currency denominations and design, the distribution of coins, and the operations of the Bureau of the Mint and the Bureau of Engraving and Printing;

(vi) development of new or alternative forms of currency;

(vii) multilateral development lending institutions, including activities of the National Advisory Council on International Monetary and Financial Policies as related thereto, and monetary and financial developments as they relate to the activities and objectives of such institutions;

(viii) international trade, including but not limited to the activities of the Export-Import Bank;

(ix) the International Monetary Fund, its permanent and temporary agencies, and all matters related thereto; and

(x) international investment policies, both as they relate to United States investments for trade purposes by citizens of the United States and investments made by all foreign entities in the United States.

(C) SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND CONSUMER CREDIT.—The jurisdiction of the Subcommittee on Financial Institutions and Consumer Credit includes—

(i) all agencies, including the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System and the Federal Reserve System, the Office of Thrift Supervision, and the National Credit Union Administration, which directly or indirectly exercise supervisory or regulatory authority in connection with, or provide deposit insurance for, financial institutions, and the establishment of interest rate ceilings on deposits;

(ii) the chartering, branching, merger, acquisition, consolidation, or conversion of financial institutions;

(iii) consumer credit, including the provision of consumer credit by insurance companies, and further including those matters in the Consumer Credit Protection Act dealing with truth in lending, extortionate credit transactions, restrictions on garnishments, fair credit reporting and the

use of credit information by credit bureaus and credit providers, equal credit opportunity, debt collection practices, and electronic funds transfers;

(iv) creditor remedies and debtor defenses, Federal aspects of the Uniform Consumer Credit Code, credit and debit cards, and the preemption of State usury laws;

(v) consumer access to financial services, including the Home Mortgage Disclosure Act and the Community Reinvestment Act;

(vi) the terms and rules of disclosure of financial services, including the advertisement, promotion and pricing of financial services, and availability of government check cashing services;

(vii) deposit insurance; and (viii) consumer access to savings accounts and checking accounts in financial institutions, including lifeline banking and other consumer accounts.

(D) SUBCOMMITTEE ON HOUSING AND COMMUNITY OPPORTUNITY.—The jurisdiction of the Subcommittee on Housing and Community Opportunity includes—

(i) housing (except programs administered by the Department of Veterans Affairs), including mortgage and loan insurance pursuant to the National Housing Act; rural housing; housing and homeless assistance programs; all activities of the Government National Mortgage Association; private mortgage insurance; housing construction and design and safety standards; housing-related energy conservation; housing research and demonstration programs; financial and technical assistance for nonprofit housing sponsors; housing counseling and technical assistance; regulation of the housing industry (including landlord/tenant relations); and real estate lending including regulation of settlement procedures;

(ii) community development and community and neighborhood planning, training and research; national urban growth policies; urban/rural research and technologies; and regulation of interstate land sales;

(iii) government sponsored insurance programs, including those offering protection against crime, fire, flood (and related land use controls), earthquake and other natural hazards; and (iv) the qualifications for and designation of Empowerment Zones and Enterprise Communities (other than matters relating to tax benefits).

(E) SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS.—The jurisdiction of the Subcommittee on Oversight and Investigations includes—

(i) the oversight of all agencies, departments, programs, and matters within the jurisdiction of the Committee, including the development of recommendations with regard to the necessity or desirability of enacting, changing, or repealing any legislation within the jurisdiction of the Committee, and for conducting investigations within such jurisdiction; and

(ii) research and analysis regarding matters within the jurisdiction of the Committee, including the impact or

probable impact of tax policies affecting matters within the jurisdiction of the Committee.

(2) In addition, each such subcommittee shall have specific responsibility for such other measures or matters as the Chair refers to it.

(3) Each subcommittee of the Committee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within its general responsibility.

Referral of Measures and Matters to Subcommittees

(b)(1) The Chair shall regularly refer to one or more subcommittees such measures and matters as the Chair deems appropriate given its jurisdiction and responsibilities. In making such a referral, the Chair may designate a subcommittee of primary jurisdiction and subcommittees of additional or sequential jurisdiction.

(2) All other measures or matters shall be subject to consideration by the full Committee.

(3) In referring any measure or matter to a subcommittee, the Chair may specify a date by which the subcommittee shall report thereon to the Committee.

(4) The Committee by motion may discharge a subcommittee from consideration of any measure or matter referred to a subcommittee of the Committee.

Composition of Subcommittees

(c)(1) Members shall be elected to each subcommittee and to the positions of chair and ranking minority member thereof, in accordance with the rules of the respective party caucuses. The Chair of the Committee shall designate a member of the majority party on each subcommittee as its vice chair.

(2) The Chair and ranking minority member of the Committee shall be ex officio members with voting privileges of each subcommittee of which they are not assigned as members and may be counted for purposes of establishing a quorum in such subcommittees.

(3) The subcommittees shall be comprised as follows:

(A) The Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises shall be comprised of 49 members, 26 elected by the majority caucus and 23 elected by the minority caucus.

(B) The Subcommittee on Domestic and International Monetary Policy, Trade, and Technology shall be comprised of 26 members, 14 elected by the majority caucus and 12 elected by the minority caucus.

(C) The Subcommittee on Financial Institutions and Commercial Credit shall be comprised of 47 members, 25 elected by the majority caucus and 22 elected by the minority caucus.

(D) The Subcommittee on Housing and Community Opportunity shall be comprised of 26 members, 14 elected by the majority caucus and 12 elected by the minority caucus.

(E) The Subcommittee on Oversight and Investigations shall be comprised of 20 members, 11 elected by the majority caucus and 9 elected by the minority caucus.

Subcommittee Meetings and Hearings

(d)(1) Each subcommittee of the Committee is authorized to meet, hold hearings, receive testimony, mark up legislation, and report to the full Committee on any measure or matter referred to it, consistent with subsection (a).

(2) No subcommittee of the Committee may meet or hold a hearing at the same time as a meeting or hearing of the Committee.

(3) The chair of each subcommittee shall set hearing and meeting dates only with the approval of the Chair with a view toward assuring the availability of meeting rooms and avoiding simultaneous scheduling of Committee and subcommittee meetings or hearings.

Effect of a Vacancy

(e) Any vacancy in the membership of a subcommittee shall not affect the power of the remaining members to execute the functions of the subcommittee as long as the required quorum is present.

Records

(f) Each subcommittee of the Committee shall provide the full Committee with copies of such records of votes taken in the subcommittee and such other records with respect to the subcommittee as the Chair deems necessary for the Committee to comply with all rules and regulations of the House.

RULE 6

STAFF

In General

(a)(1) Except as provided in paragraph (2), the professional and other staff of the Committee shall be appointed, and may be removed by the Chair, and shall work under the general supervision and direction of the Chair.

(2) All professional and other staff provided to the minority party members of the Committee shall be appointed, and may be removed, by the ranking minority member of the Committee, and shall work under the general supervision and direction of such member.

(3) It is intended that the skills and experience of all members of the Committee staff be available to all members of the Committee.

Subcommittee Staff

(b) From funds made available for the appointment of staff, the Chair of the Committee shall, pursuant to clause 6(d) of rule X of the Rules of the House, ensure that sufficient staff is made available so that each subcommittee can carry out its responsibilities under the rules of the Committee and that the minority party is treated fairly in the appointment of such staff.

Compensation of Staff

(c)(1) Except as provided in paragraph (2), the Chair shall fix the compensation of all professional and other staff of the Committee.

(2) The ranking minority member shall fix the compensation of all professional and other staff provided to the minority party members of the Committee.

RULE 7

BUDGET AND TRAVEL

Budget

(a)(1) The Chair, in consultation with other members of the Committee, shall prepare for each Congress a budget providing amounts for staff, necessary travel, investigation, and other expenses of the Committee and its subcommittees.

(2) From the amount provided to the Committee in the primary expense resolution adopted by the House of Representatives, the Chair, after consultation with the ranking minority member, shall designate an amount to be under the direction of the ranking minority member for the compensation of the minority staff, travel expenses of minority members and staff, and minority office expenses. All expenses of minority members and staff shall be paid for out of the amount so set aside.

Travel

(b)(1) The Chair may authorize travel for any member and any staff member of the Committee in connection with activities or subject matters under the general jurisdiction of the Committee. Before such authorization is granted, there shall be submitted to the Chair in writing the following:

(A) The purpose of the travel.

(B) The dates during which the travel is to occur.

(C) The names of the States or countries to be visited and the length of time to be spent in each.

(D) The names of members and staff of the Committee for whom the authorization is sought.

(2) Members and staff of the Committee shall make a written report to the Chair on any travel they have conducted under this subsection, including a description of their itinerary, expenses, and activities, and of pertinent information gained as a result of such travel.

(3) Members and staff of the Committee performing authorized travel on official business shall be governed by applicable laws, resolutions, and regulations of the House and of the Committee on House Administration.

RULE 8

COMMITTEE ADMINISTRATION

Records

(a)(1) There shall be a transcript made of each regular meeting and hearing of the Committee, and the transcript may be printed if the Chair decides it is appropriate or if a majority of the members of the Committee requests such printing. Any such transcripts shall be a substantially verbatim account of remarks actually made during the proceedings, subject only to technical, grammatical, and typographical corrections authorized by the person making the re-

marks. Nothing in this paragraph shall be construed to require that all such transcripts be subject to correction and publication.

(2) The Committee shall keep a record of all actions of the Committee and of its subcommittees. The record shall contain all information required by clause 2(e)(1) of rule XI of the Rules of the House and shall be available for public inspection at reasonable times in the offices of the Committee.

(3) All Committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Chair, shall be the property of the House, and all Members of the House shall have access thereto as provided in clause 2(e)(2) of rule XI of the Rules of the House.

(4) The records of the Committee at the National Archives and Records Administration shall be made available for public use in accordance with rule VII of the Rules of the House of Representatives. The Chair shall notify the ranking minority member of any decision, pursuant to clause 3(b)(3) or clause 4(b) of the rule, to withhold a record otherwise available, and the matter shall be presented to the Committee for a determination on written request of any member of the Committee.

Committee Publications on the Internet

(b) To the maximum extent feasible, the Committee shall make its publications available in electronic form.

MEMBERSHIP AND ORGANIZATION OF THE COMMITTEE ON FINANCIAL SERVICES

ONE HUNDRED NINTH CONGRESS

COMMITTEE ON FINANCIAL SERVICES

(Ratio: 37–32–1)

MICHAEL G. OXLEY, Ohio, *Chairman*

JAMES A. LEACH, Iowa †
RICHARD H. BAKER, Louisiana
DEBORAH PRYCE, Ohio
SPENCER BACHUS, Alabama
MICHAEL N. CASTLE, Delaware †
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JUDY BIGGERT, Illinois
CHRISTOPHER SHAYS, Connecticut †
VITO FOSSELLA, New York
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J. GRESHAM BARRETT, South Carolina
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JOHN CAMPBELL, California [1]
(*Vacancy*) [2]

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JULIA CARSON, Indiana
BRAD SHERMAN, California
GREGORY W. MEEKS, New York
BARBARA LEE, California
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MICHAEL E. CAPUANO, Massachusetts
HAROLD E. FORD, JR., Tennessee
RUBÉN HINOJOSA, Texas
JOSEPH CROWLEY, New York
WM. LACY CLAY, Missouri
STEVE ISRAEL, New York
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JOE BACA, California
JIM MATHESON, Utah
STEPHEN F. LYNCH, Massachusetts
BRAD MILLER, North Carolina
DAVID SCOTT, Georgia
ARTUR DAVIS, Alabama
AL GREEN, Texas
EMANUEL CLEAVER, Missouri
MELISSA L. BEAN, Illinois
DEBBIE WASSERMAN SCHULTZ, Florida
GWEN MOORE, Wisconsin
BERNARD SANDERS, Vermont *

* Mr. Sanders is an independent, but caucuses with the Democratic Caucus.

SUBCOMMITTEE MEMBERSHIPS

SUBCOMMITTEE ON CAPITAL MARKETS, INSURANCE, AND GOVERNMENT SPONSORED ENTERPRISES

(Ratio: 26–23)

RICHARD H. BAKER, Louisiana, *Chairman*

JIM RYUN, Kansas, *Vice Chair*
CHRISTOPHER SHAYS, Connecticut
PAUL E. GILLMOR, Ohio
SPENCER BACHUS, Alabama
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FRANK D. LUCAS, Oklahoma
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EDWARD R. ROYCE, California
SUE W. KELLY, New York
VITO FOSSELLA, New York
JUDY BIGGERT, Illinois
GARY G. MILLER, California
MARK R. KENNEDY, Minnesota
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J. GRESHAM BARRETT, South Carolina
GINNY BROWN-WAITE, Florida
TOM FEENEY, Florida
JIM GERLACH, Pennsylvania
KATHERINE HARRIS, Florida
JEB HENSARLING, Texas
RICK RENZI, Arizona
GEOFF DAVIS, Kentucky
MICHAEL G. FITZPATRICK, Pennsylvania
JOHN CAMPBELL, California [1]
(*Vacancy*) [2]
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ex officio

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JIM MATHESON, Utah
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NYDIA M. VELAZQUEZ, New York
MELVIN L. WATT, North Carolina
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MELISSA L. BEAN, Illinois
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BARNEY FRANK, Massachusetts,
ex officio

SUBCOMMITTEE ON DOMESTIC AND INTERNATIONAL MONETARY POLICY, TRADE, AND TECHNOLOGY

(Ratio: 14–12)

DEBORAH PRYCE, Ohio, *Chairman*

JUDY BIGGERT, Illinois, *Vice Chair*
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MICHAEL N. CASTLE, Delaware
FRANK D. LUCAS, Oklahoma
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MARK R. KENNEDY, Minnesota
KATHERINE HARRIS, Florida
JIM GERLACH, Pennsylvania
RANDY NEUGEBAUER, Texas
TOM PRICE, Georgia
PATRICK T. MCHENRY, North Carolina
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BARBARA LEE, California
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BRAD SHERMAN, California
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MELISSA L. BEAN, Illinois
DEBBIE WASSERMAN SCHULTZ, Florida
GWEN MOORE, Wisconsin
JOSEPH CROWLEY, New York
BARNEY FRANK, Massachusetts,
ex officio

* Mr. Sanders is an independent, but caucuses with the Democratic Caucus.

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND CONSUMER CREDIT

(Ratio: 25–22)

SPENCER BACHUS, Alabama, *Chairman*

WALTER B. JONES, JR., North Carolina, *Vice Chair*
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FRANK D. LUCAS, Oklahoma
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RON PAUL, Texas
PAUL E. GILLMOR, Ohio
JIM RYUN, Kansas
STEVEN C. LATOURETTE, Ohio
JUDY BIGGERT, Illinois
VITO FOSSELLA, New York
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PATRICK J. TIBERI, Ohio
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JEB HENSARLING, Texas
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GINNY BROWN-WAITE, Florida
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HAROLD E. FORD, JR., Tennessee
RUBÉN HINOJOSA, Texas
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AL GREEN, Texas
GWEN MOORE, Wisconsin
WM. LACY CLAY, Missouri
JIM MATHESON, Utah
BARNEY FRANK, Massachusetts, *ex officio*

* Mr. Sanders is an independent, but caucuses with the Democratic Caucus.

SUBCOMMITTEE ON HOUSING AND COMMUNITY OPPORTUNITY

(Ratio: 14–12)

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GARY G. MILLER, California, *Vice Chair*
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WALTER B. JONES, JR., North Carolina
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RICK RENZI, Arizona
STEVAN PEARCE, New Mexico
RANDY NEUGEBAUER, Texas
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GEOFF DAVIS, Kentucky
JOHN CAMPBELL, California [1]
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JULIA CARSON, Indiana
BARBARA LEE, California
MICHAEL E. CAPUANO, Massachusetts
BERNARD SANDERS, Vermont *
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DAVID SCOTT, Georgia
ARTUR DAVIS, Alabama
EMANUEL CLEAVER, Missouri
AL GREEN, Texas
BARNEY FRANK, Massachusetts, *ex officio*

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SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

(Ratio: 11–9)

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GEOFF DAVIS, Kentucky
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MICHAEL G. OXLEY, Ohio,
ex officio

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DENNIS MOORE, Kansas
CAROLYN B. MALONEY, New York
STEPHEN F. LYNCH, Massachusetts
ARTUR DAVIS, Alabama
EMANUEL CLEAVER, Missouri
DAVID SCOTT, Georgia
DEBBIE WASSERMAN SCHULTZ, Florida
GWEN MOORE, Wisconsin
BARNEY FRANK, Massachusetts,
ex officio

MEMBERSHIP NOTES

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† The following members are on leave from the Committee on Financial Services: Mr. Dreier, ranking immediately after Mr. Leach; Mr. King of New York, ranking immediately after Mr. Castle; Mr. Sessions, ranking immediately after Mr. Ryun; Mr. Shadegg, ranking immediately after Mr. Shays; Mr. Blunt, ranking immediately after Mr. Shays and Mr. Shadegg; and Mrs. Capito, ranking immediately after Mr. Gary G. Miller.

[1] Mr. Campbell was elected to the Committee on February 8, 2006, filling a vacancy created by the resignation of Mr. King of New York on February 8, 2006, who ranked immediately after Mr. Castle. On March 15, 2006, Mr. Campbell was elected to the Subcommittees on Capital Markets, Insurance and Government Sponsored Enterprises and Housing and Community Opportunity to fill vacancies on those subcommittees.

[2] Mr. Ney resigned as Chairman of the Subcommittee on Housing and Community Opportunity on September 18, 2006. Mr. Ney resigned from the House on November 3, 2006.

COMMITTEE STAFF

MAJORITY STAFF

ROBERT U. FOSTER, III
Chief of Staff
PEGGY A. PETERSON
Communications Director and Deputy Chief of Staff
CARTER K. MCDOWELL
Chief Counsel
THOMAS G. DUNCAN
General Counsel
JAMES K. CONZELMAN
Counselor to the Chairman

TERISA L. ALLISON, *Editor and Document Clerk*
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JOSHUA O. BECK, *Staff Assistant*
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JOHN L. BUTLER, *Senior Professional Staff Member*
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DANIELLE MARIE ENGLISH, *Professional Staff Member*
ANGELA S. GAMBO, *Administrative Assistant*
MARISOL GARIBAY, *Assistant Communications Director*
ROBERT GORDON, *Senior Counsel*
KRISTEN E. JACONI, *Senior Counsel*
TALLMAN JOHNSON, *Senior Professional Staff Member*
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RASHMI ANN PURI, *Counsel*
LOIS O. RICHERSON, *Clerk*
CLIFFORD ROBERTI, *Professional Staff Member*
JESSICA LEE RUMMEL, *Communications Specialist*
FRANK J. SCARDENA, *Professional Staff Member*
FRANK A. TILLOTSON, *Senior Counsel*
KIM TRIMBLE, *Calendar, Documents, and Systems Administrator*
ALEJANDRO URREA, *Counsel*
GLENN WESTRICK, *Senior Counsel*
HEATHER C. WHEELER, *Staff Assistant*
W. SCOTT WILBER, *Senior Counsel*
JOSHUA P. WILSUSEN, *Counsel*
EARNESTINE B. WORELDS, *Staff Assistant*

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STEVEN ADAMSKE, *Communications Director*
MEREDITH CONNELLY, *Staff Assistant*
ELENI CONSTANTINE, *Counsel*
TODD CRANFORD, *Senior Counsel*
RICARDO DELFIN, *Counsel*
ERIC EDWARDS, *Professional Staff Member*
WARREN GUNNELS, *Professional Staff Member*
TODD HARPER, *Professional Staff Member*
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KELLIE LARKIN, *Counsel*
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PATTY LORD, *Professional Staff Member*
DOMINIQUE MCCOY, *Counsel*
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JONATHAN OBEE, *Professional Staff Member*
SCOTT OLSON, *Professional Staff Member*
JEFF RILEY, *Counsel*
LAWRANNE STEWART, *Senior Counsel*
KENNETH SWAB, *Counsel*
NATHANIEL THOMAS, *Professional Staff Member*

LEGISLATIVE AND OVERSIGHT ACTIVITIES

During the 109th Congress, 420 bills were referred to the Committee on Financial Services. The full Committee reported to the House or was discharged from the further consideration of 51 measures, not including conference reports. Thirty-nine measures regarding matters within the Committee's jurisdiction were enacted into law.

The following is a summary of the legislative and oversight activities of the Committee on Financial Services during the 109th Congress, including a summary of the activities taken by the Committee to implement its Oversight Plan for the 109th Congress.

COMMITTEE ON FINANCIAL SERVICES

(Ratio: 37–32–1)

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(*Vacancy*) [2]

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AL GREEN, Texas
EMANUEL CLEAVER, Missouri
MELISSA L. BEAN, Illinois
DEBBIE WASSERMAN SCHULTZ, Florida
GWEN MOORE, Wisconsin
BERNARD SANDERS, Vermont *

* Mr. Sanders is an independent, but caucuses with the Democratic Caucus.

LEGISLATIVE ACTIVITIES

INCREASED CAPITAL ACCESS FOR GROWING BUSINESS ACT

(H.R. 436)

To amend the Investment Company Act of 1940 to provide incentives for small business investment, and for other purposes.

Summary

H.R. 436, the Increased Capital Access for Growing Business Act, amends the Investment Company Act of 1940 to include as an eligible portfolio company an issuer of securities that: (1) does not have

any class of equity securities listed for trading on a national exchange or market; or (2) has an aggregate value of outstanding publicly traded equity securities of not more than $250 million.

The bill also amends the Investment Company Act of 1940 to permit a business development company to invest in a company that is not an eligible portfolio company because the aggregate value of its outstanding publicly traded equity securities is more than $250 million but not more than $500 million, as long as such securities represent no more than 10 percent of the total invested assets of the company, for purposes of meeting the statutory limitation on purchase of assets in other than eligible portfolio companies.

Legislative History

H.R. 436 was introduced in the House by Mrs. Kelly and three original cosponsors on February 1, 2005. The bill was referred to the Committee on Financial Services. On April 6, 2005, the House considered H.R. 436 under suspension of the rules and passed the bill by a voice vote.

On April 7, 2005, H.R. 436 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

No further action was taken on the legislation in the 109th Congress.

REALTIME INVESTOR PROTECTION ACT

(H.R. 1077, H.R. 458, S. 418)

To improve the access of investors to regulatory records with respect to securities brokers, dealers, and investment advisers.

Summary

H.R. 1077, the Realtime Investor Protection Act, requires NASD to continue to maintain a system for collecting and retaining registration information regarding its member securities firms and their brokers, which NASD currently does through the Central Registration Depository, and to continue to provide toll-free telephone access, and begin to provide Internet or other access to this information. The bill also provides NASD with an appropriate limitation of liability in its maintenance of such a system.

The legislation also amends the Investment Advisers Act of 1940 to require investment advisers to file with the SEC any fee, application, report, or notice, and to make such information accessible via the Internet or toll-free telephone listing.

Legislative History

H.R. 1077 was introduced in the House by Mr. Shadegg and one original cosponsor on March 3, 2005. The bill was referred to the Committee on Financial Services. On April 6, 2005, the House considered H.R. 1077 under suspension of the rules and passed the bill by a voice vote.

On April 7, 2005, H.R. 1077 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

While no further action was taken on this measure in the 109th Congress, similar provisions were included in sections 103 and 104 of H.R. 458 and in sections 6 and 7 of S. 418, the Military Personnel Financial Services Protection Act. For further action, see the entry for the Military Personnel Financial Services Protection Act.

MILITARY PERSONNEL FINANCIAL SERVICES PROTECTION ACT

Public Law 109–290 (H.R. 458, S. 418)

To prevent the sale of abusive insurance and investment products to military personnel.

Summary

H.R. 458, the Military Personnel Financial Services Protection Act, addresses the abusive sales of financial products of dubious value to members of the armed services. To curb the sale of unsuitable securities products, this legislation amends the Investment Company Act of 1940 to make it unlawful, 30 days after the enactment of this legislation, to sell periodic payment plan certificates, also called contractual plans. The contractual plan is an investment product with a front-end sales load of 50 percent assessed against the first year of contributions. The product has all but disappeared from the civilian market.

In addition, the bill provides investors with online access to information, including disciplinary actions, regarding broker-dealers. The legislation requires NASD to continue to maintain a system for collecting and retaining registration information regarding its member securities firms and their brokers, which NASD currently does through the Central Registration Depository, and to continue to provide toll-free telephone access, and begin to provide Internet or other access to this information. The bill also provides NASD with an appropriate limitation of liability in its maintenance of such a system. The legislation also amends the Investment Advisers Act of 1940 to require investment advisers to file with the SEC any fee, application, report, or notice, and to make such information accessible via the Internet or toll-free telephone listing.

To prevent the abusive sales of insurance products, this bill extends the authority of State insurance departments to activities of insurers or agents on a U.S. military installation or any Federal land or facility, except to the extent that the authority directly conflicts with any applicable authorized Federal regulation or directive. The legislation further directs each State to implement standards to protect members of the Armed Forces, while on a military installation or any Federal land or facility, from dishonest and predatory insurance sales practices until a State has implemented such standards, life insurance may not be sold to any member without prior disclosure that subsidized life insurance may be available from the Federal Government and the State may not license or renew the license of any entity that has violated such prohibition.

Legislative History

H.R. 458 was introduced in the House by Mr. Davis (KY) and seven original cosponsors on February 1, 2005. The bill was re-

ferred to the Committee on Financial Services. The full Committee met in open session on March 16, 2005, to consider the legislation and ordered H.R. 458 reported to the House with a favorable recommendation by a voice vote. H.R. 458 was reported to the House on April 13, 2005 (H. Rept. 109–40). On June 27, 2005, the House considered H.R. 458 under suspension of the rules and on June 28, 2005, passed the bill as amended by a record vote of 405 yeas and 2 nays. On June 28, 2005, H.R. 458 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

S. 418, companion legislation to H.R. 458, was introduced in the Senate by Mr. Enzi on February 17, 2005. The bill was referred to the Senate Committee on Banking, Housing, and Urban Affairs. The full Committee met on July 14, 2006, to consider the legislation and ordered S. 418, as amended, reported to the Senate with a favorable recommendation by a voice vote. S. 418 was reported to the Senate on July 13, 2006 (S. Rept. 109–282). On July 19, 2006, S. 418 was laid before the Senate and passed, as amended, by unanimous consent.

On July 20, 2006, S. 418 was received in the House. On September 20, 2006, the House considered S. 418 under suspension of the rules and passed the legislation by a record vote of 418 yeas and 3 nays, clearing the bill for the White House. On September 25, 2006, the bill was presented to the President. The bill was signed into law on September 29, 2006, becoming Public Law 109–290.

FEDERAL HOUSING FINANCE REFORM ACT OF 2005

(H.R. 1461)

To reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes.

Summary

H.R. 1461, the Federal Housing Finance Reform Act of 2005, establishes the Federal Housing Finance Agency as an independent agency whose mission is to oversee the housing government-sponsored enterprises—the Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), and the twelve Federal Home Loan Banks. The Federal Housing Finance Agency assumes the supervisory duties of the Office of Federal Housing Enterprise Oversight (OFHEO), the Federal Housing Finance Board (FHFB), and the Department of Housing and Urban Development (HUD). Authority to review and approve new programs and activities is to be transferred from HUD to the Federal Housing Finance Agency. The agency will be headed by a director, who is to be appointed by the President and confirmed by the Senate. The director has supervisory powers in the areas of capital requirements, portfolio holdings, operations standards, enforcement, and receivership. An oversight board will advise the director as to strategic and policy matters. H.R. 1461 also establishes affordable housing funds at Fannie Mae and Freddie Mac, funded by a percentage of after-tax corporate earnings.

Legislative History

H.R. 1461 was introduced by Mr. Baker and seven original cosponsors on April 5, 2005. The bill was referred to the Committee on Financial Services.

The Committee on Financial Services held a hearing on April 13, 2005, and heard from the Secretary of the Treasury and the Secretary of Housing and Urban Development on the merits of the legislation.

The Committee on Financial Services met in open session on May 25, 2005, and ordered H.R. 1461 reported to the House, with an amendment, with a favorable recommendation by a record vote of 65 yeas and 5 nays.

On July 14, 2005, the Committee on Financial Services reported H.R. 1461 to the House (H. Rept. 109–171, Part 1), and the bill was sequentially referred to the Committee on the Judiciary. On September 16, 2005, the Committee on the Judiciary was discharged of the further consideration of the bill.

On October 26, 2005, the House adopted H. Res. 509, providing for the consideration of H.R. 1461 under a structured rule, by a record vote of 220 yeas and 196 nays. Also on that day, the House considered H.R. 1461 and passed the bill, with an amendment, by a record vote of 331 yeas and 90 nays. On October 31, 2005, the bill was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

GULF OPPORTUNITY ZONE PUBLIC FINANCE RELIEF ACT OF 2005

(H.R. 4337)

To amend the Internal Revenue Code of 1986 to provide for Gulf tax credit bonds and advance refundings of certain tax-exempt bonds, and to provide a Federal guarantee of certain State bonds.

Summary

H.R. 4337, the Gulf Opportunity Zone Public Finance Relief Act of 2005, amends the Internal Revenue Code to allow a tax credit for investment in Gulf tax credit bonds issued by Alabama, Louisiana, or Mississippi after December 31, 2005, and before January 1, 2007. To be eligible, ninety-five percent of the bond's proceeds must be used to refinance existing bonds or to make loans to localities for such financing, and the bond's maturity may not exceed two years. The bill requires states issuing Gulf tax credit bonds to provide matching funds equal to the face value on the bond, and establishes limits on the total dollar amount of eligible tax credit.

The legislation authorizes one additional advance refunding of outstanding bond obligations until December 31, 2010, in amounts not to exceed $4.5 billion for Louisiana, $2.25 billion for Mississippi, and $1.125 billion for Alabama

H.R. 4337 also provides a 50 percent Federal guarantee of up to $3 billion for bonds issued by Alabama, Louisiana, and Mississippi before January 1, 2008, for the purpose of restoring lost revenue and financing infrastructure repair in areas affected by Hurricane Katrina.

Legislative History

H.R. 4337 was introduced in the House by Mr. Jefferson on November 16, 2005. The bill was referred to the House Committee on Ways and Means. On November 16, 2005, the Committee on Ways and Means was discharged from the further consideration of H.R. 4337 by unanimous consent. On that same day, the bill passed the House, without amendment, by unanimous consent. On November 17, 2005, the bill was received in the Senate.

As passed, H.R. 4337 included a provision that fell within the jurisdiction of the Committee on Financial Services. Pursuant to an exchange of letters on November 17, 2005, the Committee on Ways and Means recognized the jurisdictional interest of the Committee on Financial Services.

No further action was taken on this legislation in the 109th Congress.

GULF OPPORTUNITY ZONE ACT OF 2005

Public Law 109–135 (H.R. 4440)

To amend the Internal Revenue Code of 1986 to provide tax benefits for the Gulf Opportunity Zone and certain areas affected by Hurricanes Rita and Wilma, and for other purposes.

Summary

H.R. 4440, the Gulf Opportunity Zone Act of 2005, amends the Internal Revenue Code to establish a program of tax benefits for businesses and individuals affected by Hurricanes Katrina, Rita, and Wilma within designated Gulf Opportunity Zones (GO Zones).

The bill authorizes Alabama, Louisiana, and Mississippi to issue tax-exempt GO Zone bonds prior to January 1, 2011. The bonds must be issued for the purpose of constructing qualified residential rental projects, nonresidential real property, or public utilities, or to finance below-market rate mortgages for low- and moderate-income homebuyers. In addition, the bill permits one additional advance refunding of bonds issued by these states prior to August 28, 2005.

To provide further tax relief for businesses and individuals within GO Zones, H.R. 4440 also: increases the low-income housing tax credits available to Alabama, Louisiana, and Mississippi for use in GO Zones; increases the depreciation deduction for qualified property; allows businesses to carry net operating losses back five years, increasing the allowance from the current two-year carry back limit; raises the current ceiling on the amount of capital expenditures that may be deducted in the current year; and increases the tax credit for expenditures to rehabilitate qualified buildings. The bill also increases caps on the new market tax credit, enhances Hope Scholarship and Lifetime Learning education tax credits, and provides businesses with certain tax benefits relating to employer-provided housing in GO Zones.

Finally, H.R. 4440 extends provisions in the Katrina Emergency Tax Relief Act (Public Law 109–73) to apply to victims of Hurricanes Rita and Wilma.

Legislative History

H.R. 4440 was introduced in the House by Mr. McCrery on December 6, 2005. The bill was referred to the Committee on Ways and Means. On December 7, 2005, the House considered H.R. 4440 under suspension of the rules and passed the bill by a record vote of 415 yeas and 4 nays.

On December 12, 2005, H.R. 4440 was received in the Senate and read once. On December 13, 2005, the bill was read a second time. On December 16, 2005, H.R. 4440 was laid before the Senate by unanimous consent. That same day, the bill passed the Senate, with an amendment, by unanimous consent. The Senate amendment removed the provision which fell within the jurisdiction of the Committee on Financial Services.

On December 16, 2005, the House agreed to the Senate amendment by unanimous consent, clearing the bill for the White House. On December 19, 2005, the bill was presented to the President. The bill was signed into law on December 22, 2005, becoming Public Law 109–135.

CFTC REAUTHORIZATION ACT OF 2005

(H.R. 4473)

To reauthorize and amend the Commodity Exchange Act to promote legal certainty, enhance competition, and reduce systemic risk in markets for futures and over-the-counter derivatives, and for other purposes.

Summary

H.R. 4473, the CFTC Reauthorization Act of 2005, reauthorizes the Commodities Futures Trading Commission (CFTC) until fiscal year 2010. The bill amends the Commodity Exchange Act to clarify the CFTC's antifraud authority. It also affirms the CFTC's jurisdiction over agreements, contracts, and retail transactions in foreign currency.

H.R. 4473 directs the SEC and CFTC to adopt risk-based portfolio margining for security options and security futures products by September 30, 2006, and to permit trading of futures on certain security indexes by resolving issues related to debt security and foreign security indexes by June 30, 2006.

H.R. 4473 instructs the CFTC to increase transparency of natural gas prices by conducting surveillance of trading in natural gas contracts and by reviewing unusual changes in the settlement price of physically-delivered natural gas futures contracts. Finally, the bill increases civil and criminal penalties for manipulation of natural gas markets.

Legislative History

H.R. 4473 was introduced in the House by Mr. Goodlatte on December 8, 2005. The bill was referred to the Committee on Agriculture and in addition to the Committee on Financial Services. On December 14, 2005, the Committee on Financial Services was discharged from the further consideration of H.R. 4473, pursuant to an exchange of letters. On December 14, 2005, the House considered H.R. 4473 under suspension of the rules and passed the bill

by a voice vote. On December 15, 2005, H.R. 4473 was received in the Senate. On January 27, 2006, H.R. 4473 was read twice and placed on the calendar.

No further action was taken on this legislation in the 109th Congress.

LOUISIANA RECOVERY CORPORATION ACT

(H.R. 4100)

To establish the Louisiana Recovery Corporation for purposes of economic stabilization and redevelopment of devastated areas in Louisiana, and for other purposes.

Summary

H.R. 4100, the Louisiana Recovery Corporation Act, establishes the Louisiana Recovery Corporation (LRC) as an independent agency in the executive branch to aid in the economic stabilization and redevelopment of areas within Louisiana that were devastated or significantly distressed by Hurricane Katrina or Hurricane Rita.

This legislation authorizes the LRC to purchase the properties of willing homeowners, negotiate with mortgage lenders to retire the homeowners' mortgage debt, make necessary infrastructure repairs to prepare the properties for sale, and sell the properties to private developers in a competitive bidding process. Sellers would retain a right of first refusal to repurchase their property after it has been renovated by the developer.

Property owners who choose to sell to the LRC would receive a percentage of the equity on their homes not below 60 percent, and mortgage lenders would receive a portion of the outstanding debt on the property not to exceed 60 percent. Property acquisitions would be funded through bonds issued by the Treasury Department, and the rebuilding effort would proceed with the input of state and local leaders and affected communities. The Corporation would be terminated 10 years after the date of enactment of the bill.

The legislation would also authorize the utilization of $17 billion in existing disaster relief funds to enhance several housing and community rebuilding programs, including HOPE VI, the HOME investment partnerships, the Community Development Block Grant Program, the emergency housing voucher program, and the Public Housing Authorities Emergency Capital Fund. Furthermore, the bill authorizes existing disaster relief funds to be used for the enforcement of fair housing laws and for counseling activities designed to assist affected residents in finding permanent homes.

Legislative History

H.R. 4100 was introduced in the House by Mr. Baker on October 20, 2005. The bill was referred to the Committee on Financial Services. The full Committee held a legislative hearing on November 17, 2005. The Committee received testimony on the merits of the legislation from a representative of the Louisiana Recovery Authority, a Louisiana state senator, a Louisiana state representative, the Mayor of New Orleans, and a New Orleans City Councilman.

The full Committee met in open session on December 15, 2005, to consider the legislation and ordered H.R. 4100 reported to the House, with an amendment, with a favorable recommendation by a record vote of 50 yeas and 9 nays.

No further action was taken on this legislation in the 109th Congress.

TERRORISM RISK INSURANCE REVISION ACT OF 2005

Public Law 109–144 (H.R. 4314; S. 467)

To extend the applicability of the Terrorism Risk Insurance Act of 2002.

Summary

The Terrorism Risk Insurance Revision Act, extends the Terrorism Risk Insurance Act of 2002 (TRIA) with some minor revisions, to December 31, 2007. The legislation excludes from covered lines commercial automobile insurance, burglary and theft insurance, surety insurance, professional liability insurance, and farm owners multiple peril insurance.

The legislation increases insurer deductibles to 17.5% in program year 4 (2006) and to 20% in program year 5 (2007). The insured loss share compensation is increased to 85% in program year 5, and aggregate retention amounts for all insurers are increased to $25 billion in program year 4 and $27.5 billion in program year 5. The program trigger is raised to $50 million in program year 4 and to $100 million in program year 5.

The legislation codifies the procedures and requirements, established by the Secretary of the Treasury, and directs the President's Working Group on Financial Markets to provide a report on the long-term availability and affordability for terrorism risk, including group life coverage and chemical, nuclear, biological, and radioactive events.

Legislative History

H.R. 4314, the Terrorism Risk Insurance Revision Act of 2005, was introduced in the House by Mr. Baker and eight original cosponsors on November 14, 2005. The bill was referred to the Committee on Financial Services. The full Committee met in open session on November 16, 2005, to consider the legislation and ordered H.R. 4314 reported to the House, with an amendment, with a favorable recommendation by a record vote of 64 yeas and 3 nays.

On December 6, 2005, the Committee on Financial Services reported H.R. 4314 to the House (H. Rept. 109–327).

S. 467 was introduced in the Senate by Mr. Dodd and 13 original cosponsors on February 18, 2005. The bill was referred to the Committee on Banking, Housing, and Urban Affairs.

On November 16, 2005, the Senate Committee on Banking, Housing, and Urban Affairs reported S. 467, with an amendment, to the Senate. On November 18, 2005, the Senate laid S. 467 before the Senate and passed the bill, as amended, by unanimous consent.

On November 18, 2005, S. 467 was received in the House. On December 7, 2005, the House considered S. 467 under suspension of the rules and passed the bill as amended by a record vote of 371

yeas and 49 nays. The House insisted on its amendment and asked for a conference. The Speaker appointed conferees from the Committee on Financial Services and the Committee on the Judiciary.

On December 16, 2005, the Senate concurred in the House amendment to S. 467 with an amendment by unanimous consent.

On December 17, 2005, the House concurred in the Senate amendment to the House amendment under suspension of the rules and passed the bill by a voice vote, clearing the bill for the White House. On December 19, 2005, S. 467 was presented to the President. The bill was signed into law on December 22, 2005, becoming Public Law 109–144.

PRESIDENTIAL $1 COIN ACT OF 2005

Public Law 109–145 (S. 1047, H.R. 902)

To require the Secretary of the Treasury to mint coins in commemoration of each of the Nation's past Presidents and their spouses, respectively, to improve circulation of the $1 coin, to create a new bullion coin, and for other purposes.

Summary

S. 1047 (H.R. 902 in the House), the Presidential $1 Coin Act of 2005, amends federal coinage law to require the redesign and issue, beginning in 2007, of circulating $1 coins emblematic of each President of the United States. The bill requires such four different designs of coins be issued per year, in the order the Presidents served, beginning with President George Washington and ending when the next such coin would be of a living President or ex-President. At that point the design would revert to the so-called "Sacagawea-design" $1 coins. The bill also requires continued minting and issuing of the "Sacagawea" design coins, at the rate of one-third of the total dollar coins issued per year. The bill expresses the sense of Congress that: (1) issuing the new-design circulating coins will help increase the use of $1 coins generally; and (2) continued minting and issuance of the "Sacagawea" design coins will serve as a lasting tribute to the role of women and Native Americans in the history of the United States.

The bill also requires the Secretary of the Treasury to mint and issue bullion coins with designs emblematic of the spouse of each President, in the same order and at the same rate as the Presidential dollars, and allows the Treasury Secretary to sell inexpensive bronze copies of the spouse coins for collectors. The Secretary is also instructed to strike and issue for sale $50 gold bullion and proof coins initially bearing the original designs by James Earle Fraser, which appear on the 5-cent coin commonly referred to as the "Buffalo nickel" or the "1913 Type 1." Finally, the bill directs the Treasury Secretary to mint and issue four different designs for the reverse of the one-cent coin in 2009 to recognize the bicentennial of the birth of President Abraham Lincoln, and authorizes the minting and sale of special all-copper versions of the coins.

Legislative History

H.R. 902, the Presidential $1 Coin Act of 2005, was introduced by Mr. Castle with one cosponsor on February 17, 2005, and re-

ferred to the Committee on Financial Services. On March 16, 2005, the Committee ordered the bill as amended reported to the House by a voice vote. On April 13, 2005, the Committee reported the bill to the House, with an amendment (H. Rept. 109–39).

On April 27, 2005, the House considered the bill under suspension of the rules and passed the bill as amended by a vote of 422 yeas and 6 nays. On April 28, 2005, H.R. 902 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

The companion bill, S. 1047, was introduced by Mr. Sununu with 71 cosponsors on May 17, 2005, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs. On July 28, 2005, the full Committee ordered the bill to be reported favorably, without an amendment, and without a written report.

On November 18, 2005 S. 1047 was passed by the Senate, with an amendment, by unanimous consent and received in the House.

On December 13, 2005, the House passed the bill under suspension of the rules by a vote of 291 yeas and 113 nays.

The bill was presented to the President on December 15, 2005, and signed into law on December 22, 2005, becoming Public Law 109–145.

LITTLE ROCK CENTRAL HIGH SCHOOL DESEGREGATION 50TH ANNIVERSARY COMMEMORATIVE COIN ACT

Public Law 109–146 (H.R. 358)

To require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the desegregation of the Little Rock Central High School in Little Rock, Arkansas, and for other purposes.

Summary

The Little Rock Central High School Desegregation 50th Anniversary Commemorative Coin Act requires the Secretary of the Treasury to mint and issue coins in 2007 commemorating the 50th anniversary of the desegregation of Little Rock Central High School in Little Rock, Arkansas. The bill requires the design of such coins to be emblematic of the desegregation of Little Rock Central High School and its contribution to civil rights in America.

H.R. 358 allows the production of no more than 500,000 silver one-dollar coins, to be sold with a surcharge of $10, and directs that surcharges collected from sales be paid, after satisfaction of requirements in section 5134(f)(1), title 31, United States Code, to the Secretary of the Interior for the protection, preservation, and interpretation of resources and stories associated with Little Rock Central High School National Historic Site, including: (1) site improvements; (2) development of interpretive and education programs and historic preservation projects; and (3) establishment of cooperative agreements to preserve or restore the historic character of the Park Street and Daisy L. Gatson Bates Drive corridors adjacent to the site.

Legislative History

H.R. 358, the Little Rock Central High School Desegregation 50th Anniversary Commemorative Coin Act, was introduced by Mr. Snyder with 18 cosponsors on January 25, 2005, and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology on March 18, 2005.

On April 27, 2005, the Committee met in open session and ordered the bill to be reported to the House, as amended, by voice vote. On June 15, 2005, the Committee reported the bill to the House, as amended (H. Rept. 109–134). The bill was then referred sequentially to the Committee on Ways and Means for a period ending not later than June 17, 2005. The Committee on Ways and Means was discharged from further consideration of the bill on June 17, 2005 and the bill was referred to the Union Calendar.

On June 27, 2005, the House considered the bill under suspension of the rules and passed the bill, as amended, by a voice vote. On June 28, 2005, H.R. 358 was received in the Senate. On October 7, 2005, the bill was read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

On November 18, 2005, the Senate Committee on Banking, Housing, and Urban Affairs was discharged from the further consideration of the bill by unanimous consent and the Senate passed the bill, with an amendment, by unanimous consent.

On December 18, 2005, the House suspended the rules and agreed to the Senate amendment by a voice vote.

The bill was presented to the President on December 19, 2005, and signed into law on December 22, 2005, becoming Public Law 109–146.

TO AWARD A CONGRESSIONAL GOLD MEDAL ON BEHALF OF THE TUSKEGEE AIRMEN, COLLECTIVELY, IN RECOGNITION OF THEIR UNIQUE MILITARY RECORD, WHICH INSPIRED REVOLUTIONARY REFORM IN THE ARMED FORCES

Public Law 109–213 (H.R. 1259)

To award a congressional gold medal on behalf of the Tuskegee Airmen, collectively, in recognition of their unique military record, which inspired revolutionary reform in the Armed Forces.

Summary

H.R. 1259 directs the Speaker of the House of Representatives and the President pro tempore of the Senate to make appropriate arrangements for the award, on behalf of Congress, of a single gold medal collectively to the Tuskegee Airmen in recognition of their unique military record, which inspired revolutionary reform in the Armed Forces. The medal will be displayed as appropriate at the Smithsonian Institution and be available for display elsewhere, particularly at locations associated with the Airmen. The bill also authorizes the striking and sale of bronze duplicates of the gold medals.

Legislative History

H.R. 1259 was introduced by Mr. Rangel with 12 cosponsors on March 10, 2005, and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology on August 24, 2005.

On February 28, 2006, the House considered the bill under suspension of the rules and passed the bill, with an amendment, by a vote of 400 yeas and 0 nays. On March 1, 2006, H.R. 1259 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

On March 27, 2006, the Senate Committee on Banking, Housing, and Urban Affairs was discharged from the further consideration of the bill by unanimous consent and the Senate passed the bill, without amendment, by unanimous consent.

The bill was presented to the President on March 30, 2006, and signed into law on April 11, 2006, becoming Public Law 109–213.

SAN FRANCISCO OLD MINT COMMEMORATIVE COIN ACT

Public Law 109–230 (H.R. 1953)

To require the Secretary of the Treasury to mint coins in commemoration of the Old Mint at San Francisco otherwise known as the 'Granite Lady'.

Summary

H.R. 1953, the San Francisco Old Mint Commemorative Coin Act, directs the Secretary of the Treasury to mint and issue, in 2006, no more than 100,000 $5 gold coins and 500,000 $1 silver one-dollar coins emblematic of the San Francisco Old Mint Building, its importance to California and U.S. history, and its role in rebuilding San Francisco after the 1906 earthquake and fire. The coins are to be sold with a surcharge of $10 on the silver coins, and $35 on the gold coins, with surcharges to be paid, after satisfaction of requirements in section 5134(f)(1), title 31, United States Code, to the San Francisco Museum and Historical Society for use for the purposes of rehabilitating the Historic Old Mint in San Francisco as a city museum and an American Coin and Gold Rush Museum.

Legislative History

H.R. 1953, the San Francisco Old Mint Commemorative Coin Act, was introduced on April 28, 2005, by Ms. Pelosi and one cosponsor and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology on May 19, 2005.

On November 10, 2005, the House considered the bill under suspension of the rules and passed the bill, with an amendment, by a voice vote. An exchange of jurisdictional letters with the Committee on Ways and Means was included in the Congressional Record. On November 10, 2005, H.R. 1953 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

On May 25, 2006, the Senate Committee on Banking, Housing, and Urban Affairs was discharged from the further consideration

of the bill by unanimous consent and the Senate passed the bill, without amendment, by unanimous consent.

The bill was presented to the President on June 8, 2006, and signed into law on June 15, 2006, becoming Public Law 109–230.

LEWIS AND CLARK COMMEMORATIVE COIN CORRECTION ACT

Public Law 109–232 (H.R. 5401)

To amend section 308 of the Lewis and Clark Expedition Bicentennial Commemorative Coin Act to make certain clarifying and technical amendments.

Summary

H.R. 5401 amends the Lewis and Clark Expedition Bicentennial Commemorative Coin Act by instructing the Secretary of the Treasury to distribute one-half of surcharge proceeds to the National Council of the Lewis and Clark Bicentennial, and one-half to the Missouri Historical Society, after satisfaction of requirements in section 5134(f)(1), title 31, United States Code. The bill also requires that funds remaining unexpended by the National Council or the Historical Society as of June 30, 2007, be transferred to the Lewis and Clark Trail Heritage Foundation to establish a trust for the stewardship of the Lewis and Clark National Historic Trail. The legislation was required because as passed, the underlying bill directed payment of some surcharge funds to the National Park Service, which could not satisfy the "matching funds" requirement of Section 5134(f).

Legislative History

H.R. 5401, the Lewis and Clark Expedition Bicentennial Commemorative Coin Act, was introduced on May 17, 2006 by Ms. Emerson with seven cosponsors and referred to the Committee on Financial Services.

On May 22, 2006, the House considered the bill under suspension of the rules and passed the bill by a voice vote. On May 23, 2006 the bill was received in the Senate and read twice.

On May 25, 2006, the Senate passed the bill, without amendment, by unanimous consent.

The bill was presented to the President on June 8, 2006, and signed into law on June 15, 2006, becoming Public Law 109–232.

LOUIS BRAILLE BICENTENNIAL-BRAILLE LITERACY COMMEMORATIVE COIN ACT

Public Law 109–247 (H.R. 2872)

To require the Secretary of the Treasury to mint coins in commemoration of Louis Braille.

Summary

H.R. 2872, the Louis Braille Bicentennial—Braille Literacy Commemorative Coin Act, directs the Secretary of the Treasury to mint and issue no more than 400,000 one-dollar silver coins in commemoration of the bicentennial of the birth of Louis Braille in 2009. The coins are to be sold with a $10 surcharge, and all sur-

charges received by the Secretary from the sale of coins are to be paid, after satisfaction of the requirements of section 5134(f)(1), title 31, United States Code, to the National Federation of the Blind to further its programs to promote Braille literacy.

Legislative History

H.R. 2872, the Louis Braille Bicentennial—Braille Literacy Commemorative Coin Act, was introduced on June 13, 2005, by Mr. Ney and one cosponsor.

On February 28, 2006, the House considered the bill under suspension of the rules and passed the bill, as amended, by a voice vote. An exchange of jurisdictional letters with the Committee on Ways and Means was included in the Congressional Record.

On March 1, 2006, H.R. 2872 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs. On July 12, 2006, the Senate passed the bill, without amendment, by unanimous consent.

The bill was presented to the President on July 19, 2006, and signed into law on July 27, 2006, becoming Public Law 109–247.

BYRON NELSON CONGRESSIONAL GOLD MEDAL ACT

Public Law 109–357 (H.R. 4902)

To award a Congressional gold medal to Byron Nelson in recognition of his significant contributions to the game of golf as a player, a teacher, and a commentator.

Summary

The Byron Nelson Congressional Gold Medal Act requires the Speaker of the House of Representatives and the President pro tempore of the Senate to make appropriate arrangements to award a gold medal to Byron Nelson in recognition of his significant contributions to the game of golf as a player, a teacher, and a commentator.

Legislative History

H.R. 4902, the Byron Nelson Congressional Gold Medal Act, was introduced on March 8, 2006, by Mr. Burgess and one cosponsor and was referred to the Committee on Financial Services.

On May 9, 2006, the House considered the bill under suspension of the rules and passed the bill by a voice vote.

On May 10, 2006, H.R. 4902 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs. On September 30, 2006, the Senate Committee was discharged from further consideration by unanimous consent, and the Senate passed the bill, without amendment, by unanimous consent.

The bill was presented to the President on October 6, 2006, and signed into law on October 16, 2006, becoming Public Law 109–357.

ABRAHAM LINCOLN COMMEMORATIVE COIN ACT

Public Law 109–285 (H.R. 2808)

Requiring the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the birth of Abraham Lincoln.

Summary

H.R. 2808 commemorates the bicentennial of the birth of Abraham Lincoln, the 16th President of the United States, with the issue in 2009 of no more than 500,000 silver one-dollar coins commemorating the bicentennial. The coins will be sold with a $10 surcharge and, after satisfaction of section 5134(f)(1), title 31, United States Code, the surcharges received will be paid to the Abraham Lincoln Bicentennial Commission to further its works.

Legislative History

H.R. 2808, the Abraham Lincoln Commemorative Coin Act, was introduced on June 8, 2005, by Mr. LaHood with 18 cosponsors and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology on July 29, 2005.

On September 6, 2006, the House considered the bill under suspension of the rules and passed the bill, as amended, by a vote of 401 yeas and 0 nays. An exchange of jurisdictional letters with the Committee on Ways and Means was included in the Congressional Record.

On September 8, 2006, the Senate passed the bill, without amendment, by unanimous consent.

The bill was presented to the President on September 18, 2006, and signed into law on September 27, 2006, becoming Public Law 109–285.

FOURTEENTH DALAI LAMA CONGRESSIONAL GOLD MEDAL ACT

Public Law 109–287 (S. 2784; H.R. 4562)

To award a congressional gold medal to Tenzin Gyatso, the Fourteenth Dalai Lama, in recognition of his many enduring and outstanding contributions to peace, nonviolence, human rights and religious understanding.

Summary

H.R. 4562 directs the Speaker of the House of Representatives and the President pro Tempore of the Senate to make appropriate arrangements for the presentation, on behalf of Congress, of a gold medal of appropriate design to Tenzin Gyatso, the Fourteenth Dalai Lama, in recognition of his many contributions to peace and religious understanding.

Legislative History

H.R. 4562, the Fourteenth Dalai Lama Congressional Gold Medal Act, was introduced on December 15, 2006, by Ms. Ros-Lehtinen with 15 cosponsors and referred to the Committee on Financial Services.

The companion bill, S. 2784, was introduced by Ms. Feinstein with 74 cosponsors on May 11, 2006, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs. On May 23, 2006, the Committee ordered the bill to be reported favorably, without an amendment, and without a written report.

On May 25, 2006, S. 2784 was passed by the Senate, without amendment, by unanimous consent and received in the House and referred to the Committee on Financial Services on June 6, 2006.

On September 13, 2006, the House considered S. 2784 under suspension of the rules and the bill passed by a voice vote.

The bill was presented to the President on September 18, 2006, and signed into law on September 27, 2006, becoming Public Law 109–287.

CONGRESSIONAL TRIBUTE TO DR. NORMAN E. BORLAUG ACT OF 2006

Public Law 109–XXX (S. 2250; H.R. 4924)

To award a congressional gold medal to Dr. Norman E. Borlaug.

Summary

S. 2250, the Congressional Tribute to Dr. Norman E. Borlaug Act of 2006, a bill identical to H.R. 4924, authorizes the President Pro Tempore of the Senate and the Speaker of the House of Representatives to make appropriate arrangements for the presentation, on behalf of Congress, of a gold medal to Dr. Norman E. Borlaug, in recognition of his enduring contributions to the United States and the world.

The bill directs the Secretary of the Treasury to strike the medal and authorizes the Secretary to strike and sell duplicates in bronze of the gold medal.

Legislative History

H.R. 4924, the Congressional Tribute to Dr. Norman E. Borlaug Act of 2006, was introduced by Mr. Latham and 11 cosponsors on March 9, 2006, and referred to the Committee on Financial Services.

An identical bill, S. 2250, was introduced by Mr. Grassley with 72 cosponsors on February 7, 2006, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs. On September 27, 2006, the full Committee discharged the bill by unanimous consent, and the bill was passed by the Senate, without an amendment, by unanimous consent.

On September 28, 2006, S. 2250 was received in the House.

On December 6, 2006, the House passed the bill, S. 2250, under suspension of the rules by a voice vote.

The bill was presented to the President on December XX, 2006, and signed into law on December XX, 2006, becoming Public Law 109–XXX.

CONGRESSIONAL GOLD MEDAL ENHANCEMENT ACT OF 2005

(H.R. 54)

To amend title 31, United States Code, to provide reasonable standards for congressional gold medals, and for other purposes.

Summary

H.R. 54, the Congressional Gold Medal Enhancement Act of 2005, sets forth standards under which Congressional gold medals would be awarded in the future. Among them are the striking of no more than two Congressional gold medals for presentation during any calendar year. The bill also provides that only an individual may be a recipient of a congressional gold medal and specifies no gold medal may be presented posthumously on behalf of any individual except during the 20-year period beginning five years after the individual's death.

Legislative History

H.R. 54, the Congressional Gold Medal Enhancement Act of 2005, was introduced on January 4, 2005, by Mr. Castle and referred to the Committee on Financial Services.

On January 25, 2005, the Committee on Rules reported H.Res. 42, providing for the consideration of H.R. 54 under a structured rule. On January 26, 2005, the House adopted the resolution by a voice vote. On January 26, 2005, the House passed the bill, with an amendment, by a vote of 231 yeas and 173 nays.

On January 26, 2005, H.R. 54 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

NASA AND JPL 50TH ANNIVERSARY COMMEMORATIVE COIN ACT

(H.R. 68)

To require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the establishment of the National Aeronautics and Space Administration (NASA) and the Jet Propulsion Laboratory (JPL).

Summary

H.R. 68, the NASA and JPL 50th Anniversary Commemorative Coin Act directs the Secretary of the Treasury to mint and issue $50 gold coins and one-dollar silver coins in 2008 commemorating the 50th anniversary of the establishment of the National Aeronautics and Space Administration (NASA) and the Jet Propulsion Laboratory (JPL). The bill authorizes no more than 50,000 $50 gold coins, to be sold with a $50 surcharge, and no more than 400,000 silver coins, to be sold with a $10 surcharge. The bill makes a number of design specifications so that the coins represent the sun and planets, and recognize important NASA and JPL achievements and missions.

The bill requires that after satisfaction of the requirements of section 5134(f)(1), Title 31, United States Code, surcharges received be distributed as follows: (1) the first $1 million, to the NASA Family Assistance Fund for the purposes of providing financial assistance to the families of NASA personnel who die as a result of injuries suffered in the performance of their official duties; and (2) of amounts available for distribution after such payment, half will go to the Secretary of the Smithsonian Institution for the preserva-

tion, maintenance, and display of space artifacts at the National Air and Space Museum, including the Steven F. Udvar-Hazy Center, and half to such Secretary for the express purpose of providing funding for the establishment of a new National Museum of Money.

Legislative History

H.R. 68, the NASA and JPL 50th Anniversary Commemorative Coin Act, was introduced on January 4, 2005, by Mr. Culberson with three cosponsors and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology on February 22, 2005.

On April 27, 2005, the full Committee met in open session and ordered the bill to be reported to the House, as amended, by a voice vote. On June 15, 2005, the Committee reported the bill as amended to the House (H. Rept. 109–133). The bill was then referred sequentially to the Committee on Ways and Means for a period ending not later than June 17, 2005. The Committee on Ways and Means was discharged from further consideration of the bill on June 17, 2005.

On July 12, 2005, the House considered the bill under suspension of the rules and passed the bill, with an amendment, by a voice vote.

On July 13, 2005, H.R. 68 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation during the 109th Congress.

TO PROVIDE A NEW EFFECTIVE DATE FOR THE APPLICABILITY OF CERTAIN PROVISIONS OF LAW TO PUBLIC LAW 105–331

(H.R. 6325)

To provide a new effective date for the applicability of certain provisions of law to Public Law 105–331.

Summary

This bill provides for a six-month extension of the two-year limit on the time period for raising "matching funds" necessary to claim surcharges on the sales of the Thomas Alva Edison Commemorative Coin Act (P.L. 105–331), signed into law October 31, 1998. The Thomas Alva Edison Commemorative Coin Act required the minting of coins in commemoration of the 125th anniversary of Edison's invention of the light bulb and required that surcharges on the sale of the coins be divided evenly and paid, pursuant to section 5134(f) of Title 31, United States Code, to eight nonprofit entities, including the Edison Memorial Tower in Edison, New Jersey. Coins were minted and sold in 2004.

The Edison Memorial Tower Corporation, a group of local residents who oversee and manage the tower, raised questions concerning the source of the "matching funds." After the matter was clarified, the Corporation requested a brief extension of the deadline be granted, until July 1, 2007.

Legislative History

H.R. 6325 was introduced by Mr. Pallone with two cosponsors on November 15, 2006. On the same day, the House considered the bill under suspension of the rules and passed the bill, without amendment, by a voice vote.

On November 16, 2006, H.R. 6325 was received in the Senate. On November 16, 2006, the bill was read twice, and referred to the Committee on Banking, Housing and Urban Affairs.

No further action was taken on this legislation during the remainder of the 109th Congress.

DISTRICT OF COLUMBIA AND UNITED STATES TERRITORIES CIRCULATING QUARTER DOLLAR PROGRAM ACT

(H.R. 3885)

To provide for a circulating quarter dollar coin program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

Summary

H.R. 3885, the "District of Columbia and United States Territories Circulating Quarter Dollar Program Act," provides for the minting, in 2009, of quarter-dollar coins with designs on their reverse bearing images related to the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands. The coins would be issued in that order, at equal intervals throughout the year. The program would be separate from the successful 50-State quarter program but follow immediately upon its conclusion at the end of 2008. Provision is made in the Act for not issuing a quarter with a design on the reverse depicting any of the six localities that become a state or that become independent.

Legislative History

H.R. 3885, the "District of Columbia and United States Territories Circulating Quarter Dollar Program Act," was introduced September 22, 2005, by Ms. Norton and four co-sponsors. It was referred to the Committee on Financial Services, and on October 17, 2006, was referred to the Subcommittee on Domestic and International Monetary Policy, Trade and Technology. On December 9, 2006, Mr. Castle asked for unanimous consent that the Committee be discharged from further consideration and that the bill be considered. The House agreed to the request, and agreed to a technical amendment to the bill before agreeing to passage without objection. The bill was received in the Senate December 9, 2006.

No further legislative action took place on this bill during the remainder of the 109th Congress.

FIRST REPLENISHMENT OF THE RESOURCES OF THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

(H.R. 4916)

To authorize United States participation in, and appropriations for, the United States contribution to the first replenishment of the resources of the Enterprise for the Americas Multilateral Investment Fund.

Summary

H.R. 4916 gives the Secretary of the Treasury authority to contribute, on behalf of the United States, $150 million to the first replenishment of the resources of the Enterprise for the Americas Multilateral Investment Fund.

Legislative History

H.R. 4916 was introduced on March 9, 2006, by Ms. Pryce with three cosponsors and referred to the Committee on Financial Services.

On March 15, 2006, the full Committee met in open session and ordered the bill to be reported, with amendments, to the House by a voice vote. On April 4, 2006, the Committee reported the bill to the House (H. Rept. 109–403).

On April 25, 2006, the House considered the bill under suspension of the rules and passed the bill by a voice vote.

On April 26, 2006, H.R. 4916 was received in the Senate, read twice, and referred to the Committee on Foreign Relations.

On June 9, 2006, language of the bill was incorporated into H.R. 5522, the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2007. The language, found in the bill reads as follows: "For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the fund, $23,000,000, to remain available until expended." On the same day, the House passed H.R. 5522 by a vote of 373 yeas and 34 nays. The bill was received in the Senate June 12, 2006. On June 28, 2006, the Senate Committee on Appropriations Subcommittee on State, Foreign Operations, and Related Programs favorably approved an amendment in the nature of a substitute, containing a lesser amount for the Fund. The full Senate Appropriations Committee ordered the bill reported with an amendment in the nature of a substitute on June 29, 2006, and the bill was reported July 10, 2006, (Senate Report 109–277).

EXPORT-IMPORT BANK REAUTHORIZATION ACT OF 2006

Public Law 109–438 (H.R. 5068; S. 3938)

To reauthorize the operations of the Export-Import Bank, to reform certain operations of the Bank and for other purposes.

Summary

H.R. 5068 amends the Export-Import Bank Act of 1945 to reauthorize the Export-Import Bank of the United States through FY2011. The bill requires the President of the Bank to establish and maintain a Small Business Division and a Small Business

Committee as well as establish within the Division an office for financing of exports by socially and economically disadvantaged small business concerns and small business concerns owned by women.

H.R. 5068 supports the continuation of the Bank's financial commitments in sub-Saharan Africa under its loan, guarantee, and insurance programs. The legislation prescribes requirements for Bank transparency initiatives and revises specified reporting requirements, especially for the annual competitiveness report.

Legislative History

H.R. 5068 was introduced on March 30, 2006, by Ms. Pryce with six cosponsors and referred to the Committee on Financial Services.

On June 14, 2006, the full Committee met in open session and ordered the bill to be reported, with amendments, to the House by a voice vote.

On July 17, 2006, the Committee reported the bill to the House, as amended (H. Rept. 109–566).

On July 25, 2006, the House considered the bill under suspension of the rules and passed the bill, as amended, by a voice vote.

On July 26, 2006, H.R. 5068 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

An extension of the authority of the Bank until November 17, 2006, was included in the continuing resolution, Public Law 109–289. A further extension of the authority of the Bank until December 8, 2006, was included in the continuing resolution, Public Law 109–369.

The Senate version of the bill, S. 3938, was introduced September 26, 2006, by Mr. Crapo. It was reported that day to the Senate without a written report. On September 30, 2006, the bill was passed by the Senate, with an amendment, by unanimous consent.

On December 6, 2006, the House agreed to a motion to suspend the rules and pass S. 3938, as amended, by voice vote.

On December 6, 2006, the Senate agreed to the House amendment to S. 3938 by voice vote.

On December 20, 2006, the President signed the bill into law, becoming Public Law 109–438.

NATIONAL SECURITY FOREIGN INVESTMENT REFORM AND STRENGTHENED TRANSPARENCY ACT OF 2006

H.R. 5337 (S. 3549)

To ensure national security while promoting foreign investment and the creation and maintenance of jobs, to reform the process by which such investments are examined for any effect they may have on national security, to establish the Committee on Foreign Investment in the United States (CFIUS), and for other purposes.

Summary

H.R. 5337, the "National Security Foreign Improvement Reform and Strengthening Transparency Act of 2006" ("National Security

FIRST") strengthens national security by improving the process by which foreign direct investment in the United States is scrutinized to determine if it threatens to impair national security in any way. The bill, introduced May 10, 2006, makes a number of reforms to Section 721 of the Defense Production Act of 1950 (DPA), the so-called Exon-Florio amendment to the DPA, improving a review process that has existed in some form since 1975. It reforms the Exon-Florio process, which became law in 1988, by correcting perceived problems with the process of examining such investment while not creating new hurdles for investment into the United States that in turn could trigger retaliatory investment barriers to U.S. investment overseas.

The legislation improves accountability for the process within the Administration and codifies the existence of the Committee on Foreign Investment in the United States, adding the Secretaries of Commerce and of Homeland Security as vice chairmen of the cross-agency review pane. It sets up clear and transparent processes for examining proposed investment, designing and monitoring arrangements to mitigate any threat to national security short of refusing the transaction, and requires CFIUS to report to Congress regularly and clearly on CFIUS actions so that Congress can perform its necessary oversight. The bill addresses perceived voids in the current examination process, for example, by setting up monitoring and interim security measures if a transaction is withdrawn from the examination process, even temporarily, as well as by ensuring that deals may only be considered approved after the chairman and vice chairmen of CFIUS sign off.

Additionally, addressing the so-called "Byrd amendment" to Exon-Florio, the bill closes a loophole by mandating that all investments that are controlled by foreign governments undergo both a review and a national security investigation. The bill changes current practice, ensuring that a list of factors that currently "may" be considered while examining a proposal, in the future "shall" be considered, and adds security threats to critical infrastructure as a factor to be considered. Finally, the bill adds a formal analysis of every proposed transaction, to be performed by the Director of National intelligence, but makes clear that the director has no policy role in the examination process, and makes appropriate provision for protection of classified and proprietary business information about a deal.

Legislative History

H.R. 5337 was introduced on May 10, 2006, by Mr. Blunt with 22 cosponsors, and was referred to the Committee on Financial Services, and the Committees on Energy and Commerce and International Relations.

The Committee on Financial Services referred the bill to the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology on May 16, 2006. The Subcommittee held a legislative hearing on May 17, 2006, on the bill—one of several hearings on foreign investment in the United States that the subcommittee held during the second session. On June 14, 2006, the full Committee met in open session and ordered the bill to be reported with amendments with a favorable recommendation to the House, on a

vote of 64–0. On June 22, 2006, the Committee reported the bill, with amendments, to the House (H. Rept. 109–523, Part I).

The Committee on Energy and Commerce referred the bill to the Subcommittee on Commerce, Trade and Technology on June 5, 2006. On July 12, 2006, the full Committee met in open session and ordered the bill to be reported to the House, with amendments, by a voice vote. On July 17, 2006, the Committee reported the bill, with an amendment, to the House (H. Rept. 109–523, Part II).

The Committee on International Relations was discharged from further consideration of the bill on July 17, 2006.

On July 26, 2006, the House considered the bill under suspension of the rules and passed the bill, with an amendment, by a vote of 424 yeas and 0 nays.

On July 27, 2006, H.R. 5337 was received in the Senate, read twice, and placed on Senate Legislative Calendar under General Orders.

The Senate version of the bill, S. 3549, the Foreign Investment and National Security Act of 2006 (Senator Shelby), was ordered reported by the Senate Committee on Banking, Housing and Urban Affairs on March 30, 2006, and was reported June 21, 2006, (S. Rept. 109–264). It was passed that day by the Senate, with an amendment, by unanimous consent.

TRUE AMERICAN HEROES ACT OF 2005

(H.R. 1057)

To award a congressional gold medal on behalf of all government workers and others who responded to, and perished in, the attacks on the World Trade Center and the Pentagon, and people aboard United Airlines Flight 93 who helped resist the hijackers and caused the plane to crash, to award a duplicate in silver of such gold medals to the personal representative of each such person, to require the Secretary of Treasury to mint coins in commemoration of the Spirit of America, recognizing the tragic events of September 11, 2001, and for other purposes.

Summary

H.R. 1057, the True American Heroes Act of 2005, directs the Speaker of the House and the President pro tempore of the Senate to make arrangements for the awarding of a single gold medal on the fifth anniversary of the tragic attacks of September 11, 2001, in the name of the unknown officer, worker, employee, passenger, or crew member, who was the first to die that day responding to give aid after the attack on the World Trade Center in New York City, onboard United Airlines Flight 93 or in the attack on the Pentagon, Washington, D.C. The bill further directs that a silver duplicate of the medal be given for each such person killed, and duplicates go to appropriate work places of such individuals. Further, the bill calls for the Secretary of the Treasury to mint and issue gold, silver and "clad" coins commemorating the attack, sell them with appropriate surcharges during the one-year period beginning September 11, 2006, and divide the surcharge income—after paying for the gold medal and silver duplicates—equally between the three crash sites to create or maintain memorials there. Special versions

of the gold coins are to be given to survivors of those killed in the attacks, one for each such person killed or who died later.

Legislative History

H.R. 1057, the True American Heroes Act of 2005, was introduced on March 2, 2005, by Mr. King of New York and three cosponsors and referred to the Committee on Financial Services.

On March 16, 2005, the full Committee met in open session and ordered the bill to be reported, with amendments, by a voice vote. No further action was taken on this legislation in the 109th Congress.

TO AMEND THE PROVISION OF LAW ESTABLISHING THE PRESIDENTIAL 9/11 HEROES MEDALS OF VALOR TO MAKE CERTAIN TECHNICAL CORRECTIONS TO CARRY OUT THE INTENT OF THE PROVISION

(H.R. 1768)

To amend the provision of law establishing the Presidential 9/11 Heroes Medals of Valor to make certain technical corrections to carry out the intent of the provision.

Summary

Amends the federal law establishing the Presidential 9/11 Heroes Medals of Valor to: (1) instruct the Attorney General to make the necessary arrangements for striking such Medals instead of the Secretary of the Treasury; and deletes the reference to such Medals as national medals.

Legislative History

H.R. 1768 was introduced on April 21, 2005, by Mr. Fossella and one cosponsor and referred to the Committee on Financial Services.

On April 27, 2005, the full Committee met in open session and ordered the bill to be reported to the House by a voice vote. No further action was taken on H.R. 1768 in the 109th Congress. The text of the legislation was later included in Public Law 109–13.

IRAN FREEDOM SUPPORT ACT

Public Law 109–293 (H.R. 6198; H.R. 282)

To hold the current regime in Iran accountable for its threatening behavior and to support a transition to democracy in Iran.

Summary

H.R. 6198, the Iran Freedom Support Act, will help prevent Iran from acquiring the technical assistance, the financial resources, and the political legitimacy to develop nuclear weapons and to support terrorism. The bill requires the imposition of sanctions on any entity that has exported, transferred, or otherwise provided to Iran any goods, services, technology, or other items that would materially contribute to Iran's ability to acquire or develop unconventional weapons. The bill codifies U.S. sanctions imposed on Iran by Executive Order. The bill also amends the Iran-Libya Sanctions Act by extending the authorities in the bill until December 31, 2011. It also requires the President to certify to Congress that waiving

the imposition of sanctions is vital to the national security interests of the United States. The bill authorizes the provision of democracy assistance to eligible human rights and pro-democracy groups and broadcasting entities. This legislation will allow the United States to use the tools against financial institutions which are involved in the proliferation of weapons of mass destruction or missiles.

Legislative History

H.R. 282, the Iran Freedom Support Act, was introduced on January 6, 2005 by Ms. Ros-Lehtinen and was referred to the Committee on International Relations. That Committee ordered the bill reported on March 15, 2006. Included in the bill as reported by the International Relations Committee (H. Rept. 109–417) were provisions regarding pension plans and a report by the Office of Global Security Risks of the SEC, matters within the jurisdiction of the Committee on Financial Services. Jurisdictional letters between the two committees were included in the Congressional Record when the bill was considered under suspension of the rules on April 26, 2006. The motion to suspend the rules and pass the bill as amended was agreed to by a vote of 397 yeas to 21 nays.

The bill was messaged to the Senate where it was referred to the Committee on Foreign Relations. No further action was taken on this legislation in the 109th Congress.

H.R. 6198, the Iran Freedom Support Act, was introduced on September 27, 2006 by Ms. Ros-Lehtinen and was referred to the Committee on International Relations and in addition to the Committee on Financial Services. Portions of title II of the bill, relating to sanctions under the Iran Libya Sanctions Act, and title V, relating to the prevention of money laundering, fell under the jurisdiction of the Committee on Financial Services. The bill was considered under suspension of the rules on September 28, 2006, and the House passed the bill as amended by voice vote. An exchange of jurisdictional correspondence between the two committees was included in the Congressional Record.

The bill was messaged to the Senate which passed the bill by voice vote on September 30, 2006. It was signed into law on September 30, 2006 and became Public Law 109–293.

BELARUS DEMOCRACY REAUTHORIZATION ACT OF 2006

Public Law 109–_____ (H.R. 5948)

To reauthorize the Belarus Democracy Act of 2004.

Summary

H.R. 5948, the "Belarus Democracy Reauthorization Act of 2006," reauthorizes and expands upon a series of actions first authorized by Congress in 2004 against the government of the Republic of Belarus in light of continuing anti-democratic actions by that government. Included in the expansions of the 2004 authorities are three items within the jurisdiction of the Committee on Financial Services: (1) a section of statute asserting that the Secretary of the Treasury should instruct the United States Executive Director of each international financial institution of which the United States is a member to use the voice and vote of the United States to op-

pose any extension by those institutions of any financial assistance (including any technical assistance or grant) of any kind to the Government of Belarus, except for loans and assistance that serve humanitarian needs; (2) expressing the sense of Congress that no loan, credit guarantee, insurance, financing, or other similar financial assistance should be extended by any agency of the Government of the United States (including the Export-Import Bank of the United States and the Overseas Private Investment Corporation) to the Government of Belarus, except with respect to the provision of humanitarian goods and agricultural or medical products; and (3) expressing the sense of Congress that the President should block all property and interests in property, including all commercial, industrial, or public utility undertakings or entities, that, on or after the date of the enactment of the Act are owned, in whole or in part, by the Government of Belarus, or by any member or family member closely linked to any member of the senior leadership of the Government of Belarus, and are in the United States, or in the possession or control of the Government of the United States or of any United States financial institution.

Legislative History

H.R. 5948, the "Belarus Democracy Reauthorization Act of 2006," was introduced July 27, 2006, by Mr. Smith of New Jersey for himself and two co-sponsors, and was referred to the Committee on International Relations, as well as to the Committees on the Judiciary and on Financial Services. On October 18, 2006, it was referred to the Subcommittee on Domestic and International Monetary Policy, Trade and Technology.

On December 7, 2006, Mr. Gallegly moved to suspend the rules and pass the legislation, with an amendment. After debate, the yeas and nays were ordered and the vote postponed. On December 8, 2006, the measure passed by a roll call vote of 397 yeas to 2 nays.

On December 8, 2006, it was received in the Senate, read twice and passed without amendment by unanimous consent. Also that day, it was cleared for presentation to the White House.

On December 22, 2006, the bill was presented to the President. The bill later became Public Law 109–_____.

PALESTINIAN ANTI-TERRORISM ACT OF 2006

(H.R. 4681)

To promote the development of democratic institutions in areas under the administrative control of the Palestinian Authority, and for other purposes.

Summary

H.R. 4681, the Palestinian Anti-Terrorism Act of 2006, states that it shall be U.S. policy to: (1) support a two-state solution to the Israeli-Palestinian conflict; (2) oppose those organizations, individuals, and countries that support terrorism and violence; (3) urge members of the international community to avoid contact with and refrain from financially supporting the terrorist organization Hamas or a Hamas-controlled Palestinian Authority (PA) until

Hamas agrees to recognize Israel, renounce violence, disarm, and accept prior agreements, including the Performance-Based Roadmap to a Permanent Two-State Solution to the Israel-Palestinian Conflict (Roadmap); (4) promote the emergence of a democratic Palestinian governing authority that denounces and combats terrorism, upholds human rights for all people, and has agreed to recognize Israel as an independent Jewish state; and (5) continue to support assistance to the Palestinian people.

States that it shall be U.S. policy that the U.S. executive director at each international financial institution use U.S. influence to prohibit assistance to the PA unless a certification is in effect which includes a presidential determination that specified certification requirements are being met by the PA.

Legislative History

H.R. 4681 was introduced on February 1, 2006, by Ms. Ros-Lehtinen and was referred to the Committee on International Relations and in addition to the Committee on Financial Services and the Committee on the Judiciary. The Committee on International Relations ordered the bill reported as amended on April 6, 2006. The Committee on the Judiciary ordered the bill reported as amended on May 10, 2006.

The Committee on International Relations filed their report on the bill on May 11, 2006 (H. Rept. 109–642, part I). The referral of the bill to the Committee on Financial Services and the Committee on the Judiciary was extended for a period ending not later than May 15, 2006. The Committee on the Judiciary filed their report on May 15, 2006 (H. Rept. 109–642, part II). The Committee on Financial Services was discharged and the bill was referred to the Union Calendar on May 15, 2006.

On May 22, 2006, the House considered a motion to suspend the rules and pass the bill as amended. An exchange of jurisdictional correspondence between the Committee on International Relations and the Committee on Financial Services regarding section 9 of the bill was included in the Congressional Record. A recorded vote on the motion was ordered and then postponed. On May 23, 2006, the House adopted the motion and passed the bill by a vote of 361 yeas and 37 nays.

On May 24, 2006 the bill was messaged to the Senate. On May 25, 2006, the bill was referred to the Committee on Foreign Relations.

No further action on this legislation occurred in the 109th Congress.

ZIMBABWE'S "OPERATION MURAMBATSVINA"

(H. Res. 409)

Condemning the Government of Zimbabwe's 'Operation Murambatsvina' under which homes, businesses, religious structures, and other buildings and facilities were demolished in an effort characterized by the Government of Zimbabwe as an operation to 'restore order' to the country.

Summary

H. Res. 409 expresses the sense of the House of Representatives that the government of Zimbabwe: (1) has, through Operation Murambatsvina, created a humanitarian disaster that has compounded the country's humanitarian food and economic crises; (2) has a duty to protect its citizens' economic, social, and political rights; and (3) is subject to the International Covenant on Economic, Social and Cultural Rights with respect to forced evictions.

Condemns Operation Murambatsvina as a major humanitarian catastrophe caused by the government of Zimbabwe's callousness toward its own people, disregard for the rule of law, and lack of planning to move families and businesses to more desirable locations.

Calls on the United Nations, the African Commission for Peoples' and Human Rights, and the African Union to investigate the impact of the demolition of housing structures and premises from which informal businesses operated and to provide the international community with a strategy to address the problems.

Calls on the government of Zimbabwe with respect to Operation Murambatsvina to: (1) allow access to international humanitarian organizations; (2) hold accountable those responsible; and (3) implement policies to promote the private sector and create jobs and build housing.

Calls on the Secretary of the Treasury to use U.S. influence to continue to advocate for further action at the International Monetary Fund (IMF) should the Government of Zimbabwe continue to fail to meet its obligations to the IMF.

Condemns President Mugabe's harassment of U.S. Ambassador to Zimbabwe. Calls upon him to recognize that absent corrective actions on his part his legacy will be defined by his ruinous policies and draconian laws that have brought untold suffering to his people and the near collapse of Zimbabwe as a nation.

Legislative History

H. Res. 409 was introduced on July 28, 2005, by Mr. Lantos and was referred to the Committee on International Relations and in addition to the Committee on Financial Services. Portions of the resolution regarding the International Monetary Fund fall within the jurisdiction of the Committee on Financial Services. The Committee on International Relations ordered the resolution reported on September 15, 2005.

After the two committees exchanged jurisdictional letters, on December 14, 2005, the House debated a motion to suspend the rules and agree to the resolution as amended. A recorded vote on the motion was ordered and then postponed. On December 16, 2005, the House agreed to the motion by a vote of 421 yeas and 1 nay.

FEDERAL DEPOSIT INSURANCE REFORM ACT OF 2005

Public Law 109–171 (H.R. 1185; H.R. 4241; S. 1932)

To reform the Federal deposit insurance system, and for other purposes.

Summary

H.R. 1185, the Federal Deposit Insurance Reform Act of 2005, preserves the value of insured deposits at the nation's banks, thrifts, and credit unions, advances the national priority of enhancing retirement security, and ensures that the value, benefits and costs of deposit insurance are allocated equitably and fairly.

The bill merges the Bank Insurance Fund (BIF) and the Savings Association Insurance Fund (SAIF), increases the standard maximum deposit insurance limit from $100,000 to $130,000, and indexes it every 5 years for inflation, doubles the new coverage level for certain retirement accounts, and increases the coverage amount for in-State municipal deposits. Federally chartered credit unions are provided with parity in general standard maximum deposit insurance coverage, for retirement accounts and municipal deposits.

H.R. 1185 removes legal constraints on the authority of the Federal Deposit Insurance Corporation (FDIC) to charge risk-based premium assessments, so that all insured depository institutions pay for the value and benefit of deposit insurance fairly and equitably.

The legislation authorizes the FDIC to set the ratio of reserves to estimated insured deposits within a range of 1.15 to 1.40 percent, replacing the 1.25 percent reserve ratio mandated by current law.

The bill also returns assessments in the form of refunds, credits, and dividends to insured depository institutions. Dividends are provided to qualified insured depository institutions whenever specified reserve ratios are exceeded.

Finally, the legislation mandates studies of the FDIC's administrative and managerial processes and of alternative means for administering the deposit insurance system. These studies will ensure that the deposit insurance fund and the overall deposit insurance system are managed and operated as efficiently and as effectively as possible.

Legislative History

H.R. 1185 was introduced on March 9, 2005, by Mr. Bachus and 30 original cosponsors, and referred to the Committee on Financial Services. Within the Committee on Financial Services, the bill was referred to the Subcommittee on Financial Institutions and Consumer Credit.

The Subcommittee on Financial Institutions and Consumer Credit held a legislative hearing on the bill on March 17, 2005. The Chairman of the Federal Deposit Insurance Corporation (FDIC) was the only witness.

On April 27, 2005, the Committee on Financial Services met in open session and ordered the bill to be favorably reported to the House, with an amendment, by a voice vote. On April 29, 2005, the Committee on Financial Services reported H.R. 1185 to the House (H. Rept. 109–67).

On May 3, 2005, the Committee on Rules met and reported an open rule providing for consideration of H.R. 1185 (H. Res. 255). On May 4, 2005, H. Res. 255 passed the House by a voice vote. The House then moved to the consideration of H.R. 1185, and passed the bill, as amended, by a recorded vote of 413 yeas and 10 nays.

The bill was received in the Senate on May 9, 2005, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

Because of the budgetary savings involved in deposit insurance reform, the Committee on Financial Services met on October 27, 2005, to consider a Committee Print entitled "Recommendations of the Committee on Financial Services for Reconciliation for FY06: Deposit Insurance Reform" as part of its compliance with the reconciliation instructions contained in the budget resolution (H.Con.Res. 95). The Committee adopted the Committee Print containing the text of H.R. 1185 as passed by the House in May 2005, without amendment, by voice vote and forwarded the Recommendations to the Committee on the Budget. That committee included the Recommendations when it reported the spending budget reconciliation bill, H.R. 4241 (H. Rept. 109–276). The language included in H.R. 4241 was unchanged from H.R. 1185 as passed by the House. The House passed H.R. 4241, the Deficit Reduction Act of 2005, on November 18, 2005, by a vote of 217 yeas and 215 nays. The Senate version of the spending reconciliation bill, S. 1932, known as the Deficit Reduction Omnibus Reconciliation Act of 2005, passed on November 3, 2005, by a vote of 52–47.

The House and Senate had differing language and the legislative language regarding deposit insurance went to conference. Messrs. Oxley, Bachus and Frank (MA) were appointed conferees from the Committee. Compromise deposit insurance reform language includes: requiring the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) boards, beginning in 2010, and every succeeding five years, to consider raising the standard maximum deposit insurance if warranted; increasing the deposit insurance limit for certain retirement accounts to $250,000, and indexing that limit to inflation; allowing the FDIC Board to set assessments; eliminating the current 1.25 percent hard target Designated Reserve Ratio (DRR) and providing the FDIC Board with the discretion to set the DRR within a range of 1.15 to 1.50 percent for any given year; and providing for dividends if the fund exceeds 1.35 percent and a one-time credit for institutions that paid into the deposit insurance funds prior to December 31, 1996.

The conference report (H.Rept. 109–362) on S. 1932, which was renamed the Deficit Reduction Act of 2005, was filed by the House-Senate Conference Committee on December 19, 2005.

Subsequently, the House agreed to the conference report by a vote of 212 yeas and 206 nays on December 19, 2005. On December 21, 2005, the Senate removed extraneous matter from the legislation pursuant to a point of order raised under the "Byrd rule," and then, by a vote of 51–50 (with Vice President Cheney breaking a tie vote), returned the amended measure to the House for further action. On February 1, 2006, the House agreed to the Senate amendment to the House amendment pursuant to H. Res. 653 by a vote of 216 yeas and 214 nays. On February 8, 2006, S. 1932 was signed by the President becoming Public Law 109–171.

FEDERAL DEPOSIT INSURANCE REFORM CONFORMING AMENDMENTS OF 2005

Public Law 109–173 (H.R. 4636)

To enact the technical and conforming amendments necessary to implement the Federal Deposit Insurance Reform Act of 2005, and for other purposes.

Summary

H.R. 4636 the Federal Deposit Insurance Reform Conforming Amendments of 2005 provides technical and conforming amendments to the Federal Deposit Insurance Reform language found in S. 1932, the Deficit Reduction Act of 2005. This language was removed from the Deposit Insurance Reform portion of S. 1932 in an effort to avoid the "Byrd rule" complications that the Senate budgetary reconciliation process later encountered.

Legislative History

H.R. 4636 was introduced on December 18, 2005, by Mr. Oxley. On December 19, 2005, the Committee on Financial Services was discharged from further consideration of the bill and it was passed by the House by unanimous consent. On December 22, 2005, the Senate passed H.R. 4636 by unanimous consent clearing the bill to be sent to the White House in coordination with future passage of S. 1932. On February 9, 2006, H.R. 4636 was presented to the President and was subsequently signed into law on February 15, 2006, becoming Public Law 109–173.

UNLAWFUL INTERNET GAMBLING ENFORCEMENT ACT

Public Law 109–347 (H.R. 4411, H.R. 4954)

To prevent the use of certain payment instruments, credit cards, and fund transfers for unlawful Internet gambling, and for other purposes.

Summary

The Unlawful Internet Gambling Enforcement Act of 2006, H.R. 4411, prohibits the acceptance of any bank instrument for unlawful Internet gambling. It defines certain terms for purposes of the Act; establishes civil remedies, criminal penalties, and regulatory enforcement authorities; encourages cooperation by foreign governments in the enforcement of the Act; updates the Wire Act; and requires the Secretary of the Treasury to report annually to Congress on deliberations between the United States and other countries on issues relating to Internet gambling. Its primary purpose is to give U.S. law enforcement new, more effective tools for combating offshore Internet gambling sites that illegally extend their services to U.S. residents via the Internet.

Legislative History

On November 18, 2005, Mr. Leach introduced H.R. 4411, Internet Gambling Prohibition and Enforcement Act, with 18 original cosponsors. H.R. 4411 was referred to the Committee on Financial Services. On March 15, 2006, the Committee on Financial Services

met in open session and ordered H.R. 4411, as amended, favorably reported to the House by voice vote. On April 6, 2006, the Committee on Financial Services reported H.R. 4411 (H. Rept. 109–412, Part I). The bill was then referred sequentially to the Committee on the Judiciary.

On May 25, 2006, the Committee on the Judiciary met in open session and ordered H.R. 4411 reported to the House, as amended, by voice vote. On May 26, 2006, the Committee on the Judiciary reported H.R. 4411 to the House (H. Rept. 109–412, Part II).

On July 10, 2006, the Committee on Rules met and reported a structured rule providing for consideration of H.R. 4411 (H. Res. 907), which included sections from H.R. 4777, The Internet Gambling Prohibition Act, sponsored by Mr. Goodlatte. The rule provided for one hour of general debate and consideration of two specified amendments. On July 11, 2006, H. Res. 907 passed the House by voice vote. The House then considered and approved H.R. 4411 by a record vote of 317 yeas and 93 nays. On July 12, 2006, H.R. 4411 was received in the Senate and read for the second time on July 13, 2006 and placed on the Senate Legislative Calendar.

Much of the substance of H.R. 4411 was contained in the conference report on H.R. 4954, the Security and Accountability For Every Port Act or the SAFE Port Act (H. Rept. 109–711), which was adopted by the House on September 30, 2006 by a vote of 409–2 and by the Senate by unanimous consent. The President signed H.R. 4954 into law on October 13, 2006, becoming Public Law 109–347.

TO IMPROVE THE NETTING PROCESS FOR FINANCIAL CONTRACTS, AND FOR OTHER PURPOSES

Public Law 109–390 (H.R. 5585)

To improve the netting process for financial contracts, and for other purposes.

Summary

H.R. 5585 makes technical changes to the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, Public Law No. 109–8, by strengthening and clarifying the enforceability of early termination and close-out netting provisions and related collateral arrangements in U.S. insolvency proceedings. This bill will also help improve harmonization between U.S. insolvency laws and other jurisdictions. The netting provisions incorporated by Title IX of Public Law 109–8, as well as the technical changes found in H.R. 5585, reflect years of work by the President's Working Group on Financial Markets.

Legislative History

H.R. 5585 was introduced on June 12, 2006, by Mr. McHenry and one cosponsor and referred to the Financial Services and Judiciary Committees. The Committee on Financial Services met in open session on June 14, 2006, and ordered H.R. 5585 favorably reported to the House by voice vote. The Committee on Financial Services reported H.R. 5585 to the House on September 12, 2006 (H. Rept. 109–648). The referral to the Committee on the Judiciary

was extended for a period ending not later than September 22, 2006. The Judiciary Committee was then discharged as of that date and the bill was placed on the Union Calendar.

On September 27, 2006, the House agreed to a motion to suspend the rules and pass H.R. 5585 as amended by voice vote.

The Senate passed H.R. 5585 with amendments on September 30, 2006.

On November 15, 2006, the House considered a motion to suspend the rules and agree to the Senate amendments. After debate, the yeas and nays were ordered on the motion and vote then postponed. Later that day, the vote was taken and the motion was agreed to by a vote of 395 to 0.

The bill was presented to the President on December 4, 2006, and was signed into law on December 12, 2006, becoming Public Law 109–390.

U.S. SAFE WEB ACT OF 2006

Public Law 109–455 (S. 1608)

To enhance Federal Trade Commission enforcement against illegal spam, spyware, and cross-border fraud and deception, and for other purposes.

Summary

Declares the FTC subject to the Right to Financial Privacy Act, but specifies: (1) conditions relating to procedures for delay of notification or prohibition of disclosure of information obtained in connection with compulsory process where the recipient is not a subject of the investigation; (2) venue and procedures for ex parte proceedings; and (3) inapplicability to an investigation or proceeding related to the administration of federal or foreign antitrust laws. Declares that recipients of compulsory process issued by the FTC are not liable under U.S. law for failure to provide notice to persons that such process has been issued or that such recipients provided information, if neither notification nor delayed notification by the FTC is required under the Right to Financial Privacy Act.

Shields from liability: (1) voluntary providers of material the provider believes is relevant to an unfair or deceptive act or practice or to assets subject to recovery by the FTC, including assets located in foreign jurisdictions; and (2) certain financial institutions, foreign and domestic, for making voluntary disclosures to the FTC of consumer complaints or violations of law or regulations, including regarding assets located in foreign jurisdictions.

Legislative History

S. 1608, the "Undertaking Spam, Spyware, And Fraud Enforcement With Enforcers beyond Borders Act of 2006" or the "U.S. SAFE WEB Act of 2006" was introduced by Senator Smith of Oregon on July 29, 2005. The bill was referred to the Committee on Commerce, Science and Transportation. The bill was reported by that Committee without amendment on March 14, 2006 (S. Rept. 109–219).

On March 16, 2006, the Senate passed the bill without amendment by voice vote.

On March 18, 2006, the bill was received in the House. The bill was referred to the Committee on Energy and Commerce. On April 19, 2006, the bill was referred to the Subcommittee on Commerce, Trade and Consumer Protection.

On December 9, 2006, the Committee on Energy and Commerce was discharged from further consideration of the bill by unanimous consent request. Since the bill contained matter similar to that contained in H.R. 3143 of the 108th Congress, on which the Committee on Financial Services received a sequential referral, this Committee acquiesced in the request. The House agreed to an amendment to the bill by voice vote.

On December 9, 2006, the Senate agreed to the House amendment by unanimous consent, clearing the bill for the White House.

On December 22, 2006, the President signed the bill into law, becoming Public Law 109–455.

NET WORTH AMENDMENT FOR CREDIT UNIONS ACT

(H.R. 1042)

To amend the Federal Credit Union Act to clarify the definition of net worth under certain circumstances for purposes of the prompt corrective action authority of the National Credit Union Administration Board, and for other purposes.

Summary

H.R. 1042 was introduced to address the potentially harmful (and unintended) consequences on credit union mergers of an accounting rule recently proposed by Financial Accounting Standard Board (FASB). FASB's "Statement of Financial Accounting Standard 141," which was scheduled to take effect for mutual enterprises such as credit unions in early 2006, required credit unions to follow "purchase method" accounting rules when calculating the retained earnings of a credit union that results from a merger. Under "purchase method" accounting, the retained earnings of the acquired credit union in a merger become part of the "acquired equity"—but not the "retained earnings"—of the surviving credit union, potentially resulting in a significant understatement of the credit union's net worth—and thus its capital—for purposes of the prompt corrective action (PCA) requirements of the Federal Credit Union Act.

H.R. 1042 remedies this unintended consequence by amending the Federal Credit Union Act's definition of "net worth" so that the retained earnings of both credit unions in a merger transaction count toward the "net worth" of the surviving entity.

Legislative History

H.R. 1042 was introduced by Mr. Bachus and 15 original cosponsors on March 2, 2005, and referred to the Committee on Financial Services. On April 4, 2005, the bill was referred to the Subcommittee on Financial Institutions and Consumer Credit.

The Subcommittee on Financial Institutions and Consumer Credit held a hearing on April 13, 2005, and heard from the state and federal credit union regulators and the Financial Accounting Standards Board (FASB) regarding how the FASB accounting rule will affect credit union mergers.

On June 13, 2005, the House considered H.R. 1042 under suspension of the rules and passed the bill by a voice vote.

The bill was received in the Senate on June 14, 2005. On June 16, 2005, H.R. 1042 was read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

The text of H.R. 1042 was eventually incorporated into section 504 of the Financial Services Regulatory Relief Act of 2006, Public Law 109–351.

EXPANDED ACCESS TO FINANCIAL SERVICES ACT OF 2005

(H.R. 749)

To amend the Federal Credit Union Act to provide expanded access for persons in the field of membership of a Federal credit union to money order, check cashing, and money transfer services.

Summary

H.R. 749 amends the Federal Credit Union Act (12 U.S.C. 1757(12)) to permit federal credit unions to offer check cashing and money transfer services to non-members of the credit union as long as the individual is within the credit union's field of membership. The bill is designed to lower the costs paid by consumers for these services through increased competition in the marketplace.

Legislative History

H.R. 749 was introduced by Mr. Gerlach and five original cosponsors on February 10, 2005, and referred to the Committee on Financial Services.

On March 16, 2005, the Committee on Financial Services met in open session to consider H.R. 749 and ordered the bill reported to the House with a favorable recommendation, by a voice vote. The Committee on Financial Services reported H.R. 749 to the House on April 12, 2005 (H. Rept. 109–38).

On April 26, 2005, the House considered the bill under suspension of the rules and passed H.R. 749 by a voice vote.

The bill was received in the Senate on April 27, 2005, read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

BUSINESS CHECKING FREEDOM ACT OF 2005

(H.R. 1224)

To repeal the prohibition on the payment of interest on demand deposits, and for other purposes.

Summary

H.R. 1224, the Business Checking Freedom Act of 2005, repeals the prohibition on the payment of interest on commercial demand deposits, increases the number of inter-account transfers which may be made from business accounts at depository institutions, and authorizes the Board of Governors of the Federal Reserve System to pay interest on reserves.

The legislation removes the prohibition on the payment of interest on commercial demand deposit accounts after a two year period,

and authorizes the payment of interest on most negotiable order of withdrawal (NOW) accounts maintained by businesses, with the exception of business accounts maintained at industrial loan companies (ILCs) owned by corporate parents that derive more than 15 percent of their gross revenues from activities that are not financial in nature or incidental to such activities and whose applications for deposit insurance were approved after September 30, 2003. The bill also authorizes the Federal Reserve to pay interest on the reserves that depository institutions maintain at Federal Reserve Banks, and eliminates the minimum statutory ratios that currently apply to those reserves, thereby giving the Board of Governors of the Federal Reserve greater flexibility in setting reserve requirements. To offset the revenue loss associated with allowing interest payments on reserve balances, the legislation requires that the Federal Reserve remit from its surplus fund to the Treasury an amount equal to the estimated annual revenue loss during the first five years the legislation is in effect. The legislation increases the number of allowable transfers from interest bearing or dividend earning commercial deposits or accounts to 24 per month, from the current limit of six, enabling depository institutions to sweep funds between non-interest bearing commercial checking accounts and interest bearing accounts on a daily basis with the exception of the heretofore referenced ILCs. Finally, the legislation directs the Board of Governors of the Federal Reserve System to conduct an annual survey of retail bank fees and services.

Legislative History

H.R. 1224 was introduced by Mrs. Kelly and six original cosponsors on March 10, 2005, and was referred to the House Committee on Financial Services.

On March 27, 2005, the Committee on Financial Services met in open session and ordered H.R. 1224 reported to the House with a favorable recommendation, by a voice vote. The Committee on Financial Services reported the bill to the House on May 16, 2005 (H. Rept. 109–81).

The House considered H.R. 1224 on May 23, 2005, under suspension of the rules. The vote on the bill was postponed until May 24, 2005 at which time H.R. 1224 passed by a vote of 424 yeas to 1 nay.

On May 25, 2005, the bill was received in the Senate. H.R. 1224 was read twice on May 26, 2005 and referred to the Committee on Banking, Housing, and Urban Affairs.

MORTGAGE SERVICING CLARIFICATION ACT

(H.R. 1025)

To amend the Fair Debt Collection Practices Act to exempt mortgage servicers from certain requirements of the Act with respect to federally related mortgage loans secured by a first lien, and for other purposes.

Summary

The Mortgage Servicing Clarification Act amends the Fair Debt Collection Practices Act to exempt from mandatory debt collection

disclosures (that the debt collector is attempting to collect a debt and any information obtained will be used for that purpose) any servicer of federally related mortgage loans secured by first liens that include loans in default at the time such servicer became responsible for servicing such loans, if the servicer is also a debt collector whose collections are incidental to a primary function of servicing current federally related-mortgage loans.

Legislative History

H.R. 1025 was introduced by Mr. Royce and eight original cosponsors on March 1, 2005, and was referred to the Committee on Financial Services.

On April 6, 2005, the House considered H.R. 1025 under suspension of the rules and passed the bill, as amended, by a voice vote.

The bill was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs on April 7, 2005.

HURRICANE KATRINA FINANCIAL SERVICES RELIEF ACT OF 2005

(H.R. 3945)

A bill to facilitate recovery from the effects of Hurricane Katrina by providing greater flexibility for, and temporary waivers of certain requirements and fees imposed on, depository institutions, credit unions, and Federal regulatory agencies, and for other purposes.

Summary

H.R. 3945 expresses the sense of Congress that it is vital that insured depository institutions and insured credit unions continue to provide financial services to consumers displaced or otherwise affected by Hurricane Katrina. H.R. 3945 seeks to ensure the Secretary of the Treasury and federal financial regulators educate the related financial institutions on the proper application of the guidance on cashing of federal government assistance and benefit checks. Furthermore, the legislation authorizes the federal financial regulators the necessary flexibility to work with the insured depository institutions or insured credit unions in the qualified disaster area.

Legislative History

H.R. 3945 was introduced by Mr. Baker and six original cosponsors on September 29, 2005, and was referred to the Committee on Financial Services. On October 27, 2005, the House considered H.R. 3945 under suspension of the rules, and agreed to pass the bill by a record vote of 411 yeas and no nays. On October 27, 2005, H.R. 3945 was received in the Senate, read twice, and on October 28, 2005 it was referred to the Committee on Banking, Housing, and Urban Affairs.

HURRICANE CHECK CASHING RELIEF ACT OF 2005

(H.R. 3909)

To provide emergency authority for the Federal Deposit Insurance Corporation and the National Credit Union Administration, in accordance with guidance issued by the Board of Governors of the Federal Reserve System, to guarantee checks cashed by insured depository institutions and insured credit unions for the benefit of noncustomers who are victims of certain 2005 hurricanes, and for other purposes.

Summary

H.R. 3909, as amended, will provide emergency authority for the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA), in accordance with guidance issued by the Board of Governors of the Federal Reserve System, to guarantee checks or share drafts cashed by insured depository institutions and insured credit unions for the benefit of noncustomers who are victims of certain 2005 hurricanes.

Specifically, H.R. 3909, as amended, provides certain financial institutions the incentive to continue their work with the victims of the recent hurricanes by indemnifying federally insured banks and credit unions that cash fraudulent or non-sufficient fund checks or share drafts. Institutions must continue to use due diligence in ensuring that checks or share drafts are legitimate and are collectable.

The bill, as amended, provides that up to $200 million from the Federal Reserve Bank's surplus fund is available to indemnify federally insured financial institutions that may receive up to $2,000 for any check or share draft presented by any one individual who has resided in the areas affected by Hurricanes Katrina, Rita and Wilma, that is subsequently uncollectible between August 25, 2005, and November 15, 2005.

Legislative History

H.R. 3909 was introduced by Mrs. Ginny Brown-Waite and three original cosponsors on September 27, 2005, and was referred to the Committee on Financial Services. The Committee on Financial Services met in open session on October 27, 2005, and ordered H.R. 3909, with an amendment, favorably reported to the House by voice vote (H. Rept. 109–326).

HURRICANES RITA AND WILMA FINANCIAL SERVICES RELIEF ACT OF 2005

(H.R. 4146)

To facilitate recovery from the effects of Hurricane Rita and Hurricane Wilma by providing greater flexibility for, and temporary waivers of, certain requirements and fees imposed on depository institutions, credit unions, and Federal regulatory agencies, and for other purposes.

Summary

H.R. 4146 ensures that existing law governing the regulation of insured depository institutions and insured credit unions does not further complicate the recovery from the damage caused by Hurricanes Rita and Wilma. The legislation provides three key points of short-term and measured regulatory relief to facilitate the stabilization of the financial services industry in the disaster declared areas: 1) capital and net worth flexibility, 2) short-term increase in deposits and assets, and 3) waiver of Federal Reserve wire transfer fees.

Capital and net worth flexibility provisions authorize federal financial regulators to offer flexibility from prompt corrective action under limited circumstances if the regulator determines an institution, if provided such flexibility, can successfully execute a capital or net worth recovery plan in a manner consistent with safe and sound regulation.

Short-term increase in deposits and assets provisions authorize federal financial regulators to offer flexibility from leverage limit and reserve requirements if an institution experiences a short-term significant increase in deposits due to the payment of customer insurance claims or federal disaster benefits. The institution is only granted such flexibility if the regulator approves the institution's plan to accommodate the short-term increase in its assets and deposits that is consistent with safe and sound regulation.

Waiver of Federal Reserve wire transfer fees provisions requires the Federal Reserve System to waive, for a period of 180 days from the date the major disasters were declared for Hurricanes Rita and Wilma. One 30-day discretionary extension is provided. Federal financial regulators have strongly encouraged all financial institutions to waive most fees associated with the cost of business, including any wire transfer service charge a financial institution may assess its customers. By waiving Federal Reserve wire transfer fees for 180 days, H.R. 4146 ensures financial institutions already under duress are not forced to continue a needed service at a loss.

Legislative History

H.R. 4146 was introduced by Mr. Baker and one original cosponsor on October 26, 2005, and was referred to the Committee on Financial Services. The Committee on Financial Services met in open session on October 27, 2005, and ordered H.R. 4146 favorably reported to the House by a voice vote (H. Rept. 109–282).

FINANCIAL SERVICES REGULATORY RELIEF ACT OF 2005

Public Law 109–351 (H.R. 3505, S. 2856)

To provide regulatory relief and improve productivity for insured depository institutions, and for other purposes.

Summary

H.R. 3505 is intended to alter or eliminate statutory banking provisions in order to lessen the growing regulatory burden on insured depository institutions, as well as make needed technical corrections to current law. H.R. 3505 contains a broad range of constructive provisions that, taken as a whole, will allow banks,

thrifts, and credit unions to devote more resources to the business of providing financial services and less to compliance with outdated and unneeded regulations. While effective regulation of the financial services industry is central to the preservation of public trust, this legislation will benefit consumers and the economy by lowering costs and improving productivity.

Legislative History

H.R. 3505 was introduced by Mr. Hensarling and one original cosponsor on July 28, 2005, and was referred to the Committee on Financial Services. On September 19, 2005, H.R. 3505 was referred to the Subcommittee on Financial Institutions and Consumer Credit which held legislative hearings on September 22 and October 18, 2005. The Committee on Financial Services met in open session on November 16, 2005, and ordered H.R. 3505 favorably reported to the House by a vote of 67 yeas and no nays (H. Rept. 109–356, Part I).

On December 17, 2005, H.R. 3505 was sequentially referred to the House Committee on the Judiciary for a period ending not later than December 31, 2005 for consideration of such provisions of the bill and the amendment as fall within the jurisdiction of that committee. On December 31, 2005, the House Committee on Judiciary was granted an extension ending not later than February 3, 2006 and a second extension was granted on February 3, 2006 for consideration ending not later than February 24, 2006. The House Committee on Judiciary considered H.R. 3505 on February 16, 2006 and ordered it favorably reported (H. Rept. 109–356, Part II).

On March 8, 2006, the House considered H.R. 3505 under suspension of the rules, and agreed to pass the bill as amended by a record vote of 415 yeas and 2 nays. On March 9, 2006, H.R. 3505 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

On May 18, 2006, S. 2856, the Senate counterpart to H.R. 3505, was introduced by Mr. Crapo after the Senate Banking, Housing, and Urban Affairs Committee ordered an original measure to be reported on May 4, 2006. On May 25, 2006 the Senate passed S. 2856 by unanimous consent and it was received by the House on June 6, 2006, where it was held at the desk.

On September 27, 2006, the House agreed to a motion to suspend the rules and pass S. 2856, as amended, by a record vote of 417 yeas and no nays. On September 30, 2006, the Senate agreed to the House amendment by unanimous consent, clearing the bill for the President. On October 13, 2006, the President signed the bill into law (Public Law 109–351).

TO MAKE A CONFORMING AMENDMENT TO THE FEDERAL DEPOSIT INSURANCE ACT WITH RESPECT TO EXAMINATIONS OF CERTAIN INSURED DEPOSITORY INSTITUTIONS

Public Law 109–____ (H.R. 6345)

To make a conforming amendment to the Federal Deposit Insurance Act with respect to examinations of certain insured depository institutions, and for other purposes.

Summary

The Financial Services Regulatory Relief Act of 2006 (P.L. 109–351) raised the threshold for eligibility for an 18-month exam cycle for well-capitalized, well-managed institutions with "outstanding" ratings from $250 million in assets to $500 million in assets. However, it did not change the threshold in a parallel provision that gives the federal banking agencies discretion to grant, through regulation, eligibility for the 18-month exam cycle to well-managed and well-capitalized institutions with "good" ratings. H.R. 6345 makes this change to provide flexibility to the regulators to examine all highly rated institutions up to $500 million at least once every 18 months.

Legislative History

H.R. 6345 was introduced on December 5, 2006 by Mr. Bachus, with two cosponsors. The bill was referred to the Committee on Financial Services.

On December 7, 2006, Mr. Hensarling moved to suspend the rules and pass H.R. 6345. The motion was agreed to by voice vote.

On December 8, 2006, the Senate passed H.R. 6345 by unanimous consent.

The bill was presented to the President, who signed it into law on _____, becoming Public Law 109–____.

FINANCIAL DATA PROTECTION ACT OF 2005

(H.R. 3997)

To amend the Fair Credit Reporting Act to provide for secure financial data, and for other purposes.

Summary

H.R. 3997 would expand the data safeguards requirements of Gramm-Leach-Bliley Act (GLBA) and the Fair Credit Reporting Act (FCRA) to establish uniform standards for all businesses that possess or maintain sensitive financial account or identity information about consumers.

Legislative History

H.R. 3997 was introduced by Mr. LaTourette and four original cosponsors on October 6, 2005, and was referred to the Committee on Financial Services. On November 9, 2005, a legislative hearing was held in the Subcommittee on Financial Institutions and Consumer Credit. The Committee on Financial Services met in open session on March 16, 2006, and ordered H.R. 3997, as amended, favorably reported to the House by a vote of 48 yeas and 17 nays (H. Rept. 109–454, Part I)

On May 4, 2006, H.R. 3997 was referred sequentially to the House Committee on Energy and Commerce for a period ending not later than June 2, 2006 for consideration of such provisions of the bill and amendments as fall within the jurisdiction of that Committee pursuant to clause 1(f), rule X. On May 24, 2006, the Committee on Energy and Commerce considered H.R. 3997 and struck all after the enacting clause and replaced the text with H.R. 4127 as reported by the Committee on March 29, 2006. H.R. 3997, as

amended, was reported to the House by a vote of 42 yeas and no nays (H. Rept. 109–454, Part II).

DATA ACCOUNTABILITY AND TRUST ACT

(H.R. 4127)

To protect consumers by requiring reasonable security policies and procedures to protect computerized data containing personal information, and to provide for nationwide notice in the event of a security breach.

Summary

H.R. 4127 details the security policies and procedures that are necessary for computerized data containing personal information about consumers. Should a breach occur, H.R. 4127 provides standards for a nationwide notice system.

Legislative History

H.R. 4127 was introduced by Mr. Stearns on October 25, 2005 and referred to the House Committee on Energy and Commerce and subsequently to the Subcommittee on Commerce, Trade and Consumer Protection on November 1, 2005. On November 3, 2005 the Subcommittee forwarded H.R. 4127 to the Full Committee, as amended, by a vote of 13 yeas and 8 nays. The Committee on Energy and Commerce considered H.R. 4127 on March 29, 2006, and ordered the measure reported, as amended, by a vote of 41 yeas and no nays. (H. Rept. 109–453, Part I).

On May 4, 2006, H.R. 4127 was sequentially referred to the House Committee on Financial Services and the House Committee on the Judiciary for a period ending not later than June 2, 2006 for consideration of such provisions of the bill and amendments as fall within the jurisdiction of that committee pursuant to clause 1(g), rule X and clause 1(1), rule X respectively. On May 26, 2006, the Committee on Judiciary favorably reported H.R. 4127, as amended, by voice vote (H. Rept. 109–453, Part II).

The Committee on Financial Services met in open session on June 2, 2006, to consider H.R. 4127. The Committee struck all after the enacting clause and replaced the text with H.R. 3997 as reported by the Committee on March 16, 2006. H.R. 4127, as amended, was reported to the House by voice vote (H. Rept. 109–453, Part III).

SEASONED CUSTOMER CTR EXEMPTION ACT OF 2006

(H.R. 5341)

To amend section 5313 of title 31, United States Code, to reform certain requirements for reporting cash transactions, and for other purposes.

Summary

H.R. 5341 seeks to address financial institutions' concerns that some of the work they are being asked to do in the fight against financial crimes—money laundering and the financing of terror—is unnecessary and thus overly burdensome. A key component to

helping reduce the regulatory burden is reducing the number of currency transaction reports (CTRs) that must be filed by institutions concerning transactions involving large sums of cash and known customers.

H.R. 5341 creates a new process by which financial institutions may be exempted from filing CTRs for "seasoned customers." "Seasoned customers" are longtime bank customers that routinely deal in large volumes of cash but whose business dealings are well-enough understood by the institution to rule out the possibility of money laundering or the financing of terror. The Treasury Secretary, through FinCEN, is directed to develop new regulations for an exemption process that will continue to gather the sorts of information useful to law enforcement, while streamlining the exemption process for filings on transactions by "seasoned customers" that the institution knows well-enough to understand that a large cash transaction is part of the course of normal business. The legislation also states that the Secretary may consider new regulations to accommodate exemption continuity in the case of a merger or acquisition.

Legislative History

H.R. 5341, was introduced by Mr. Bachus on May 10, 2006, with eighteen original cosponsors and referred to the House Committee on Financial Services. It was subsequently referred to the Subcommittee on Financial Institutions and Consumer Credit on May 16, 2006. H.R. 5341 is based on Title VII of H.R. 3505, the "Financial Services Regulatory Relief Act," which passed the House in March 2006 by a vote of 415–2. The Senate did not include this provision in the Senate counterpart (S. 2856) to H.R. 3505 which was approved by the Senate Banking Committee on May 4, 2006 and the full Senate on May 25, 2006.

The Subcommittee held a legislative hearing on May 19, 2006. The Committee on Financial Services met in open session on March 16, 2006, and ordered H.R. 5341, as amended, favorably reported to the House by voice vote (H. Rept. 109–506).

On June 27, 2006, the House considered H.R. 5341 under suspension of the rules, and agreed to pass the bill by a voice vote. On June 28, 2006, H.R. 5341 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

DISTRICT OF COLUMBIA OMNIBUS AUTHORIZATION ACT

Public Law 109–356 (H.R. 3508)

To authorize improvements in the operation of the government of the District of Columbia, and for other purposes.

Summary

H.R. 3508, the 2005 District of Columbia Omnibus Authorization Act, amends the District of Columbia Home Rule Act to allow an increase in the amount appropriated as District of Columbia funds under a budget approved by an Act of Congress by a maximum ag-

gregate amount of: (1) 25 percent, in the case of amounts allocated as "Other-Type Funds"; and (2) 6 percent, in the case of any other amounts allocated under the budget.

Makes technical corrections to: (1) the 2004 District of Columbia Omnibus Authorization Act; (2) the District of Columbia Appropriations Act, 2005; and (3) other specified laws relating to banks operating under the code of law for the District.

Legislative History

H.R. 3508 was introduced by Mr. Tom Davis on July 28, 2005 and was referred to the Committee on Government Reform. The Committee on Government Reform ordered reported the bill as amended on September 15, 2005 and filed their report on November 3, 2005 (H. Rept. 109–267). The bill was referred to the Union Calendar.

On December 14, 2005, the House passed the bill as amended by agreeing to a motion to suspend the rules by a voice vote. An exchange of jurisdictional correspondence between the Committee on Government Reform and the Committee on Financial Services regarding banks operating under the District of Columbia Code was included in the Congressional Record.

On December 15, 2005, the bill was messaged to the Senate. On January 27, 2006, the bill was referred to the Committee on Homeland Security and Governmental Affairs. On June 15, 2006, the Committee on Homeland Security and Governmental Affairs ordered the bill reported as amended.

On August 3, 2006, the Senate passed the bill as amended by voice vote.

On September 25, 2006, the House agreed to a motion to suspend the rules and agree to the Senate amendment by voice vote.

On October 5, 2006, the bill was presented to the President. On October 16, 2006, the bill was signed into law becoming Public Law 109–356.

NATIONAL FLOOD INSURANCE PROGRAM ENHANCED BORROWING AUTHORITY ACT OF 2005

Public Law 109–65 (H.R. 3669)

To temporarily increase the borrowing authority of the Federal Emergency Management Agency for carrying out the national flood insurance program.

Summary

H.R. 3669, the National Flood Insurance Program Enhanced Borrowing Authority Act of 2005 amends the National Flood Insurance Act of 1968 to increase from $1.5 billion to $3.5 billion, through FY2008, the total amount which the Director of the Federal Emergency Management Agency (FEMA) may borrow from the Secretary of the Treasury with the President's approval to carry out the flood insurance program.

Legislative History

H.R. 3669, the National Flood Insurance Program Enhanced Borrowing Authority Act of 2005, was introduced by Mr. Ney and four

cosponsors on September 7, 2005, and referred to the Committee on Financial Services.

On September 8, 2005, the House considered the bill under suspension of the rules and passed the bill with a roll call vote of 416–0. On the same day, H.R. 3669 was received in the Senate, read twice, passed without amendment by unanimous consent.

The bill was presented to the President on September 15, 2005 and signed into law on September 20, 2005, becoming Public Law 109–65.

TO EXCLUDE FROM CONSIDERATION AS INCOME CERTAIN PAYMENTS UNDER THE NATIONAL FLOOD INSURANCE PROGRAM

Public Law 109–64 (H.R. 804)

To exclude from consideration as income certain payments under the National Flood Insurance Program (NFIP).

Summary

H.R. 804 amends the National Flood Insurance Act of 1968 to declare that assistance provided under a program for flood mitigation activities with respect to a property shall not be considered income or a resource of the owner of the property when determining eligibility for or benefit levels under any income assistance or resource-tested program that is funded in whole or in part by a federal agency or by appropriated federal funds.

Legislative History

H.R. 804, to exclude from consideration as income certain payments under the national flood insurance program, was introduced by Mr. Baker on February 15, 2005, and referred to the Committee on Financial Services.

On March 16, 2005, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House by voice vote. On April 14, 2005, the Committee reported the bill to the House, (H. Rept. 109–44). On July 12, 2005, the House considered the bill under suspension of the rules and passed the bill as amended by voice vote.

On July 13, 2005, H.R. 804 was received in the Senate, read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs. On July 28, 2005, the Senate Committee on Banking, Housing and Urban Affairs ordered the bill to be reported without amendment favorably. On September 8, 2005, the Senate passed H.R. 804 without amendment by unanimous consent.

The bill was presented to the President on September 15, 2005 and signed into law on September 20, 2005, becoming Public Law 109–64.

NATIONAL FLOOD INSURANCE PROGRAM FURTHER ENHANCED BORROWING AUTHORITY ACT OF 2005

Public Law 109–106 (H.R. 4133)

To temporarily increase the borrowing authority of the Federal Emergency Management Agency (FEMA) for carrying out the National Flood Insurance Program (NFIP).

Summary

H.R. 4133, National Flood Insurance Program Further Enhanced Borrowing Authority Act of 2005—Amends the National Flood Insurance Act of 1968 to increase from $3.5 billion to $18.5 billion, through FY2008, the total amount which the Director of the Federal Emergency Management Agency (FEMA) may borrow from the Secretary of the Treasury with the President's approval to carry out the flood insurance program. Designates such funds as emergency spending.

Legislative History

H.R. 4133, the National Flood Insurance Program Further Enhanced Borrowing Authority Act of 2005, was introduced by Mr. Fitzpatrick and 10 cosponsors on October 25, 2005, and referred to the Committee on Financial Services. On October 27, 2005, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House by voice vote. On November 7, 2005, the Committee reported the bill to the House (H. Rept. 109–274). On November 16, 2005, the House considered the bill under suspension of the rules and passed the bill by voice vote. On November 17, 2005, H.R. 4133 was received in the Senate, read twice, and passed with an amendment by unanimous consent. On November 18, 2006, the House agreed to the Senate amendments by voice vote.

The bill was presented to the President on November 21, 2005 and signed into law that same day, becoming Public Law 109–106.

NATIVE AMERICAN HOUSING ENHANCEMENT ACT OF 2005

Public Law 109–136 (H.R. 797)

To amend the Native American Housing Assistance and Self-Determination Act of 1996 and other Acts to improve housing programs for Indians

Summary

H.R. 797, the Native American Housing Enhancement Act of 2005, amends the Native American Housing Assistance and Self-Determination Act of 1996 to prohibit the Secretary of Housing and Urban Development from restricting access to the housing grant amount for any Indian tribe based solely on: (1) whether the recipient for the tribe retains program income; (2) the amount of any such program income retained; (3) whether the recipient retains certain reserve amounts; or (4) whether the recipient has expended retained program income for housing-related activities. (Currently the Secretary is also prohibited from reducing the amount of the grant based solely on one of such factors.)

Provides that title VI of the Civil Rights Act of 1964 (nondiscrimination under federally assisted programs) and title VIII of the Civil Rights Act of 1968 (Fair Housing) shall not apply to actions by federally recognized Indian tribes (or their instrumentalities) under this Act. Amends the Cranston-Gonzales National Affordable Housing Act to make Indian tribes, tribally designated housing entities, or other agencies primarily serving Indians eligi-

ble for Youthbuild grants. Terminates the current ineligibility of such entities for Youthbuild grants at the end of FY2005.

Legislative History

H.R. 797, to amend the Native American Housing Assistance and Self-Determination Act of 1996, was introduced by Mr. Renzi and two cosponsors on February 14, 2005 and referred to the Committee on Financial Services.

On April 6, 2005, the House considered the bill under suspension of the rules and passed the bill by voice vote.

On April 7, 2005, H.R. 797 was received in the Senate, read twice, and referred to the Senate Committee on Indian Affairs. On June 29, 2005, the Senate committee ordered the bill reported without amendment favorably, and on October 27, 2005 the committee filed written report (S. Rept. 109–160). On November 8, 2005, the Senate passed the bill with an amendment by unanimous consent. On December 18, 2005, the House agreed to the Senate amendments by voice vote.

The bill was presented to the President on December 19, 2005 and signed into law on December 22, 2005, becoming Public Law 109–136.

NATIONAL FLOOD INSURANCE PROGRAM ENHANCED BORROWING AUTHORITY ACT OF 2006

Public Law 109–208 (S. 2275)

To temporarily increase the borrowing authority of the Federal Emergency Management Agency for carrying out the national flood insurance program.

Summary

S. 2275, the National Flood Insurance Program Enhanced Borrowing Authority Act of 2006 amends the National Flood Insurance Act of 1968 to increase from $18.5 billion to $20.775 billion, through FY2008, the total amount which the Director of the Federal Emergency Management Agency (FEMA) may borrow from the Secretary of the Treasury with the President's approval to carry out the flood insurance program. Designates such funds as emergency spending.

Legislative History

S. 2275, the National Flood Insurance Program Enhanced Borrowing Authority Act of 2006, was introduced on February 10, 2006 by Sen. Shelby. On that same day, the Senate considered the bill and passed it without amendment by unanimous consent.

On February 15, 2006, the House agreed to suspend the rules and pass the bill, as amended, by voice vote. On March 16, 2006, the Senate agreed to the House amendment and passed the bill by unanimous consent.

The bill was presented to the President on March 17, 2006 and signed on March 23, 2006, becoming Public Law 109–208.

RURAL HEALTH CARE CAPITAL ACCESS ACT OF 2006

Public Law 109–240 (H.R. 4912)

To amend section 242 of the National Housing Act to extend the exemption for critical access hospitals under the Federal Housing Administration (FHA) hospital mortgage insurance program.

Summary

H.R. 4912, the Rural Health Care Capital Access Act of 2006 amends the National Housing Act to extend from July 31, 2006, to July 31, 2011, the exemption respecting required patient days used for specified care categories for critical access hospitals under the Federal Housing Administration (FHA) hospital mortgage insurance program.

Legislative History

H.R. 4912, to amend the National Housing Act was introduced on March 9, 2006 by Mr. Ney and six cosponsors and referred to the Committee on Financial Services. On March 15, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, with an amendment, by voice vote. On April 25, 2006, the Committee reported the bill to the House, with an amendment (H. Rept. 109–424). On May 9, 2006, the House considered the bill under suspension of the rules and passed the bill by a voice vote.

On May 10, 2006, H.R. 4912 was received in the Senate, read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs. On June 28, 2006, the Committee was discharged by unanimous consent from the further consideration of the bill and the Senate passed the bill without amendment by unanimous consent.

The bill was presented to the President on June 30, 2006, and was signed into law on July 10, 2006, becoming Public Law 109–240.

TO EXEMPT PERSONS WITH DISABILITIES FROM THE PROHIBITION AGAINST PROVIDING SECTION 8 RENTAL ASSISTANCE TO COLLEGE STUDENTS

Public Law 109–249 (H.R. 5117)

To exempt persons with disabilities from the prohibition against providing section 8 rental assistance to college students.

Summary

H.R. 5117 amends provisions of the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006 concerning the tenant-based rental assistance program to exempt certain disabled students who were receiving such assistance as of November 30, 2005, from the prohibition against providing Section 8 assistance to college students.

Legislative History

H.R. 5117, a bill to amend the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006 relating to the tenant-based rental assistance program, to exempt certain students with disabilities from the prohibition against providing Section 8 assistance to college students was introduced by Ms. Pryce and five cosponsors on April 6, 2006, and referred to the Committee on Financial Services. On May 24, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, by voice vote. On June 13, 2006, the Committee reported the bill to the House, (H. Rept. 109–500). On that same day, the House considered the bill under suspension of the rules and passed the bill as amended by a voice vote.

On June 14, 2006, H.R. 5117 was received in the Senate and read twice. On July 18, 2006, the Senate passed the bill without amendment by unanimous consent. The bill was presented to the President on July 20, 2006 and signed into law on July 27, 2006, becoming Public Law 109–249.

YOUTHBUILD TRANSFER ACT

Public Law 109–281 (S. 3534; H.R. 5837)

A bill to amend the Workforce Investment Act of 1998 to provide for a YouthBuild program.

Summary

S. 3534, the YouthBuild Transfer Act, amends the Workforce Investment Act of 1998 to establish a revised YouthBuild program under the authority of the Secretary of Labor (Secretary). Authorizes the Secretary to make grants to eligible entities to carry out certain activities under the YouthBuild program, including: (1) education and workforce investment; (2) supervision and training for participants in the rehabilitation or construction of housing (including residential housing for homeless individuals or low-income families), transitional housing for homeless individuals, and community and other public facilities; (3) adult mentoring; and (4) follow-up services.

Repeals authority for the YouthBuild program under the Cranston-Gonzalez National Affordable Housing Act.

Transfers the YouthBuild program from the Department of Housing and Urban Development (HUD) to the Department of Labor.

Legislative History

S. 3534, to amend the Workforce Investment Act of 1998 was introduced in the Senate by Mr. Enzi on June 16, 2006. On August 3, 2006, the bill passed the Senate with an amendment by unanimous consent. On September 6, 2006, the bill was received in the House and considered under suspension of the rules. The House passed the bill by voice vote. On September 13, 2006, the bill was presented to the President and was signed into law on September 22, 2006, becoming Public Law 109–281.

FREEDOM TO DISPLAY THE AMERICAN FLAG ACT OF 2005

Public Law 109–243 (H.R. 42)

To ensure that the right of an individual to display the flag of the United States on residential property not be abridged.

Summary

H.R. 42, the Freedom to Display the American Flag Act of 2005 states that nothing in this Act shall be considered to permit any display or use that is inconsistent with: (1) federal law or any rule or custom pertaining to the proper display or use of the flag; or (2) any reasonable restriction pertaining to the time, place, or manner of displaying the flag necessary to protect a substantial interest of the condominium, cooperative, or residential real estate management association.

Legislative History

H.R. 42, the Freedom to Display the American Flag Act of 2005, was introduced on January 4, 2005 by Mr. Bartlett and 13 cosponsors and referred to the Committee on Financial Services. On April 29, 2005, H.R. 42 was referred to the Subcommittee on Housing and Community Opportunity. The House suspended the rules and passed the bill by voice vote on June 27, 2006. H.R. 42 was received in the Senate on June 28, 2006, read twice and referred to the Committee on Banking, Housing and Urban Affairs. The Committee discharged the bill by unanimous consent on July 17, 2006. H.R. 42 was presented to the President on July 19, 2006 and signed on July 24, 2006, becoming Public Law 109–243.

HURRICANE KATRINA EMERGENCY HOUSING ACT OF 2005

(H.R. 3894)

To provide for waivers under certain housing assistance programs of the Department of Housing and Urban Development to assist victims of Hurricane Katrina and Hurricane Rita in obtaining housing.

Summary

H.R. 3894, the Hurricane Katrina Emergency Housing Act of 2005 authorizes the Secretary of Housing and Urban Development (HUD) to waive specified requirements under the section 8 (United States Housing Act of 1937) housing voucher and project-based assistance programs for an individual or family: (1) who resides or resided on August 25, 2005, in any area subject to a presidential disaster or emergency declaration in connection with Hurricane Katrina, or who resides or resided on September 24, 2005, in any area subject to a presidential disaster or emergency declaration in connection with Hurricane Rita; (2) whose residence became uninhabitable or inaccessible as a result of such disasters or emergencies; and (3) who was receiving such rental benefits as of such applicable date.

Legislative History

H.R. 3894, the Hurricane Katrina Emergency Housing Act of 2005, was introduced on September 26, 2005 by Mr. Alexander and six cosponsors and referred to the Committee on Financial Services. On October 6, 2005, the House considered the bill under suspension of the rules and passed the bill, as amended, by a vote of 418–0. A motion to reconsider was agreed to without objection and the title of the measure was amended and agreed to without objection.

On October 6, 2005, H.R. 3894 was received in the Senate, and on October 25, the bill was read twice and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

RURAL HOUSING HURRICANE RELIEF ACT OF 2005

(H.R. 3895)

To amend title V of the Housing Act of 1949 to provide rural housing assistance to families affected by Hurricane Katrina or Hurricane Rita.

Summary

H.R. 3895, the Rural Housing Hurricane Relief Act of 2005 amends the Housing Act of 1949, in the event of a presidential-declared disaster, to authorize the Secretary of Agriculture, with respect to counties designated as disaster areas in connection with Hurricane Katrina or Hurricane Rita, and the counties contiguous to such counties and for any residents of such counties, to: (1) convert rental assistance into housing voucher assistance or rural housing vouchers; and (2) waive rural area requirements.

States that such authority shall last for six months after enactment of this Act.

Authorizes additional appropriations for such assistance.

Authorizes the Secretary, during the six-month period beginning on the date of the enactment of this Act, to assist low-income families and persons under the rural housing voucher program if: (1) such family or person resided, on August 25, 2005, in any area designated as a disaster or emergency area in connection with Hurricane Katrina, or resided, on September 24, 2005, in any area designated as a disaster or emergency area in connection with Hurricane Rita; and (2) the residence of such family or person became uninhabitable or inaccessible as result of such a disaster or emergency.

Eliminates the rural housing voucher program fiscal year unit limit.

Amends the Doug Bereuter section 502 single family housing loan guarantee program to permit loan and refinancing guarantees for home repair or rehabilitation.

Legislative History

H.R. 3895, the Rural Housing Hurricane Relief Act of 2005, was introduced on September 26, 2005 by Mr. Baker and five cosponsors and referred to the Committee on Financial Services.

On October 6, 2005, the House considered the bill under suspension of the rules and passed the bill as amended by a vote of 335 yeas and 81 nays. A motion to reconsider was laid on the table and the title of the measure was amended without objection.

On October 6, 2005, H.R. 3895 was received in the Senate. On October 25, 2005 the bill was read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

HURRICANE KATRINA EMERGENCY RELIEF CDBG FLEXIBILITY ACT OF 2005

(H.R. 3896)

To temporarily suspend, for communities affected by Hurricane Katrina or Hurricane Rita, certain requirements under the community development block grant program.

Summary

H.R. 3896, the Hurricane Katrina Emergency Relief CDBG Flexibility Act of 2005, directs the Secretary of Housing and Urban Development (HUD) to: (1) suspend the community development block grant public services cap for FY2005–FY2008 for communities directly or indirectly affected by Hurricane Katrina or Hurricane Rita; (2) consider the specific economic circumstances of each indirectly affected community in determining the length of such suspension; and (3) waive or find alternative specified public hearing requirements in FY2006 for a directly affected community.

Authorizes similar fund use in directly affected non-entitlement areas, and provides that such amounts shall not be considered for statewide limitation purposes.

Legislative History

H.R. 3896, the Hurricane Katrina Emergency Relief CDBG Flexibility Act of 2005, was introduced on September 26, 2005 by Mr. Baker and five cosponsors and referred to the Committee on Financial Services. On October 6, 2005, the House considered the bill under suspension of the rules and passed the bill as amended by a vote of 415 yeas and 0 nays. A motion to reconsider was laid on the table and the title of the measure was amended and agreed to without objection.

On October 6, 2005, H.R. 3896 was received in the Senate. On October 25, 2005, the bill was read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

SMALL PUBLIC HOUSING AUTHORITY ACT

(H.R. 3422)

To amend the United States Housing Act of 1937 to exempt a small public housing agency from the requirement to prepare an annual public agency plan.

Summary

H.R. 3422 amends the United States Housing Act of 1937 to exempt a small public housing agency from the requirement to prepare an annual public agency plan if the agency: (1) administers not more than a total of 250 dwelling units and section 8 vouchers; and (2) is not a troubled agency.

Requires an agency to: (1) continue to make an annual civil rights certification and establish, and consult with, one or more resident advisory boards; and (2) conduct a public hearing to discuss agency goals and policies and make the information available to the public at the agency's principal office.

Legislative History

The House passed similar legislation in the 108th Congress. H.R. 3422 is identical, with one exception, to Mr. Bereuter's H.R. 27 in the 108th Congress, which the Committee reported on March 17, 2004 and the House passed by voice vote on May 5, 2004. The exception is that the current H.R. 3422 defines and exempts small public housing authorities with 250 or fewer public housing units or section 8 rental vouchers. Mr. Bereuter's bill in the 108th defined smaller PHAs with 100 or fewer units or vouchers.

H.R. 3422, the Small Public Housing Authority Act, was introduced on July 25, 2005 by Mr. Neugebauer and two cosponsors and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Housing and Community Opportunity on August 24, 2005.

On November 16, 2005, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House as amended by voice vote. On December 13, 2005, the Committee reported the bill, H. Rept. 109–342. On that same day, the House considered the bill under suspension of the rules and passed the bill as amended with a roll call vote of 387 yeas and 2 nays.

On December 14, 2005, H.R. 3422 was received in the Senate, read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

BROWNFIELDS REDEVELOPMENT ENHANCEMENT ACT

(H.R. 280)

To facilitate the provision of assistance by the Department of Housing and Urban Development for the cleanup and economic redevelopment of brownfields.

Summary

H.R. 280, the Brownfields Redevelopment Enhancement Act amends the Housing and Community Development Act of 1974 to authorize the Secretary of Housing and Urban Development to make grants (without certain otherwise-required loan guarantees) to eligible public entities and Indian tribes to assist in the environmental cleanup and economic development of brownfield sites including mine-scarred lands.

Prohibits: (1) providing or using such grants in a manner that reduces the financial responsibility of any nongovernmental party that is responsible or potentially responsible for contamination on any real property; and (2) the provision of assistance pursuant to this section from in any way relieving any party of liability with respect to such contamination, including liability for removal and remediation costs.

Legislative History

H.R. 280, the Brownfields Redevelopment Enhancement Act, was introduced on January 6, 2005 by Mr. Gary G. Miller of California and 12 cosponsors and referred to the Committee on Financial Services. On March 16, 2005, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House by voice vote. On June 16, 2005, the Committee reported the bill to the House (H. Rept. 109–138).

On December 13, 2005, the House considered the bill under suspension of the rules and passed the bill as amended by voice vote.

On December 14, 2005, H.R. 280 was received in the Senate, read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

REVERSE MORTGAGES TO HELP AMERICA'S SENIORS ACT

(H.R. 2892)

To amend section 255 of the National Housing Act to remove the limitation on the number of reverse mortgages that may be insured under the FHA mortgage insurance program for such mortgages.

Summary

H.R. 2892, Reverse Mortgages to Help America's Seniors Act, amends the National Housing Act to remove the aggregate and insurance benefit limitations on the number of home equity conversion (reverse) mortgages for elderly homeowners that may be insured by the Federal Housing Administration (FHA).

Legislative History

H.R. 2892, Reverse Mortgages to Help America's Seniors Act, was introduced by Mr. Fitzpatrick and 34 cosponsors on June 14, 2005 and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Housing and Community Opportunity on July 29, 2005. On December 14, 2005, the House considered the bill under suspension of the rules and passed the bill by a voice vote.

H.R. 2892 was received in the Senate on December 15, 2005, read twice, and placed on the Senate Legislative Calendar.

No further action was taken on this legislation in the 109th Congress.

FLOOD INSURANCE REFORM AND MODERNIZATION ACT OF 2006

(H.R. 4973)

To restore the financial solvency of the national flood insurance program, and for other purposes.

Summary

H.R. 4973, the Flood Insurance Reform and Modernization Act of 2006 increases the borrowing authority for the National Flood Insurance Program to $25 billion to help cover its contractual obligations to flood insurance policyholders, directs the Federal Emergency Management Agency to institute reforms in the program, increases the penalties for failure to enforce mandatory flood policy purchase requirements, and requires a study on: (1) pre-FIRM properties (those built before 1974) that currently receive subsidized flood insurance rates; (2) mandatory purchase requirement for the natural 100-year floodplain; and (3) mandatory purchase requirement for non-federally related loans and the Constitutionality of such requirement. This Act also includes numerous key reforms, including a phase-in of actuarial rates for vacation homes, second homes, and nonresidential properties.

Legislative History

H.R. 4973, the Flood Insurance Reform and Modernization Act of 2006, was introduced by Mr. Baker and one cosponsor on March 16, 2006, and referred to the Committee on Financial Services. On the same day, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, as amended, by voice vote. On April 6, 2006, the Committee reported the bill to the House, with an amendment (H. Rept. 109–410). On June 27, 2006, the House passed the bill, with amendments, by a roll call vote of 416 yeas and 4 nays. On June 28, 2006, H.R. 4973 was received in the Senate, read twice and placed on the Senate Legislative Calendar.

No further action was taken on this legislation in the 109th Congress.

EXPANDING AMERICAN HOMEOWNERSHIP ACT OF 2006

(H.R. 5121)

To modernize and update the National Housing Act and enable the Federal Housing Administration to use risk-based pricing to more effectively reach underserved borrowers.

Summary

H.R. 5121, the Expanding American Homeownership Act of 2006, proposes comprehensive reform for the Federal Housing Administration's (FHA) single-family mortgage insurance activities. The legislation introduces an array of products to more fairly price FHA's guarantee to individual borrowers and will allow FHA to base each borrower's mortgage insurance premiums upon the risk that the borrower poses to the FHA Mortgage Insurance Fund.

Legislative History

H.R. 5121 was introduced on April 6, 2006 by Mr. Ney and 106 cosponsors, and referred to the Committee on Financial Services. On May 24, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, as amended, by voice vote. On July 20, 2006, the Committee reported the bill to the House, as amended (H. Rept. 109–

589). On July 25, 2006, the House considered the bill under suspension of the rules and passed the bill as amended by a vote of 415 yeas and 7 nays.

On July 26, 2006, H.R. 5121 was received in the Senate, read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

MARK-TO-MARKET EXTENSION ACT OF 2006

(H.R. 6115; H.R. 5527)

To extend the authority of the Secretary of Housing and Urban Development to restructure mortgages and rental assistance for certain assisted multifamily housing.

Summary

H.R. 6115, the Mark-to-Market Extension Act of 2006 amends the Multifamily Assisted Housing Reform and Affordability Act of 1997 to reauthorize to October 1, 2011: (1) the Mark-to-Market program; and (2) provisions of the FHA-insured Multifamily Housing Mortgage and Housing Assistance Restructuring program regarding projects and programs for which binding commitments have been entered into under such Act.

Legislative History

H.R. 6115, the Mark-to-Market Extension Act of 2006, was introduced by Ms. Pryce and four cosponsors on September 20, 2006 and referred to the Committee on Financial Services. On September 27, 2006, the House considered the bill under suspension of the rules and passed the bill by a vote of 416 yeas and 1 nay.

H.R. 6115 is similar to H.R. 5527, the Mark-to-Market Extension Act of 2006, introduced by Mr. Ney and three cosponsors on June 6, 2006, and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Housing and Community Opportunity on June 7, 2006.

On June 8, 2006, the Subcommittee considered and approved H.R. 5527 for full Committee consideration, by voice vote. On June 14, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, as amended, by voice vote. On July 17, 2006, the Committee reported the bill to the House, as amended (H. Rept. 109–572).

HOPE VI REAUTHORIZATION ACT OF 2006

(H.R. 5347)

To reauthorize the HOPE VI program for revitalization of public housing projects.

Summary

H.R. 5347, the HOPE VI Reauthorization Act of 2006, amends the United States Housing Act of 1937 to extend appropriations for FY2007–FY2011 for demolition, site revitalization, replacement

housing, and tenant-based assistance grants for public housing projects.

Extends the sunset date for such assistance to September 30, 2011.

Legislative History

H.R. 5347 was introduced on May 10, 2006 by Mr. Shays and 28 cosponsors, and referred to the Committee on Financial Services. On May 24, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, as amended, by voice vote. On July 27, 2006, the Committee reported the bill to the House, as amended (H. Rept. 109–605). On September 27, 2006, the House considered the bill under suspension of the rules and passed the bill by voice vote.

No further action was taken on this legislation in the 109th Congress.

THE FHA MULTIFAMILY LOAN LIMIT ADJUSTMENT ACT OF 2006

(H.R. 5503)

To amend the National Housing Act to increase the mortgage amount limits applicable to Federal Housing Administration (FHA) mortgage insurance for multifamily housing located in high-cost areas.

Summary

H.R. 5503, the FHA Multifamily Loan Limit Adjustment Act of 2006, amends the National Housing Act to increase high-cost area and project-based additional mortgage loan limits for Federal Housing Administration (FHA)-insured mortgages for: (1) rental housing; (2) cooperative housing; (3) rehabilitation and neighborhood conservation housing insurance; (4) moderate income and displaced family housing; (5) housing for the elderly; and (6) condominiums.

Legislative History

H.R. 5503, the FHA Multifamily Loan Limit Adjustment Act of 2006, was introduced by Mr. Gary G. Miller and one cosponsor on May 25, 2006, and referred to the Committee on Financial Services. On July 26, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House by voice vote. On September 8, 2006, the Committee reported the bill to the House, as amended (H. Rept. 109–645). On September 27, 2006, the House considered the bill under suspension of the rules and passed the bill by voice vote.

RECOGNIZING NATIONAL HOMEOWNERSHIP MONTH

(H. Res. 312)

Recognizing National Homeownership Month and the importance of homeownership in the United States.

Summary

H. Res. 312, Recognizing National Homeownership Month, declares that the House supports the goals and ideals of National Homeownership Month, and recognizes the importance of homeownership in building strong communities and families.

Legislative History

H. Res. 312 was introduced by Mr. Gary G. Miller of California and 24 cosponsors on June 9, 2005, and referred to the Committee on Financial Services. On June 27, 2005, the House considered the measure under suspension of the rules and the resolution was agreed to by voice vote.

RECOGNIZING NATIONAL HOMEOWNERSHIP MONTH

(H. Res. 854)

To recognize Homeownership Month and the importance of homeownership in the United States.

Summary

H. Res. 854, Recognizing National Homeownership Month, supports the goals and ideals of National Homeownership Month, and recognizes the importance of homeownership in building strong communities and families.

Legislative History

H. Res. 854, Recognizing Homeownership Month, was introduced by Mr. Gary G. Miller and 44 cosponsors on June 7, 2006, and referred to the Committee on Financial Services. On June 27, 2006, the House considered the resolution under suspension of the rules and passed the bill by voice vote.

SAFE HOUSING IDENTITY EXCEPTION FOR THE LIVES OF DOMESTIC VIOLENCE VICTIMS ACT

(H.R. 2695)

To amend the McKinney-Vento Homeless Assistance Act.

Summary

H.R. 2695, the Safe Housing Identity Exception for the Lives of Domestic Violence Victims Act—SHIELD Act amends the McKinney-Vento Homeless Assistance Act to prohibit disclosure of the personally identifying information of victims of domestic violence, dating violence, sexual assault, and stalking.

Legislative History

H.R. 2695, the Safe Housing Identity Exception for the Lives of Domestic Violence Victims Act, was introduced on May 26, 2005 by Ms. Moore and 30 cosponsors and referred to the Committee on Financial Services. On June 17, 2005, the bill was referred to the Subcommittee on Housing and Community Opportunity.

On November 16, 2005, the full Committee met in open session and ordered the bill to be reported with a favorable recommenda-

tion to the House by voice vote. The Committee reported the bill to the House (H. Rept. 109–336) on December 13, 2005.

NATIONAL FLOOD INSURANCE PROGRAM COMMITMENT TO POLICYHOLDERS AND REFORM ACT OF 2005

(H.R. 4320)

To restore the financial solvency of the national flood insurance program, and for other purposes.

Summary

H.R. 4320, the National Flood Insurance Program Commitment to Policyholders and Reform Act of 2005 restores financial solvency of the National Flood Insurance Program and increases the accountability of the Federal Emergency Management Agency with respect to its administration of the program.

Increases the borrowing authority for the National Flood Insurance Program to $22 billion to help cover its contractual obligations to flood insurance policyholders, directs the Federal Emergency Management Agency to institute reforms in the program, increases the penalties for failure to enforce mandatory flood policy purchase requirements, and requires a study on mandatory flood insurance for mortgaged homes in the 500-year floodplain.

Legislative History

H.R. 4320, the National Flood Insurance Program Commitment to Policyholders and Reform Act of 2005, was introduced on November 15, 2005 by Mr. Oxley and one cosponsor and referred to the Committee on Financial Services. On November 16, 2005, the full Committee met in open session and ordered the bill to be reported as amended with a favorable recommendation to the House by voice vote. The Committee reported the bill to the House (H. Rept. 109–370) on February 1, 2006.

No further action was taken on this legislation in the 109th Congress.

ZERO DOWNPAYMENT PILOT PROGRAM ACT OF 2005

(H.R. 3043)

To authorize the Secretary of Housing and Urban Development to carry out a pilot program to insure zero-downpayment mortgages for residences.

Summary

H.R. 3043, the Zero Downpayment Pilot Act of 2005, would authorize a Federal Housing Administration (FHA) pilot program for a mortgage insurance product, limited to 50,000 mortgages nationwide, without a downpayment requirement by a potential borrower or third party. After 5 years, GAO would report on whether the agency was able to develop a product that minimized risks and thereby limited defaults and foreclosures for otherwise very creditworthy families who have no downpayment funds at the time of a real estate settlement, while at the same time testing whether the agency could develop appropriate underwriting and agency review.

Legislative History

H.R. 3042, to amend the National Housing Act, was introduced on June 23, 2005 by Mr. Tiberi and one cosponsor, and referred to the Committee on Financial Services. On June 30, 2005, the bill was referred to the Subcommittee on Housing and Community Opportunity.

The Subcommittee held a legislative hearing on H.R. 3042 on June 30, 2005, with testimony from the Director of Financial Markets and Community Investment, Government Accountability Office and from industry groups and housing advocacy organizations.

On May 24, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, as amended, by voice vote. The Committee reported the bill to the House (H. Rept. 109–571) on July 17, 2006.

No further action was taken on this legislation in the 109th Congress.

THE HAWAIIAN HOMEOWNERSHIP OPPORTUNITY ACT OF 2006

(H.R. 5851)

To reauthorize the programs of the Department of Housing and Urban Development for housing assistance for Native Hawaiians.

Summary

H.R. 5851, the Hawaiian Homeownership Opportunity Act of 2006 amends the Native American Housing Assistance and Self-Determination Act of 1996, and the Housing and Community Development Act of 1992, to extend through FY2011 the authorization of appropriations for housing assistance for Native Americans, and loan guarantees for Native Hawaiian housing, respectively.

Legislative History

H.R. 5851, the Hawaiian Homeownership Opportunity Act of 2006, was introduced by Mr. Ney and one cosponsor on July 20, 2006, and referred to the Committee on Financial Services. On July 26, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House by voice vote. On September 28, 2006, the Committee reported the bill to the House (H. Rept. 109–697).

PRIVATE PROPERTY RIGHTS PROTECTION ACT OF 2005

(H.R. 4128)

To protect private property rights.

Summary

H.R. 4128, the Private Property Rights Protection Act of 2005, prohibits any state or political subdivision from exercising its power of eminent domain for economic development if that state or political subdivision receives federal economic development funds during the fiscal year. (Defines "economic development" as taking private property and conveying or leasing it to a private entity for commercial enterprise carried on for profit or to increase tax revenue, the tax base, employment, or general economic health.)

Makes a state or political subdivision that violates such prohibition ineligible for any such funds for two fiscal years. Provides that such a state or political subdivision is not ineligible for such funds if it returns all real property that was improperly taken and replaces or repairs any property that was destroyed or damaged.

Prohibits the federal government from exercising its power of eminent domain for economic development.

Establishes a private cause of action for any private property owner who suffers injury as a result of a violation of this Act. Provides that a state is not immune from any such action in a federal or state court. Places the burden on the defendant to show by clear and convincing evidence that the taking is not for economic development. Sets the statute of limitations for such an action at seven years. Allows the prevailing plaintiff's attorney to obtain reasonable attorney's fees and expert fees.

Requires the Attorney General to: (1) compile a list of the federal laws under which federal economic development funds are distributed; (2) provide to each state and publish on a Department of Justice website the text of this Act, a description of the rights of property owners under this Act, and the compiled list of relevant federal laws; and (3) publish such text and description in the Federal Register.

Requires the Attorney General to submit an annual report to the House and Senate Judiciary Committees identifying states or political subdivisions that have used eminent domain in violation of this Act, that have lost federal economic developments funds as a result, and/or that returned property to cure a violation.

Expresses the sense of Congress that: (1) the use of eminent domain for economic development is a threat to agricultural and other property in rural America; and (2) it is the policy of the United States to promote the private ownership of property and to protect the legal rights of private property owners.

Prohibits a state or political subdivision from exercising its power of eminent domain over property of a religious or other nonprofit organization because of the organization's nonprofit or tax-exempt status or any related quality if that state or political subdivision receives federal economic development funds during the fiscal year. Makes a state or political subdivision that violates such prohibition ineligible for any such funds for two fiscal years.

Prohibits the federal government from exercising its power of eminent domain over property of a religious or other nonprofit organization because of the organization's nonprofit or tax-exempt status or any related quality.

Requires the head of each executive department and agency to review all rules, regulations, and procedures and report to the Attorney General on their activities to comply with this Act.

Expresses the sense of Congress that all precautions should be taken to avoid the unfair or unreasonable taking of property from survivors of Hurricane Katrina for economic development or other private use.

Legislative History

H.R. 4128 was introduced by Mr. Sensenbrenner on October 25, 2005 and was referred to the Committee on the Judiciary. The Ju-

diciary Committee ordered the bill reported as amended on October 27, 2005.

On October 31, 2005, the Judiciary Committee filed their report on the bill (H. Rept. 109–262). The bill was referred to the Union Calendar.

On November 3, 2005, the House agreed to H. Res. 527, a rule providing for the consideration of H.R. 4128, by voice vote.

On November 3, 2005, the House considered H.R. 4128 under the provisions of H. Res. 527. An exchange of jurisdictional correspondence between the Committee on the Judiciary and the Committee on Financial Services regarding the term "Federal economic development funds" was included in the Congressional Record.

On November 3, 2005, the House passed the bill as amended by a record vote of 376 yeas and 38 nays.

On November 4, 2005, the bill was messaged to the Senate. The bill was referred to the Committee on the Judiciary.

No further action on this legislation occurred in the 109th Congress.

FULL COMMITTEE OVERSIGHT ACTIVITIES

OVERSIGHT OF THE SECURITIES AND EXCHANGE COMMISSION

On May 3, 2006, the Committee on Financial Services held an oversight hearing entitled, "Protecting Investors and Fostering Efficient Markets: A Review of the SEC Agenda." The purpose of the hearing was to discuss current regulatory issues relating to the securities industry and the agenda of the Securities and Exchange Commission (SEC). SEC Chairman Christopher Cox provided testimony to the Committee. Chairman Cox's testimony focused on the SEC's efforts to reduce accounting complexity, improve disclosure of executive compensation, and prioritize and improve financial education for retired and elderly investors. Mr. Cox expressed the SEC's initiative to improve disclosure in financial reporting through the development of interactive data and the technology of eXtensible Business Reporting Language, or "XBRL." Mr. Cox reiterated the SEC's commitment to developing and expanding the use of interactive data for financial reporting to allow investors to download, search, and retrieve companies' financial information more easily. Mr. Cox's testimony also addressed the SEC's rule to require the registration of managers of certain hedge funds and the efforts of the SEC to address implementation concerns relating to the Section 404 internal control auditing requirements of the Sarbanes-Oxley Act.

On May 25, 2006, a second day of this hearing was held. The Committee heard testimony on executive compensation from representatives of industry, a public pension fund, the AFL–CIO, trade associations, and a think tank.

SARBANES-OXLEY ACT

On April 21, 2005, the Committee on Financial Services held an oversight hearing entitled, "The Impact of the Sarbanes-Oxley Act." The hearing addressed the implementation of the provisions of the Sarbanes-Oxley Act of 2002, which was passed in the wake of the largest corporate scandals since the enactment of the securities

laws in the 1930s. The Sarbanes-Oxley Act is widely considered the most comprehensive corporate reform law in recent U.S. history. Providing testimony to the Committee were Securities and Exchange Commission (SEC) Chairman William H. Donaldson and Public Company Accounting Oversight Board (PCAOB) Chairman William J. McDonough.

Chairman McDonough's testimony focused on the PCAOB's progress in fulfilling its mandate under the Sarbanes-Oxley Act, to reduce financial reporting fraud and bring stability to the markets through oversight of the auditing profession. Mr. McDonough discussed the benefits that Section 404 of the Act and the PCAOB's inspection process have conferred upon the capital markets. Section 404 requires both company management and independent auditors to attest to the adequacy and effectiveness of a company's internal controls over its financial reporting. Mr. McDonough's testimony also addressed the costs associated with Section 404 implementation and detailed the PCAOB's progress in developing guidelines to assist public companies in reducing those costs.

Chairman Donaldson addressed the Sarbanes-Oxley Act's effect on the financial markets, including Section 404's impact on improving the financial reporting of public companies. He testified that the Act has strengthened the integrity of the independent audit, increased executive responsibility, made audit committees more sensitive to auditor independence issues, and improved enforcement of federal securities laws. Mr. Donaldson also discussed issues relating to the costs of Section 404 compliance and the effectiveness of the Act's Fair Funds provision in collecting and distributing fines and disgorgements levied in SEC enforcement actions.

On September 19, 2006, the Committee held a hearing entitled, "Sarbanes-Oxley at Four: Protecting Investors and Strengthening the Markets" to continue the Committee's oversight of the implementation of the Sarbanes-Oxley Act. Testifying at the hearing were SEC Chairman Christopher Cox and PCAOB Chairman Mark Olson.

Mr. Cox's testimony centered on the impact of the Sarbanes-Oxley Act on the financial markets and ongoing SEC efforts to address implementation issues faced by public companies. Mr. Olson testified regarding the PCAOB's efforts to make internal controls audits more efficient, specifically focusing on the revision of Auditing Standard No. 2 to assist in the implementation of the internal controls requirements of the Sarbanes-Oxley Act for both larger and smaller public companies.

GOVERNMENT SPONSORED ENTERPRISES

On April 13, 2005, the Committee on Financial Services held a hearing entitled, "The Administration Perspective on GSE Regulatory Reform." The Committee received testimony on proposals to consolidate and strengthen the safety and soundness and mission regulation of the housing government sponsored enterprises. The Secretary of the Treasury and the Secretary of the Department of Housing and Urban Development testified at the hearing.

On March 14, 2006, the Committee on Financial Services held a hearing entitled, "Review of the Rudman Report on Fannie Mae." The hearing focused on a report by former Senator Warren Rud-

man that resulted from findings by the Office of Federal Housing Enterprise Oversight of significant accounting and management irregularities at the Federal National Mortgage Association, or Fannie Mae. Senator Rudman testified at the hearing.

SOCIAL SECURITY

On April 20, 2005, the Committee on Financial Services held a hearing entitled, "Generations Working Together: Financial Literacy and Social Security Reform." The purpose of the hearing was to discuss the need for greater retirement savings, concerns regarding the long term solvency of the Social Security program, and proposals to give Americans more control over their retirement assets. Testimony discussing the breadth of Americans' financial literacy and the implications of potential Social Security reforms such as privatization was provided by former U.S. Senator and Representative Alan Simpson, former Representatives Tim Penny and Barbara Kennelly, a certified financial planner, and representatives of a think tank, and a youth voter turnout organization.

TERRORISM INSURANCE

On July 13, 2005, the Committee on Financial Services held a hearing entitled, "Treasury's Report to Congress on the Terrorism Risk Insurance Act (TRIA)". TRIA was passed in the wake of the terrorist attacks of September 11, 2001 to stabilize the Nation's insurance market and ensure availability of commercial insurance property and casualty coverage. TRIA was set to expire on December 31, 2005. The Department of Treasury was required by TRIA to report on the effectiveness of the program, the likely capacity of the property and casualty insurance industry to offer insurance after the termination of the program, and the affordability and availability of such insurance for various policyholders. Testimony was provided by Secretary of the Treasury John T. Snow regarding the Treasury's findings and conclusions as well as the Administration's views on potential TRIA extensions.

Secretary Snow testified that TRIA had achieved its goals of supporting the industry and stabilizing the private insurance market. The Secretary commented on the current strength of the Nation's economy and that TRIA as enacted was hindering the further development of the insurance market by crowding out innovation and capacity. In order to encourage development of the private market, Secretary Snow testified that the Administration would oppose any extension of TRIA in its current form.

Secretary Snow testified that the Administration might not oppose a reformed version of TRIA, if it were temporary in nature, reduced taxpayer exposure, and facilitated the expansion of the private insurance market. The Secretary listed several proposals that could be acceptable to the Administration, including raising the program trigger levels, eliminating certain lines of coverage, and increasing deductibles and co-payments for insurers. The Secretary also noted the Administration's support for "reasonable litigation" reform to ensure that no person would benefit from exploiting the legal system following a terrorist attack.

ASSESSING DATA SECURITY: PREVENTING BREACHES AND PROTECTING SENSITIVE INFORMATION

On May 4, 2005, the Committee on Financial Services held a hearing entitled 'Assessing Data Security: Preventing Breaches and Protecting Sensitive Information' to assess current data security protections and what additional steps may need to be taken in light of several high profile data breaches. Testimony was received from private sector witnesses.

PROTECTING CONSUMERS AND PROMOTING COMPETITION IN REAL ESTATE SERVICES

On June 15, 2005, the Committee on Financial Services held a hearing entitled 'Protecting Consumers and Promoting Competition in Real Estate Services' to focus on proposals relating to the possible participation of financial holding companies and national bank subsidiaries in real estate brokerage and management activities, and the effect that such participation might have on consumers and competitive conditions in those industries. Testimony was received from former Members and from representatives of the private sector.

MONETARY AND ECONOMIC POLICY

On February 17 and July 20, 2005, and February 15 and July 20, 2006, the Committee received testimony from the Chairman of the Federal Reserve Board on the conduct of monetary policy. The report continued a tradition of twice-yearly reports by the Fed Chairman to the committees of jurisdiction in the House and Senate that formerly were referred to as "Humphrey-Hawkins" hearings after the act that required the testimony. Fed Chairman Alan Greenspan delivered the testimony for the two 2005 hearings, and his successor, the Honorable Ben S. Bernanke, did so for the two 2006 hearings.

INTERNATIONAL FINANCIAL SYSTEM

On April 19, 2005, the Committee on Financial Services held a hearing to receive the annual testimony of the Secretary of the Treasury regarding "The State of the International Financial System."

The hearing was designed to review the current status of domestic and international trade issues. Among the issues discussed were the Doha round of trade negotiations, how the United States could improve its exporting of financial services, and the Treasury Department's current agenda.

On May 17, 2006, the Committee on Financial Services held a hearing receiving the annual testimony of the Secretary of the Treasury regarding "The State of the International Financial System." The hearing was focused on the review of the current status of domestic and international trade issues. Among the issues discussed were China's revaluation of the Yuan, the Doha round of trade negotiations, how the US could improve its exporting of financial services and the Treasury Department's current agenda.

The only witness at both hearings was The Honorable John W. Snow, Secretary, Department of the Treasury.

OVERSIGHT OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

On March 2, 2005, the Committee held a hearing entitled "Oversight of the Department of Housing and Urban Development." The hearing was designed to receive an outline of the fiscal year 2006 HUD budget.

On March 30, 2006, the Committee held a hearing also entitled "Oversight of the Department of Housing and Urban Development." The hearing was designed to receive an outline of the fiscal year 2007 HUD budget.

The only witness at both hearings was The Honorable Alphonzo Jackson, Secretary of the Department of Housing and Urban Development.

STRENGTHENING AMERICA'S COMMUNITIES

On April 6, 2005, the Committee held a hearing entitled "Strengthening America's Communities: A Review of the President's FY2006 Budget Initiative." The hearing was designed to discuss details of the President's initiative to overhaul the way the Federal government funds and administers community and economic development. Strengthening America's Communities, proposed in the President's FY 2006 budget, is a new $3.7 billion program which seeks to reorganize and consolidate community and economic development initiatives into a new program under the direction of the Department of Commerce.

The witnesses at the hearing were The Honorable Alphonzo Jackson, Secretary of the Department of Housing and Urban Development; The Honorable Carlos M. Gutierrez, Secretary of the Department of Commerce; and Mr. Clay Johnson III, Deputy Director for Management, Office of Management and Budget.

FULL COMMITTEE HEARINGS HELD

Monetary Policy and the State of the Economy. Hearing to receive the testimony of the Chairman of the Federal Reserve Board of Governors on monetary policy and the state of the economy. February 17, 2005. PRINTED, serial no. 109–4.

Oversight of HUD. Hearing entitled "Oversight of the Department of Housing and Urban Development." March 2, 2005. PRINTED, serial no. 109–5.

Strengthening America's Communities. Hearing entitled "Strengthening America's Communities: A Review of the President's FY2006 Budget Initiative." April 6, 2005. PRINTED, serial no. 109–13.

The Administration Perspective on GSE Regulatory Reform. Hearing entitled "The Administration Perspective on GSE Regulatory Reform." April 13, 2005. PRINTED, serial no. 109–15.

International Financial System. Hearing entitled "The State of the International Financial System." April 19, 2005. PRINTED, serial no. 109–18.

Generations Working Together: Financial Literacy and Social Security Reform. Hearing entitled "Generations Working Together: Financial Literacy and Social Security Reform." April 20, 2005. PRINTED, serial no. 109–19.

The Impact of the Sarbanes-Oxley Act. Hearing entitled "The Impact of the Sarbanes-Oxley Act." April 21, 2005. PRINTED, serial no. 109–21.

Assessing Data Security: Preventing Breaches and Protecting Sensitive Information. Hearing entitled "Assessing Data Security: Preventing Breaches and Protecting Sensitive Information." May 4, 2005. PRINTED, serial no. 109–23.

Housing Choice Voucher Reform. Hearing entitled "H.R. 1999, the State and Local Housing Flexibility Act of 2005." May 11, 2005. PRINTED, serial no. 109–28.

Protecting Consumers and Promoting Competition in Real Estate Services. Hearing entitled "Protecting Consumers and Promoting Competition in Real Estate Services." June 15, 2005. Serial no. 109–37.

Treasury's Report to Congress on the Terrorism Risk Insurance Act (TRIA). Hearing entitled "Treasury's Report to Congress on the Terrorism Risk Insurance Act (TRIA)." July 13, 2005. PRINTED, serial no. 109–45.

Native American Land Title Procedures. Joint hearing with the Committee on Resources entitled "Improving Land Title Grant Procedures for Native Americans." July 19, 2005. PRINTED, serial no. 109–46.

Monetary Policy and the State of the Economy. Hearing to receive the testimony of the Chairman of the Federal Reserve Board of Governors on monetary policy and the state of the economy. July 20, 2005. PRINTED, serial no. 109–47.

H.R. 4100, The Louisiana Recovery Corporation Act. Hearing on H.R. 4100, the Louisiana Recovery Corporation Act. November 17, 2005. PRINTED, serial no. 109–64.

H.R. 2990, The Credit Rating Agency Duopoly Relief Act of 2005. Hearing on H.R. 2990, the Credit Rating Agency Duopoly Relief Act of 2005. November 29, 2005. PRINTED, serial no. 109–66.

Monetary Policy and the State of the Economy. Hearing to receive the testimony of the Chairman of the Federal Reserve Board of Governors on monetary policy and the state of the economy. February 15, 2006. PRINTED, serial no. 109–72.

Review of the Rudman Report on Fannie Mae. Hearing entitled "Review of the Rudman Report on Fannie Mae." March 14, 2006. Serial no. 109–77.

Oversight of HUD. Hearing entitled "Oversight of the Department of Housing and Urban Development." March 30, 2006. Serial no. 109–81.

Protecting Investors and Fostering Efficient Markets: A Review of the SEC Agenda. Hearing entitled "Protecting Investors and Fostering Efficient Markets: A Review of the SEC Agenda." May 3 and May 25, 2006. Serial no. 109–90 and 109–97.

International Financial System. Hearing entitled "The State of the International Financial System." May 17, 2006. Serial no. 109–92.

Monetary Policy and the State of the Economy. Hearing to receive the testimony of the Chairman of the Federal Reserve Board of Governors on monetary policy and the state of the economy. July 20, 2006. Serial no. 109–110.

National Flood Insurance Program. Field hearing entitled "A Look at the National Flood Insurance Program and Flood Mitigation Efforts: Is Bucks County, Pennsylvania Ready for Another Flood?" August 15, 2006. Serial no. 109–115.

Foreclosure Prevention. Field hearing entitled "Community Solutions for the Prevention and Management of Foreclosures." August 23, 2006. Serial no. 109–116.

Sarbanes-Oxley at Four: Protecting Investors and Strengthening the Markets. Hearing entitled "Sarbanes-Oxley at Four: Protecting Investors and Strengthening the Markets." September 19, 2006. Serial no. 109–121.

SUBCOMMITTEE ON CAPITAL MARKETS, INSURANCE, AND GOVERNMENT SPONSORED ENTERPRISES

(Ratio: 26–23)

RICHARD H. BAKER, Louisiana, *Chairman*

JIM RYUN, Kansas, *Vice Chairman*
CHRISTOPHER SHAYS, Connecticut
PAUL E. GILLMOR, Ohio
SPENCER BACHUS, Alabama
MICHAEL N. CASTLE, Delaware
FRANK D. LUCAS, Oklahoma
DONALD A. MANZULLO, Illinois
EDWARD R. ROYCE, California
SUE W. KELLY, New York
VITO FOSSELLA, New York
JUDY BIGGERT, Illinois
GARY G. MILLER, California
MARK R. KENNEDY, Minnesota
PATRICK J. TIBERI, Ohio
J. GRESHAM BARRETT, South Carolina
GINNY BROWN-WAITE, Florida
TOM FEENEY, Florida
JIM GERLACH, Pennsylvania
KATHERINE HARRIS, Florida
JEB HENSARLING, Texas
RICK RENZI, Arizona
GEOFF DAVIS, Kentucky
MICHAEL G. FITZPATRICK, Pennsylvania
JOHN CAMPBELL, California[1]
(*Vacancy*)[2]
MICHAEL G. OXLEY, Ohio, *ex officio*

PAUL E. KANJORSKI, Pennsylvania
GARY L. ACKERMAN, New York
DARLENE HOOLEY, Oregon
BRAD SHERMAN, California
GREGORY W. MEEKS, New York
DENNIS MOORE, Kansas
MICHAEL E. CAPUANO, Massachusetts
HAROLD E. FORD, JR., Tennessee
RUBÉN HINOJOSA, Texas
JOSEPH CROWLEY, New York
STEVE ISRAEL, New York
WM. LACY CLAY, Missouri
CAROLYN MCCARTHY, New York
JOE BACA, California
JIM MATHESON, Utah
STEPHEN F. LYNCH, Massachusetts
BRAD MILLER, North Carolina
DAVID SCOTT, Georgia
NYDIA M. VELÁZQUEZ, New York
MELVIN L. WATT, North Carolina
ARTUR DAVIS, Alabama
MELISSA L. BEAN, Illinois
DEBBIE WASSERMAN SCHULTZ, Florida
BARNEY FRANK, Massachusetts, *ex officio*

LEGISLATIVE ACTIVITIES

CREDIT RATING AGENCY REFORM ACT OF 2006

Public Law 109–291 (H.R. 2990; S. 3850)

To improve ratings quality by fostering competition, transparency, and accountability in the credit rating agency industry.

Summary

The Credit Rating Agency Reform Act of 2006 amends the Securities Exchange Act of 1934 to provide for the voluntary registration of eligible credit rating agencies. As part of the registration process, a rating agency must disclose the following: any conflicts of interest its business model creates and how it manages those conflicts; the methodologies the rating agency employs to generate its ratings; short-, mid-, and long-term performance statistics; procedures established to prevent the misuse of non-public information the agency receives when it evaluates an issuer; whether it has a code of ethics, and if not, the reasons why; the types of ratings it

intends to issue; a list of the 20 largest issuers and subscribers that use its ratings, on a confidential basis; and certification from at least 10 qualified institutional buyers that they have used the ratings for at least the three most recent years, including two certifications for each type of rating the rating agency will issue, on a confidential basis.

The Act requires each registered credit rating agency to establish and enforce written policies and procedures to prevent misuse of nonpublic information and to address and prevent conflicts of interest. The Act also directs the Securities and Exchange Commission (SEC) to adopt rules proscribing anti-competitive practices in the credit rating industry and to enact reporting and recordkeeping requirements for registrants. Under the Act, credit rating agencies submit to the SEC's examination process and civil and administrative enforcement authority.

The Act allows the SEC to censure, limit, suspend, or revoke a registration if the rating agency fails to maintain adequate financial and managerial resources needed to produce credible ratings. It expressly states that there is no diminution in or waiver of legal rights, privileges, or defenses for those rating agencies which opt to register. The Act also mandates that the SEC report to the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs regarding the applications filed by aspiring registrants, actions taken on those applications, and the views of the SEC on the state of competition in the industry and conflicts of interest among rating agencies. Finally, the Act requires the GAO to study and report within 3 to 4 years on the impact of the legislation on the quality of ratings, the financial markets, competition and conflicts of interest in the industry, and the registration process.

Legislative History

H.R. 2990, the Credit Rating Agency Duopoly Relief Act of 2005, was introduced in the House by Mr. Fitzpatrick on June 20, 2005. The bill was referred to the Committee on Financial Services. The Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a legislative hearing on June 29, 2005, and heard testimony on the merits of the legislation from executives of several credit rating agencies and representatives of an industry trade association, academia, and a think tank.

On November 29, 2005, the full Committee held a legislative hearing in Philadelphia, Pennsylvania, at which testimony discussing H.R. 2990 was received from representatives of several credit rating agencies, a mutual fund trade association, and academia.

The full Committee met in open session on June 14, 2006, to consider the legislation and ordered H.R. 2990 reported to the House, with an amendment, with a favorable recommendation, by a voice vote. H.R. 2990 was reported to the House on July 7, 2006 (H. Rept. 109–546).

On July 10, 2005, the Committee on Rules met and reported a rule (H. Res. 906) providing for consideration of H.R. 2990 with one hour of general debate and making two specified amendments in order.

On July 12, 2006, H. Res. 906 was agreed to by a record vote of 308 yeas and 113 nays. The House then considered and passed H.R. 2990, with an amendment, by a record vote of 255 yeas and 166 nays.

On July 13, 2006, H.R. 2990 was received in the Senate, read twice, and referred to the Committee on Banking, Housing, and Urban Affairs.

On September 6, 2006, the Senate Committee on Banking, Housing, and Urban Affairs reported an original measure, S. 3850, the Credit Rating Agency Reform Act, to the Senate (S. Rept. 109–326). On September 22, 2006, the Senate laid S. 3850 before the Senate and passed the bill, as amended, by unanimous consent.

On September 25, 2006, S. 3850 was received in the House. On September 27, 2006, the House considered S. 3850 under suspension of the rules and passed the bill by a voice vote, clearing the bill for the White House. On September 28, 2006, S. 3850 was presented to the President. The bill was signed into law on September 29, 2006, becoming Public Law 109–291.

NONADMITTED AND REINSURANCE REFORM ACT OF 2006

(H.R. 5637)

To streamline the regulation of nonadmitted insurance and reinsurance, and for other purposes.

Summary

H.R. 5637, the Nonadmitted and Reinsurance Reform Act of 2006, reforms and modernizes two sectors of the commercial insurance marketplace, nonadmitted insurance (also known as "surplus lines insurance") and reinsurance (insurance purchased by insurance companies). Specifically, H.R. 5637 creates a uniform system for nonadmitted insurance premium tax payments based upon the home State of the policyholder, encourages the States to develop an interstate compact or other procedural mechanism for uniform premium tax allocation, and establishes regulatory deference for the home State of the insured. The bill adopts uniform eligibility requirements for nonadmitted insurers as developed and promulgated by the National Association of Insurance Commissioners (NAIC) in the Nonadmitted Insurance Model Act. H.R. 5637 allows direct access to the nonadmitted insurance markets for certain sophisticated commercial purchasers, bypassing inefficient state declination rules.

H.R. 5637 streamlines the regulation of reinsurance by applying single State regulation for financial solvency and credit for reinsurance. Credit for reinsurance determinations are determined by the State of domicile of the ceding insurer. Reinsurance solvency regulation is governed by the State of domicile of the reinsurer, provided such State is NAIC-accredited or has financial solvency requirements substantially similar to the requirements necessary for NAIC accreditation. Non-domiciliary States are specifically prohibited from applying their reinsurance laws in an extra-territorial manner.

Legislative History

H.R. 5637 was introduced on June 19, 2006 by Ms. Brown-Waite and 16 original cosponsors and referred to the Committee on Financial Services and in addition to the Committee on the Judiciary. Within the Committee on Financial Services, the bill was referred to the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises on July 18, 2006.

On June 21, 2006, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing on the subject matter of the legislation, commercial insurance modernization. On July 19, 2006, the Subcommittee met in open session and approved the bill for full Committee consideration, with an amendment, by a voice vote. On July 26, 2006 the full Committee met in open session and ordered H.R. 5637 reported to the House with a favorable recommendation, as amended, by a voice vote. H.R. 5637 was reported to the House on September 12, 2006 (H. Rept. 109–649, Part I).

Within the Committee on the Judiciary, the bill was referred to the Subcommittee on Commercial and Administrative Law on September 18, 2006. The Subcommittee held a hearing on the merits of the legislation on September 19, 2006. On September 22, 2006, the Committee on the Judiciary was discharged from further consideration of H.R. 5637.

The House considered H.R. 5637 on September 27, 2006, under suspension of the rules, and passed the bill by a record vote of 417 yeas and no nays. On September 28, 2006, H.R. 5637 was received in the Senate.

No further action was taken on this legislation in the 109th Congress.

SECURITIES LITIGATION ATTORNEY ACCOUNTABILITY AND TRANSPARENCY ACT

(H.R. 5491)

To protect investors by fostering transparency and accountability of attorneys in private securities litigation.

Summary

H.R. 5491, the Securities Litigation Attorney Accountability and Transparency Act, amends the Securities Act of 1933 and the Securities Exchange Act of 1934 to permit judges, upon a final judgment against a plaintiff in a private securities lawsuit, to impose on the plaintiff's attorneys reasonable attorneys' fees and expenses incurred by the defendant, if the judge believes that the lawsuit was frivolous. The bill requires private securities class-action plaintiffs and their attorneys to identify, in sworn certifications filed with the court, any conflicts of interest, including any direct or indirect payment, between the plaintiff and plaintiff's attorneys and between an affiliate of the plaintiff and the plaintiff's attorneys. Finally, H.R. 5491 permits a judge in a private securities class-action lawsuit to employ alternative means when approving the lead plaintiff's attorney, including the use of a competitive bidding process, or auction, for lead counsel selection.

Legislative History

H.R. 5491 was introduced in the House by Mr. Baker and two original cosponsors on May 25, 2006. The bill was referred to the Committee on Financial Services and in addition to the Committee on the Judiciary. The Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "Investor Protection: A Review of Plaintiffs" Attorney Abuses in Securities Litigation and Legislative Remedies" on June 28, 2006, and heard testimony on the subject matter of the legislation from a Federal judge, the Secretary of the Commonwealth of Massachusetts, a representative of a think tank, and a law professor.

No further action was taken on this legislation in the 109th Congress.

SUBCOMMITTEE OVERSIGHT ACTIVITIES

MARKET STRUCTURE

On February 15, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "The SEC's Market Structure Proposal: Will It Enhance Competition?" The hearing focused on the SEC's Regulation NMS, initially proposed in February 2004 and amended and reproposed in December 2004, to enhance trading and transparency in the national market system. Testifying before the Subcommittee were executives of the New York Stock Exchange (NYSE), Nasdaq, electronic communications networks, a broker-dealer, a market maker, and a floor broker.

On March 15, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "Regulation NMS: The SEC's View." The Subcommittee heard testimony from SEC Chairman William H. Donaldson regarding issues relating to Regulation NMS, including the trade-through rule, sub-penny quoting, market access and market data. Much of the SEC Chairman's testimony focused on the need to extend the trade-through rule to all market centers to better protect investors.

MUTUAL FUNDS

On May 10, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "Mutual Funds: A Review of the Regulatory Landscape." The purpose of the hearing was to discuss the implementation of SEC rules, recently adopted in the wake of the mutual fund market timing and late trading scandals first uncovered in September 2003, designed to improve mutual fund governance, transparency and disclosure. Testifying before the Subcommittee were the Acting Director of the SEC's Division of Investment Management, a former Director of the SEC's Division of Investment Management, and representatives from an industry trade association and a mutual fund company.

SELF-REGULATORY ORGANIZATIONS

On November 17, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "Self-Regulatory Organizations: Exploring the Need for Reform." The purpose of the hearing was to examine the SEC's proposed rule and concept release regarding self-regulatory organizations (SRO). The SEC's proposed rule would mandate a majority independent board or directors for SROs; completely independent audit, compensation, nominating, governance, and regulatory oversight committees; limitation of member ownership in SROs; separation of market and regulatory functions; and greater disclosure of SRO financial and governance information. The SEC's concept release contemplates alternative approaches to the current SRO structure with the goal of reducing regulatory redundancies created by membership with multiple SROs. The Subcommittee heard testimony from executives of NASD, the NYSE, the Chicago Board Options Exchange, a small broker-dealer, and a representative of an industry trade association.

CREDIT RATING AGENCIES

On April 12, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "Reforming Credit Rating Agencies: The SEC's Need for Statutory Authority." The purpose of the hearing was to receive the SEC's views on its need for legislative authority to reform and oversee the credit rating agency industry and elaboration on the SEC's proposed rule defining the term, "nationally recognized statistical rating organization," those rating agencies the SEC has designated for market participants' use. Testimony was received from the Director of the SEC's Division of Market Regulation.

On June 29, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "Legislative Solutions for the Credit Rating Duopoly." The hearing examined two reform proposals: H.R. 2990, the Credit Rating Agency Duopoly Relief Act, introduced by Mr. Fitzpatrick on June 20, 2005, to foster competition, accountability, and transparency in the credit rating agency industry; and the SEC's staff outline of a regulatory framework, which would codify the SEC's NRSRO designation process. Witnesses included executives of several rating agencies and representatives of a trade association, academia, and a think tank.

GOVERNMENT SPONSORED ENTERPRISES

On February 9, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled "Accounting Irregularities at Fannie Mae and the Effect on Investors." In December 2004, the SEC determined that certain accounting practices of the Federal National Mortgage Association (Fannie Mae) did not comply in certain material respects with generally accepted accounting principles (GAAP). The hearing focused on this decision and accounting issues related to deferred purchase price adjustments and derivatives and hedging activities. The sole witness was the SEC's Chief Accountant.

On March 9, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled "GSE Reform and the Federal Home Loan Bank System." The hearing explored recent developments regarding GSE regulatory structure reform, Securities and Exchange Commission registration by Federal Home Loan Banks, Federal Housing Finance Board enforcement actions, and corporate governance, accounting, and mortgage purchase program issues in the Federal Home Loan Bank System. The Chairman of the Federal Housing Finance Board, the President of the Federal Home Loan Bank of Cincinnati, and executives from three financial institution members of Federal Home Loan Banks testified.

On April 6, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled "Additional Accounting and Management Failures at Fannie Mae—OFHEO's Efforts to Ensure Safe and Sound Operations." The hearing reviewed the March 2005 agreement between the Fannie Mae board of directors and the Office of Federal Housing Enterprise Oversight (OFHEO) in March that supplemented a 2004 agreement following the finding of significant accounting and management irregularities at Fannie Mae. The sole witness was OFHEO's Director.

On June 6, 2006, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "OFHEO's Final Report on Fannie Mae." The hearing focused on OFHEO's Report of the Special Examination of Fannie Mae and an OFHEO consent order signed by Fannie Mae. The sole witness was OFHEO's Director.

On September 7, 2006, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "A Review of the Federal Home Loan Bank System." The hearing reviewed the status of the FHLBs and their regulator, the FHFB, including the latest significant developments within the FHLB System. The sole witness was FHFB's Chairman.

SECURITIES ARBITRATION

On March 17, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "A Review of the Securities Arbitration System." The hearing focused on the securities arbitration system, which provides an alternative process for resolving securities-related disputes in lieu of typically more costly and slower Federal and State court adjudication. NASD and the NYSE sponsor arbitration forums for their members and their customers. Witnesses included representatives of the NYSE, NASD, trade associations, and academia, and the Secretary of the Commonwealth of Massachusetts.

INSURANCE REGULATORY REFORM

On June 16, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "SMART Insurance Reform." The hearing focused on the need for comprehensive reform in the State regulated insurance marketplace and discussed the background and evolution of the roadmap and legislative draft of the State Modernization and Regulatory

Transparency Act (SMART). Witnesses included current and former State insurance commissioners and officers of the National Association of Insurance Commissioners (NAIC).

TERRORISM RISK INSURANCE

On July 27, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "The Future of Terrorism Insurance." The hearing focused on the current state of the terrorism insurance marketplace, the anticipated impact of the expiration of the Terrorism Risk Insurance Act (TRIA) on December 31, 2005, the Department of the Treasury's June 30, 2005 TRIA report, the Administration's position on the future of TRIA, and potential short- and long-term solutions for terrorism insurance. Witnesses included the Superintendent of Insurance for the State of New York, the Insurance Commissioner of Washington, D.C., insurance trade associations, a large commercial policyholder, and a consumer group.

On September 27, 2006, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises and the Subcommittee of Oversight and Investigations held a hearing entitled, "Protecting Americans from Catastrophic Terrorism Risk." The hearing focused on the availability of terrorism insurance in the private market and how to best protect Americans from catastrophic terrorism risk. Witnesses included executives from national companies with expertise in the business of purchasing or providing terrorism insurance and reinsurance coverage and representatives from the terrorism insurance marketplace focused on the effects of catastrophic terrorism risks on the economy of New York and the surrounding region. Witnesses discussed a September 25, 2006 Government Accountability Office (GAO) report on nuclear, biological, chemical, and radiological risk as well as proposals to solve availability and affordability problems associated with terrorism risk insurance.

SECURITIES LITIGATION

On June 28, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Investor Protection: A Review of Plaintiffs' Attorney Abuses in Securities Litigation and Legislative Remedies." The purpose of the hearing was to review abuses by plaintiffs' attorneys of the private securities class-action lawsuit process and to examine legislative solutions, including H.R. 5491, the Securities Litigation Attorney Accountability and Transparency Act. The Subcommittee heard testimony from a federal judge, the Secretary of the Commonwealth of Massachusetts, a representative of a think tank, and a law professor.

GLOBAL COMPETITIVENESS OF U.S. MARKETS

On April 24, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "America's Capital Markets: Maintaining Our Lead in the 21st Century." The purpose of the hearing was to take into account the challenges the U.S. capital markets face in maintaining their

competitiveness in a rapidly maturing global economy. Testifying at the hearing were a former Member, a former Secretary of Commerce and current head of a trade association, the chairman of the NYSE Group, Inc., a law professor, and representatives of an accounting firm and a think tank.

FINANCIAL REPORTING TRANSPARENCY

On March 29, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Fostering Accuracy and Transparency in Financial Reporting," to explore ways to reduce the complexity and improve the transparency of financial reporting. The Subcommittee heard testimony from the acting chairman of the Public Company Accounting Oversight Board, the chairman of the Financial Accounting Standards Board, the acting chief accountant of the SEC, and representatives of industry and several trade associations.

NATURAL DISASTER INSURANCE

On September 13, 2006, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "Stabilizing Insurance Markets for Coastal Consumers." The hearing focused on the recent disruptions in the personal and commercial insurance markets along the coasts and potential legislative solutions to reduce post-event market distortions caused by natural disasters. Witnesses included Florida's State Insurance Commissioner and representatives from the property-casualty insurance marketplace.

TRANSPARENCY IN STATE REGULATION OF INSURER INVESTMENTS

The Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing on September 20, 2006 entitled, "Improving Transparency in State Regulation of Insurer Investments." The hearing focused on the NAIC's Securities Valuation Office (SVO) and the impact of its classification decisions on the market for hybrid securities, insurer's investment portfolios, and the broader U.S. capital markets. Witnesses included representatives from the life insurance marketplace, the securities market, and the NAIC. Witness testimony addressed the SVO's decision-making process for classifying hybrid securities, the overall transparency of the classification process, and the consequences of SVO classifications on the hybrid market.

INSURANCE REGULATORY REFORM

On June 21, 2006, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing entitled, "Commercial Insurance Modernization." The hearing focused on the need for reform in the nonadmitted insurance and reinsurance marketplace. Witnesses included various representatives from the nonadmitted insurance and reinsurance marketplace. Witness testimony addressed the problems faced by nonadmitted consumers, nonadmitted insurers, and reinsurance providers in the current regulatory environment and how changes proposed in the

Nonadmitted and Reinsurance Reform Act of 2006 will improve the nonadmitted and reinsurance marketplace.

SUBCOMMITTEE HEARINGS HELD

Accounting Irregularities at Fannie Mae and the Impact on Investors. Hearing entitled "Accounting Irregularities at Fannie Mae and the Impact on Investors." February 9, 2005. PRINTED, serial no. 109–1.

The SEC's Market Structure Proposal: Will It Enhance Competition? Hearing entitled, "The SEC's Market Structure Proposal: Will It Enhance Competition?" February 15, 2005. PRINTED, serial no. 109–2.

GSE Reform and the Federal Home Loan Bank System. Hearing entitled "GSE Reform and the Federal Home Loan Bank System." March 9, 2005. PRINTED, serial no. 109–6.

Regulation NMS: The SEC's View. Hearing entitled, "Regulation NMS: The SEC's View." March 15, 2005. PRINTED, serial no. 109–9.

A Review of the Securities Arbitration System. Hearing entitled, "A Review of the Securities Arbitration System." March 17, 2005. PRINTED, serial no. 109–11.

Additional Accounting and Management Failures at Fannie Mae—OFHEO's Efforts to Ensure Safe and Sound Operations. Hearing entitled "Additional Accounting and Management Failures at Fannie Mae—OFHEO's Efforts to Ensure Safe and Sound Operations." April 6, 2005. PRINTED, serial no. 109–12.

Reforming Credit Rating Agencies: The SEC's Need for Statutory Authority. Hearing entitled, "Reforming Credit Rating Agencies: The SEC's Need for Statutory Authority." April 12, 2005. PRINTED, serial no. 109–14.

Mutual Funds: A Review of the Regulatory Landscape. Hearing entitled, "Mutual Funds: A Review of the Regulatory Landscape." May 10, 2005. PRINTED, serial no. 109–26.

Legislative Solutions for the Rating Agency Duopoly. Hearing entitled, "Legislative Solutions for the Rating Agency Duopoly." June 29, 2005. PRINTED, serial no. 109–42.

Self-Regulatory Organizations: Exploring the Need for Reform. Hearing entitled, "Self-Regulatory Organizations: Exploring the Need for Reform." November 17, 2005. PRINTED, serial no. 109–65.

Fostering Accuracy and Transparency in Financial Reporting. Hearing entitled "Fostering Accuracy and Transparency in Financial Reporting." March 29, 2006. PRINTED, serial no. 109–80.

America's Capital Markets: Maintaining Our Lead in the 21st Century. Hearing entitled "America's Capital Markets: Maintaining Our Lead in the 21st Century." April 26, 2006. PRINTED, serial no. 109–87.

OFHEO's Final Report on Fannie Mae. Hearing entitled "OFHEO's Final Report on Fannie Mae." June 6, 2006. PRINTED, serial no. 109–98.

Commercial Insurance Modernization. Hearing entitled "Commercial Insurance Modernization." June 21, 2006. PRINTED, serial no. 109–101.

Investor Protection: A Review of Plaintiffs' Attorney Abuses in Securities Litigation and Legislative Remedies. Hearing entitled "Investor Protection: A Review of Plaintiffs' Attorney Abuses in Securities Litigation and Legislative Remedies." June 28, 2006. PRINTED, serial no. 109–102.

A Review of the Federal Home Loan Bank System. Hearing entitled "A Review of the Federal Home Loan Bank System." September 7, 2006. PRINTED, serial no. 109–117.

Stabilizing Insurance Markets for Coastal Consumers. Hearing entitled "Stabilizing Insurance Markets for Coastal Consumers." September 13, 2006. PRINTED, serial no. 109–119.

Improving Transparency in State Regulation of Insurer Investments. Hearing entitled "Improving Transparency in State Regulation of Insurer Investments." September 20, 2006. PRINTED, serial no. 109–122.

Protecting Americans from Catastrophic Terrorism Risk. Hearing entitled "Protecting Americans from Catastrophic Terrorism Risk." September 27, 2006. PRINTED, serial no. 109–123.

SUBCOMMITTEE ON DOMESTIC AND INTERNATIONAL MONETARY POLICY, TRADE, AND TECHNOLOGY

(Ratio: 14–12)

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GWEN MOORE, Wisconsin
JOSEPH CROWLEY, New York
BARNEY FRANK, Massachusetts, *ex officio*

*Mr. Sanders is an independent, but caucuses with the Democratic Caucus.

LEGISLATIVE ACTIVITIES

REAUTHORIZATION OF THE EXPORT-IMPORT BANK

On April 5, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a legislative hearing entitled, "Reauthorization of the Export-Import Bank of the United States."

The hearing focused on H.R. 5068, a bill that would reauthorize the Export-Import Bank of the United States and make certain changes to the Bank's charter. This legislation seeks a five-year reauthorization of the Bank. In addition, H.R. 5068 proposes changes to Bank operations in a number of areas such as improving its accessibility to small businesses and its competitiveness with other nations' export credit agencies, encouraging the Bank to work more closely with African countries and institutions and have greater transparency through additional reports. H.R. 5068 also stipulates that the Bank make extensive annual reports.

The Subcommittee heard testimony from The Honorable James H. Lambright, Chairman and President (Acting), Export-Import Bank of the United States, Mr. Edmund B. Rice, President, Coalition for Employment Through Exports, Mr. James Harmon, Chairman, World Resources Institute and Mr. James Morrison, President, Small Business Exporters Association of the United States.

FOREIGN INVESTMENT IN THE UNITED STATES

On May 17, 2006 the Subcommittee held a legislative hearing entitled the "H.R. 5337, Reform of National Security Reviews of For-

eign Direct Investments Act." The hearing focused on CFIUS reform, and specifically on H.R. 5337, a bipartisan bill introduced by the Majority Whip Mr. Blunt, Chairman Pryce, Mrs. Maloney and Mr. Crowley that addressed perceived gaps in the national security review process conducted by CFIUS. H.R. 5337 requires every transaction involving a company controlled by a foreign government undergo a 45-day investigation, establishes a clear paper trail and a predictable process for all transactions, establishes a mandatory analysis of every transaction by the Director of National Intelligence and makes the Secretaries of the Department of Homeland Security (DHS) and the Department of Commerce vice chairmen of CFIUS while requiring the signatures on every CFIUS decision by the Treasury, Commerce and DHS secretaries, to be delegated no lower than their deputies.

The Subcommittee heard testimony from The Honorable Clay Lowery, Assistant Secretary for International Affairs, U.S. Department of the Treasury, The Honorable Stewart A. Baker, Assistant Secretary for Policy, Planning, and International Affairs, U.S. Department of Homeland Security, The Honorable Alice Fisher, Assistant Attorney General, Criminal Division, U.S. Department of Justice, The Honorable Peter C.W. Flory, Assistant Secretary for International Security Policy, U.S. Department of Defense, Mr. Douglas Holtz-Eakin, Director of the Maurice R. Greenberg Center for Geoeconomic Studies, Council on Foreign Relations. Mr. David M. Marchick, Partner, Covington and Burling and Mr. John K. Veroneau, Partner, DLA Piper Rudnick Gray Cary.

SUBCOMMITTEE OVERSIGHT ACTIVITIES

COMBATING TRAFFICKING IN PERSONS

On April 28, 2005, the Domestic and International Monetary Policy, Trade, and Technology Subcommittee held a hearing entitled "Combating Trafficking in Persons: Status Report on Domestic and International Developments."

The United States and other countries are pursuing a number of bilateral and multilateral programs and initiatives to combat trafficking. For example, the Departments of State and Justice are training foreign law enforcement and immigration officers to better identify and impede traffickers and their victims at the border. The United States is also working with the European Union, the Group of Eight, the United Nations, and the Organization for Security and Cooperation in Europe (OSCE).

The Subcommittee heard testimony from Ambassador John Miller, Director, Office to Monitor and Combat Trafficking in Persons, U.S Department of State; Ms. Norma Hotaling, Executive Director, SAGE, Ms. Tina Frundt, Polaris Project. This hearing established a basic understanding of trade in human beings, and served as a starting point for future Committee action focusing on eliminating the trafficking and exploitation of women and children.

On June 22, 2005 the Subcommittee held a hearing entitled "Combating Trafficking in Persons: An International Perspective." This hearing focused on actions in other countries and how the related illegal proceeds may be traced.

The Subcommittee heard testimony from Mr. Michael E. O'Connor, Jr., Director of Operations, South Asia International Justice Mission, Ms. Jessica Neuwirth, President, Equality Now, Ms. Dorchen A. Leidholdt, Co-Executive Director, Coalition Against Trafficking in Women and Ms. Lisa L. Thompson, Liaison for the Abolition of Sexual Trafficking, The Salvation Army National Headquarters.

SOCIAL SECURITY REFORM

On May 5, 2005, the Domestic and International Monetary Policy, Trade, and Technology Subcommittee held a hearing entitled "Social Security Reform: Successes and Lessons Learned."

The Subcommittee heard testimony from Mr. Gary Amelio, Executive Director, Federal Retirement Thrift Investment Board, Dr. Estelle James, Consultant and Professor Emeritus, SUNY, Stony Brook, Mr. Patrick Purcell, Specialist in Social Legislation, Congressional Research Service and Mr. Francis X. Cavanaugh, Public Finance Consulting.

Looking at Social Security reform, the Subcommittee evaluated difficulties with the current social security system, proposals for reform, and links to financial literacy.

DEBT AND DEVELOPMENT

On June 8, 2005, the Subcommittee on Domestic and International Monetary Policy, Trade and Technology held a hearing entitled, "Debt and Development: How to Provide Efficient, Effective Assistance to the World's Poorest Countries?" The Subcommittee heard testimony from Dr. Nancy Birdsall, President, Center for Global Development, Mr. Sony Kapoor, Senior Policy Advisor, Jubilee USA Network and Mr. R. Tim McNamar, Member, Bretton Woods Committee.

The hearing focused on the activities of the United States and their membership in five multilateral development banks (MDBs): the World Bank, Inter-American Development Bank (IDB), Asian Development Bank (ADB), African Development Bank (AfDB), and European Bank for Reconstruction and Development (EBRD). These institutions provide grants, interest-free loans and technical assistance to developing economies. The United States also belongs to the International Monetary Fund (IMF), which was designed to provide balance of payments support for countries experiencing temporary economic difficulties. The hearing focused on how these MDB's would continue to support the development of Highly Indebted Poor Countries (HIPC) through various economic programs.

On September 27, 2005, the Subcommittee held a hearing entitled "IDA–14: Historic Advance or Incremental Change in Debt and Development Policy?". The International Development Association (IDA) loans to the world's poorest nations finance investments in health, education, sanitation, infrastructure, and institutional reforms needed to promote poverty reduction, economic growth, and development. The hearing focused on how the reauthorization of IDA (IDA–14) would help to meet the goals established in previous debt cancellation agreements.

The Subcommittee heard testimony from Honorable Timothy D. Adams, Under Secretary for International Affairs, Department of

the Treasury and Mr. Bobby J. Pittman, Jr., Deputy Assistant Secretary for Multilateral Development Institutions and Policy, Department of the Treasury.

THE UNITED STATES-EUROPEAN UNION ECONOMIC RELATIONSHIP

On June 16, 2005, the Subcommittee on Domestic and International Monetary Policy, Trade and Technology held a hearing entitled "The U.S.-E.U. Economic Relationship: What Comes Next?" The Subcommittee heard testimony from Mr. Marc Lackritz, President, Securities Industry Association, Ms. Kathryn Hauser, U.S. Executive Director, Transatlantic Business Dialogue, Mr. Gary Litman, Vice President, Europe & Eurasia, U.S. Chamber of Commerce and Mr. Frank Nutter, President, Reinsurance Association of America.

The hearing focused on United States and European Union financial regulator meeting, which have been carried out for the past three years through the Financial Markets Dialogue. The U.S. participants are: the Department of the Treasury, the Securities and Exchange Commission (SEC), the Public Company Accounting Oversight Board (PCAOB), and the Board of Governors of the Federal Reserve System (Federal Reserve). When insurance issues arise, the National Association of Insurance Commissioners (NAIC) participates. The Dialogue is viewed as an effective mechanism for fostering transatlantic cooperation and increasing the transparency of rule-making. It has successfully defused a range of potentially acrimonious conflicts, particularly on corporate governance, consolidated supervision, and accounting issues.

The hearing also focused the meetings of this group and what current issues and solutions are needed in the areas of corporate governance.

Throughout the 109th Congress, Financial Services Committee staff met periodically with the Department of the Treasury, the Securities and Exchange Commission (SEC), the Public Company Accounting Oversight Board (PCAOB), and the Board of Governors of the Federal Reserve System (Federal Reserve) to receive updates and provide feedback on Trans-Atlantic financial sector issues. Senior Committee majority and minority staff, joined by colleagues from the Senate Banking, Housing and Urban Affairs Committee, conducted a week of oversight meetings with colleagues in European financial and parliamentary capitals at the beginning of the first session of the 109th Congress in preparation for legislative and oversight responsibilities over the next two years.

OVERSIGHT OF THE EXPORT-IMPORT BANK

On November 10, 2005, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology and Subcommittee on Oversight and Investigations held a joint hearing entitled, "Oversight of the Export-Import Bank of the United States." The hearing focused on the progress made by the Export-Import Bank of the United States (ExIm Bank) in implementing its most recent reauthorization.

The Subcommittee heard testimony from The Honorable James H. Lambright, Chairman and Acting President, Export-Import Bank of the United States, Mr. Joseph Watters, Director of Inter-

national Sales, Hoffman International, on behalf of Small Business Exporters Association, Mr. Harry G. Hayman, Senior Vice President, PNC Bank N.A., on behalf of Bankers Association for Finance and Trade and Mr. John D. Sabroske, Director, Export Credit and Trade Finance, John Deere Credit.

TRADE IN SERVICES

On November 15, 2005, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, "Increasing Efficiency and Economic Growth through Trade." The hearing focused on the importance of expanding free trade in financial services. Government and private sector witnesses assessed how the Doha Round of multilateral trade negotiations is progressing with respect to financial services. They also suggested how the U.S. could enhance its own offers in the financial services chapters as well as enhance monitoring and implementation. Witnesses also provided views on what benefits accrue to U.S. trading partners through the financial services chapters of free trade agreements.

The Subcommittee heard testimony from Ms. Christine Bliss, Acting Assistant U.S. Trade Representative for Services and Investment, Office of the United States Trade Representative, The Honorable Clay Lowery, Assistant Secretary of International Affairs, Department of the Treasury, Mr. Norman R. Sorensen, President and CEO, Principal International, Inc., on behalf of the Coalition of Service Industries, Ms. Madeleine L. Champion, Managing Director, JPMorgan Chase & Co., on behalf of the Bankers Association for Finance and Trade, Mr. Marc Lackritz, President, Securities Industry Association, Dr. Sydney J. Key, Former Staff Director, Subcommittee on International Development, Finance, Trade and Monetary Policy, Committee on Banking, Finance and Urban Affairs, U.S. House of Representatives, The Honorable Don Evans, Chief Executive Officer, Financial Services Forum and Mr. Rob Nichols, President and COO, Financial Services Forum.

FOREIGN INVESTMENT IN THE UNITED STATES

The Subcommittee held a hearing on March 1, 2006, on the Committee on Foreign Investment in the United States (CFIUS) entitled, "Foreign Investment, Jobs and National Security: The CFIUS Process." The hearing examined the process by which the Committee on Foreign Investment in the United States (CFIUS) evaluates bids by foreign companies to merge with, acquire or otherwise take over U.S. corporations to determine if the transaction might compromise national security. The proposed acquisition by Dubai Ports World (DP World) of the Peninsular & Oriental Steam Navigation Co. (P&O), which handles basic port operations around the world including those at six major U.S. ports, focused new attention on the CFIUS process.

The Committee heard testimony from The Honorable Robert M. Kimmitt, Deputy Secretary, U.S. Department of Treasury, The Honorable Michael P. Jackson, Deputy Secretary, U.S. Department of Homeland Security, The Honorable Eric S. Edelman, Under Secretary of Defense for Policy, U.S. Department of Defense, The Honorable C. David Welch, Assistant Secretary, Bureau of Near East-

ern Affairs, U.S. Department of State, Mr. James K. Glassman, Resident Fellow, American Enterprise Institute, Mr. Todd M. Malan, President & CEO, Organization for International Investment, Mr. David M. Marchick, Partner, Covington and Burling, Mr. William A. Reinsch, President, National Foreign Trade Council and Mr. Clark Ervin, Director, Homeland Security Initiative, The Aspen Institute.

On April 27, 2006 the Subcommittee held a hearing entitled, "CFIUS and the Role of Foreign Direct Investment in the United States." The Subcommittee heard testimony from The Honorable Donald L. Evans, Chief Executive Officer, The Financial Services Forum, Mr. Paul L. Vikner, President and CEO, Mack Trucks, Inc., Mr. Jeffrey M. Anderson, Executive Director, Virginia Economic Development Partnership and Mr. Daniel K. Tarullo, Professor of Law, Georgetown University Law Center.

The hearing focused on the CFIUS process, and how foreign direct investment benefits the American economy. With the ongoing debate on CFIUS reform, the hearing gave a sense of how the business community felt about reform proposals that might limit foreign investment as America's capital markets increasingly find themselves competing with other developed and developing markets around the world. Also discussed were ideas on what CFIUS reform legislation should include and not include.

COINS AND CURRENCY

On July 19, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, "Coin and Currency Issues Facing Congress: Can We Still Afford Money?" The hearing focused on several coin and currency issues, including H.R. 5077, the "Numismatic Rarities Certainty Act of 2006," which was introduced April 4, 2006, by Mr. Lucas as a response to a variety of situations relating to the collecting of old and rare coins. A number of the issues addressed in H.R. 5077 have existed in one form or another for a century or more. Most revolve around the certainty of ownership of numismatic rarities, which can literally be worth millions of dollars.

H.R. 5077 declares that all U.S. Mint-made rarities and collectibles from 1932 and earlier be legally owned by whomever possesses them, but declares all such items produced by the Mint after December 31, 1932, to be the property of the government and subject to seizure. Once in the possession of the Mint, the items are not to be destroyed, but preserved for display or research. If more coins are seized than are necessary to display or research, the bill directs that they be sold in an orderly fashion and the money used to preserve and display the National Numismatic Collection, currently housed but essentially not displayed at the Smithsonian Institution.

A wide variety of other coin- and currency-related issues also were discussed, including the Mint's efforts to implement the "Presidential $1 Coin Act" and the cost of producing circulating coins. The cost to produce a one-cent coin has risen to more than a penny and the cost to produce a five-cent coin is approaching 7 cents. The hearing also allowed the Bureau of Engraving and Printing to discuss its final plans for a new optically-variable security feature for

the $100 Federal Reserve Note and a planned redesign of the $5 note in an attempt to stay ahead of counterfeiters with increasingly sophisticated computer scanners and printers. The hearing also examined counterfeiting worldwide, especially by North Korea.

The Subcommittee heard testimony from Mr. Larry Felix, Director, Bureau of Engraving and Printing, U.S. Department of the Treasury, Ms. Louise Roseman, Director, Division of Reserve Bank Operations and Payment Systems, Board of Governors of the Federal Reserve System, Mr. David A. Lebryk, Acting Director, U.S. Mint, Mr. Scott Johnson, Deputy Special Agent in Charge, Criminal Investigative Division, U.S. Secret Service, Mr. Brent D. Glass, Director, National Museum of American History, Smithsonian Institution, Mr. Q. David Bowers, Numismatic Director, American Numismatic Rarities, LLC, Ms. Beth Deisher, Editor, Coin World Magazine, Mr. Christopher Cipoletti, Executive Director, American Numismatic Association and Mr. Fred Weinberg, Vice Chairman, Industry Council for Tangible Assets.

RESTITUTION OF HOLOCAUST ASSETS

On July 27, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, "Review of the Repatriation of Holocaust Art Assets in the United States." The hearing focused on the Conference on Jewish Material Claims Against Germany (Claims Conference). The Claims Conference and the American Association of Museums have published a survey concerning the progress that has been made returning artwork to Holocaust victims over the past few years. The hearing also focused on the use of the Nazi-Era Provenance Internet Portal which provides a searchable registry of objects in U.S. museum collections in which ownership changed hands in Continental Europe during the Nazi era (1933–1945). At the time of the hearing there were approximately 18,000 objects from 151 participating museums listed in the Portal with an estimated 2,000 additional pieces to be added in the near future. The hearing also focused on new approaches to locate stolen or "covered" works of art such as digitizing Nazi records.

The Subcommittee heard testimony from Mr. Stuart Eizenstat, Former Commissioner, Presidential Advisory Commission on Holocaust Assets in the U.S., Covington & Burling, Mr. Gideon Taylor, Executive Vice President, Conference on Jewish Material Claims Against Germany, Inc., Mr. Edward Able, President and CEO, American Association of Museums, Mr. Gilbert S. Edelson, Administrative Vice President and Counsel, Art Dealers Association of America, Mr. Jim Cuno, President and Director, Art Institute of Chicago, on behalf of the Association of Art Museum Directors, Mr. Timothy M. Rub, Director, Cleveland Museum of Art and Ms. Catherine A. Lillie, Director, Holocaust Claims Processing Office, New York State Banking Department.

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

On September 12, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, "The International Fund for Agricultural Development

(IFAD) and the Importance of Agricultural Development in Sustainable Global Poverty Reduction."

In 1974, a World Food Conference (Conference) was organized in response to the food crisis of the early 1970's that primarily affected the Saharan countries of Africa. The Conference resolved that a fund devoted to the agricultural development of these countries was to be established and, in 1977, IFAD officially began operating to finance agricultural development projects for the primary purpose of producing food in developing countries. The hearing focused on projects supported by IFAD, its importance in assisting poor people living in rural areas, and the role of the U.S. in replenishing the fund. Since 1978, IFAD has invested more than $8.9 billion towards 706 projects and programs reaching more than 250 million poor people. In December of 2005, the U.S. announced a pledge of $54 million to IFAD's Seventh Replenishment, which represents a 20 percent increase over its $45 million contribution to the Sixth Replenishment and maintains approximately the same level of burden sharing as it did in the previous Replenishment.

The Subcommittee heard testimony from Rev. David Beckmann, President, Bread for the World, Dr. Julie Howard, Executive Director, Partnership to Cut Hunger and Poverty In Africa, Kevin G. Lowther, Regional Director for Southern Africa, Africare and Mr. Bruce McNamer, President and CEO, TechnoServe.

SUBCOMMITTEE HEARINGS HELD

Trafficking in Persons. Hearing entitled "Combating Trafficking in Persons: Status Report on Domestic and International Developments." April 28, 2005. PRINTED, serial no. 109–22.

Social Security Reform. Hearing entitled "Social Security Reform: Successes and Lessons Learned." May 5, 2005. PRINTED, serial no. 109–25.

Debt and Development. Hearing entitled "Debt and Development: How to Provide Efficient, Effective Assistance to the World's Poorest Countries." June 8, 2005. PRINTED, serial no. 109–35.

U.S.-E.U. Economic Relationship. Hearing entitled "The U.S.-E.U. Economic Relationship: What Comes Next?" June 16, 2005. PRINTED, serial no. 109–39.

Trafficking in Persons. Hearing entitled "Combating Trafficking in Persons: An International Perspective." June 22, 2005. PRINTED, serial no. 109–40.

IDA–14. Hearing entitled "IDA–14: Historic Advance or Incremental Change in Debt and development Policy?" September 27, 2005. PRINTED, serial no. 109–56.

Export-Import Bank. Joint Hearing with the Oversight and Investigation Subcommittee entitled "Oversight of the Export-Import Bank." November 10, 2005. PRINTED, serial no. 109–62.

Trade in Financial Services. Hearing entitled "Increasing Efficiency and Economic growth Through Trade in Financial Services." November 15, 2005. PRINTED, serial no. 109–63.

Foreign Investment in the United States. Hearing entitled "Foreign Investment, Jobs and National Security: The CFIUS Process." March 1, 2006. Serial no. 109–75.

Export-Import Bank. Hearing entitled "Reauthorization of the Export-Import Bank of the United States." April 5, 2006. Serial no. 109–83.

Foreign Investment in the United States. Hearing entitled "CFIUS and the Role of Foreign Direct Investment in the United States." April 27, 2006. Serial no. 109–89.

Foreign Investment in the United States. Hearing entitled "H.R. 5337, Reform of National Security Reviews of Foreign Direct Investments Act." May 17, 2006. Serial no. 109–93.

Coins and Currency. Hearing entitled "Coin and Currency Issues Facing Congress: Can We Still Afford Money?" July 19, 2006. Serial no. 109–109.

Restitution of Holocaust Assets. Hearing entitled "Review of the Repatriation of Holocaust Art Assets in the United States" July 27, 2006. Serial no. 109–113.

International Fund for Agricultural Development. Hearing entitled "The International Fund for Agricultural Development (IFAD) and the Importance of Agricultural Development in Sustainable Global Poverty Reduction." September 12, 2006. Serial no. 109–118.

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND CONSUMER CREDIT

(Ratio: 25–22)

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WALTER B. JONES, JR., North Carolina, *Vice Chairman*
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JEB HENSARLING, Texas
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GINNY BROWN-WAITE, Florida
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STEVAN PEARCE, New Mexico
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TOM PRICE, Georgia
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BERNARD SANDERS, Vermont*
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MELVIN L. WATT, North Carolina
GARY L. ACKERMAN, New York
BRAD SHERMAN, California
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DENNIS MOORE, Kansas
PAUL E. KANJORSKI, Pennsylvania
MAXINE WATERS, California
DARLENE HOOLEY, Oregon
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HAROLD E. FORD, JR., Tennessee
RUBÉN HINOJOSA, Texas
JOSEPH CROWLEY, New York
STEVE ISRAEL, New York
CAROLYN MCCARTHY, New York
JOE BACA, California
AL GREEN, Texas
GWEN MOORE, Wisconsin
WM. LACY CLAY, Missouri
JIM MATHESON, Utah
BARNEY FRANK, Massachusetts, *ex officio*

*Mr. Sanders is an independent, but caucuses with the Democratic Caucus.

SUBCOMMITTEE LEGISLATIVE ACTIVITIES

CREDIT UNION CHARTER CHOICE ACT

(H.R. 3206)

To amend the Federal Credit Union Act provisions relating to any conversion of a credit union charter to a mutual savings bank or savings association charter, and for other purposes.

Summary

H.R. 3206 amends the Federal Credit Union Act regarding conversion of a credit union charter to a mutual savings bank or savings association charter, and the nature of disclosures made by a converting credit union to its members and of the conversion vote. H.R. 3206 intends to make the conversion process more clearly defined and uniform.

Legislative History

H.R. 3206 was introduced by Mr. McHenry on July 12, 2005 and referred to the House Committee on Financial Services. On July

29, 2005 it was subsequently referred to the Subcommittee on Financial Institutions and Consumer Credit. The Subcommittee held a legislative hearing on May 11, 2006.

SUBCOMMITTEE OVERSIGHT ACTIVITIES

BASEL ACCORD

On May 11, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a joint hearing with the Subcommittee on Domestic and International Monetary Policy entitled, "Basel II: Capital Changes in the U.S. Banking System and the Results of the Impact Study." The Subcommittee has closely monitored the Basel II negotiations process and has been interested in the impact this agreement will have on financial institutions in the U.S., as well as competition in international markets. The hearing focused on the effect that the Basel II proposal will have on the domestic banking system as well as on the recently completed fourth Qualitative Impact Study (QIS4). The Subcommittee heard testimony from federal regulators, a community bank representative, two economists specializing in the housing and mortgage markets, as well as a consultant representing financial services firms.

On September 28, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled, "Private Sector Priorities for Basel Reform." The hearing focused on the effect that the Basel II proposal will have on the domestic banking system and possible improvements to the current proposal. The Subcommittee heard testimony from bank executives representing large and small institutions that may be affected by the proposed Basel II Accord, as well as from a financial trade association.

On September 14, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled, "A Review of Regulatory Proposals on Basel Capital and Commercial Real Estate". The hearing focused on the current status, recent developments, and potential impact of proposals from financial regulators on Basel capital reform and commercial real estate lending guidance. The Subcommittee heard testimony from federal regulators, bank executives representing large and small institutions that may be affected by the proposed Basel II Accord, as well as from a financial trade association, a trade association representing securities firms, analytical testimony from two witnesses and an academic.

HURRICANE KATRINA: THE FINANCIAL INSTITUTIONS' RESPONSE

On September 14, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Hurricane Katrina: The Financial Institutions' Response." The hearing focused on the financial services industry, its efforts to help victims of Hurricane Katrina, and whether legislative and regulatory solutions are needed. The Subcommittee heard testimony from bank and credit union executives representing large and small institutions and the National Association for the Advancement of Colored People.

FINANCIAL SERVICES REGULATORY RELIEF

On June 9, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Financial Services Regulatory Relief: The Regulators' Views." This hearing focused on ways to reduce the regulatory burden on insured depository institutions in order to benefit consumers and the economy by lowering costs and improving productivity. The Subcommittee heard testimony from Federal and State banking, thrift and credit union regulators.

On May 19, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Financial Services Regulatory Relief: Private Sector Perspectives." This hearing focused on financial services industry and regulations that they consider outdated or not cost-effective, and gave them an opportunity to offer recommendations for alleviating the burdens imposed by those regulations. The Subcommittee heard testimony from bank and credit union executives representing large and small institutions, as well as a financial services trade association representing U.S. corporations that sponsor employee stock ownership plans.

BANKING ON RETIREMENT SECURITY

On June 23, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Banking on Retirement Security: A Guaranteed Rate of Return." The hearing focused on possible reasons that any plan to reform Social Security should include a community bank option. A community bank/federally insured financial institution option would create a banking model with Retirement Savings Accounts (RSAs) designed to allow workers to put part of their Social Security in a product similar to a federally insured certificate of deposit (CD) offered by a community bank, savings association, or credit union. The Subcommittee heard testimony from community bank executives and a professor.

LEGISLATIVE SOLUTIONS TO ABUSIVE MORTGAGE LENDING PRACTICES

On May 24, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a joint hearing with the Subcommittee on Housing and Community Opportunity entitled "Legislative Solutions to Abusive Mortgage Lending Practices." The hearing focused on predatory and abusive mortgage lending practices, particularly in the subprime market, and current legislative proposals to abate and eliminate such practices. The Subcommittee heard testimony from a wide range of interested parties, including representatives of the mortgage lending industry, the secondary market, consumer groups, and a mortgage counseling professional, who discussed the problems associated with abusive lending practices and various legislative solutions currently pending before this Congress.

ENHANCING DATA SECURITY

On May 18, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled 'Enhancing Data Security: The Regulators' Perspective.' The hearing focused on recent data security breaches that have compromised consumers' sensitive financial information and regulatory solutions. The Subcommittee heard testimony from three Federal regulators.

HELPING CONSUMERS OBTAIN THE CREDIT THEY DESERVE

On May 12, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Helping Consumers Obtain the Credit They Deserve." The hearing focused on promoting greater access to credit through the collection and reporting of data that has not traditionally been captured by our nation's credit reporting system or by credit scoring models used by prospective creditors. The Subcommittee heard testimony from one credit data complier, two corporate users of consumer credit reports, one consumer witness and one academic witness.

IMPLEMENTATION OF THE CHECK CLEARING FOR THE 21ST CENTURY ACT

On April 20, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Implementation of the Check Clearing for the 21st Century Act". This hearing focused on implementation of Check 21. This law was signed by the President in the previous Congress, on October 28, 2003, and became effective one year later. The Subcommittee heard testimony from the Federal Reserve, trade associations representing small and large banks, and a trade association that develops and maintains the operating rules that govern the processing of electronic payments.

BANK SECRECY ACT'S IMPACT ON MONEY SERVICES BUSINESSES

On June 21, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Bank Secrecy Act's Impact on Money Services Businesses." This hearing focused on the oversight and regulation of Money Service Businesses (MSBs). Specifically, the hearing sought to better understand the impact that the Bank Secrecy Act and related financial institution account discontinuance have had on MSB entities. The Subcommittee heard testimony from FinCen, IRS, and financial service centers.

HOME MORTGAGE DISCLOSURE ACT: NEWLY COLLECTED DATA AND WHAT IT MEANS

On June 13, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Home Mortgage Disclosure Act: Newly Collected Data and What It Means." The hearing focused on 2004 Home Mortgage Disclosure Act data, which included information for the first time on loan pricing data for higher priced loans. The Subcommittee heard testimony from a Governor of the Federal Reserve Board and from a number of representatives from the private sector.

ILCS—A REVIEW OF CHARTER, OWNERSHIP, AND SUPERVISION ISSUES

On July 12, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "ILCs—a Review of Charter, Ownership, and Supervision Issues." This hearing focused on industrial loan corporations (ILCs), which are state-chartered, federally insured, limited purpose financial institutions that are owned by both financial and commercial companies. Over the last 20 years, total ILC assets have increased by over 3,500 percent. Given their growing size and diversity, the purpose of this hearing

is to review the ILC charter, types of ownership, and current regulatory oversight. The Subcommittee heard testimony from representatives of the Federal Reserve, FDIC, GAO, state regulators, securities industry and community bankers.

ICANN AND THE WHOIS DATABASE: PROVIDING ACCESS TO PROTECT CONSUMERS FROM PHISHING

On July 18, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "ICANN and the Whois Database: Providing Access to Protect Consumers from Phishing." This hearing focused on the Whois database, which is maintained by Internet registrars of the registry for Internet sites. The Whois database is one tool law enforcement and businesses use to fight phishing and fraudulent website postings. The Subcommittee heard testimony from representatives from the Commerce Department, FTC, financial services and information industries, and privacy experts.

FINANCIAL LITERACY

On September 28, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Improving Financial Literacy: Working Together to Develop Private Sector Coordination and Solutions." The hearing focused on private sector financial literacy programs and their coordination of the programs in the community to improve America's understanding of basic finance. The Subcommittee heard from non-profit and for profit entities that currently coordinate financial literacy efforts.

SUBCOMMITTEE HEARINGS HELD

H.R. 1185, the Deposit Insurance Reform Act of 2005. Hearing on H.R. 1185, the "Deposit Insurance Reform Act of 2005." March 17, 2005. PRINTED, serial no. 109–10.

H.R. 1042, the Net Worth Amendment for Credit Unions Act. Hearing on H.R. 1042, the "Net Worth Amendment for Credit Unions Act." April 13, 2005. PRINTED, serial no. 109–16.

Implementation of the Check Clearing for the 21st Century Act. Hearing entitled, "Implementation of the Check Clearing for the 21st Century Act." April 20, 2005. PRINTED, serial no. 109–20.

Basel II: Capital Changes in the U.S. Banking Systems and the Results of the Impact Study. Joint hearing with the Subcommittee on Domestic and International Monetary Policy entitled "Basel II: Capital Changes in the U.S. Banking Systems and the Results of the Impact Study." May 11, 2005. Serial no. 109–27.

Helping Consumers Obtain the Credit They Deserve. Hearing entitled "Helping Consumers Obtain the Credit They Deserve." May 12, 2005. Serial no. 109–29.

Enhancing Data Security: The Regulators' Perspective. Hearing entitled "Enhancing Data Security: The Regulators' Perspective." May 18, 2005. Serial no. 109–31.

Financial Services Regulatory Relief: Private Sector Perspectives. Hearing entitled "Financial Services Regulatory Relief: Private Sector Perspectives." May 19, 2005. Serial no. 109–32.

Legislative Solutions to Abusive Mortgage Lending Practices. Joint hearing with the Subcommittee on Housing and Community Opportunity entitled "Legislative Solutions to Abusive Mortgage Lending Practices." May 24, 2005. Serial no. 109–33.

Financial Services Regulatory Relief: The Regulators' Views. Hearing entitled "Financial Services Regulatory Relief: The Regulators' Views." June 9, 2005. PRINTED, serial no. 109–36.

Banking on Retirement Security: A Guaranteed Rate of Return. Hearing entitled "Banking on Retirement Security: A Guaranteed Rate of Return." June 23, 2005. Serial no. 109–41.

Hurricane Katrina: The Financial Institutions' Response. Hearing entitled "Hurricane Katrina: The Financial Institutions' Response." September 14, 2005. Serial no. 109–53.

H.R 3505, the "Financial Services Regulatory Relief Act of 2005." Hearing on H.R 3505, the "Financial Services Regulatory Relief Act of 2005." September 22, 2005. Serial no. 109–55.

Private Sector Priorities for Basel Reform. Hearing entitled "Private Sector Priorities for Basel Reform." September 28, 2005. Serial no. 109–57.

H.R. 3505, the "Financial Services Regulatory Relief Act of 2005." Hearing on H.R. 3505, the "Financial Services Regulatory Relief Act of 2005." October 18, 2005. Serial no. 109–59.

H.R. 3997, the "Financial Data Protection Act of 2005." Hearing on H.R. 3997, the "Financial Data Protection Act of 2005." November 9, 2005. Serial no. 109–61.

H.R. 3206, the "Credit Union Charter Choice Act." Hearing on H.R. 3206, the "Credit Union Charter Choice Act." May 11, 2006. Serial no. 109–91.

H.R. 5341, the "Seasoned Customer CTR Exemption Act of 2006." Hearing on H.R. 5341. the "Seasoned Customer CTR Exemption Act of 2006." May 18, 2006. Serial no. 109–95.

Home Mortgage Disclosure Act: Newly Collected Data and What it Means. Hearing entitled "Home Mortgage Disclosure Act: Newly Collected Data and What it Means." June 13, 2006. Serial no. 109–99.

Bank Secrecy Act's Impact on Money Services Businesses. Hearing entitled "Bank Secrecy Act's Impact on Money Services Businesses." June 21, 2006. Serial no. 109–100.

ILCs—a Review of Charter, Ownership, and Supervision Issues. Hearing entitled "ILCs—a Review of Charter, Ownership, and Supervision Issues." July 12, 2006. Serial no. 109–106.

ICANN and the Whois Database: Providing Access to Protect Consumers from Phishing. Hearing entitled "ICANN and the Whois Database: Providing Access to Protect Consumers from Phishing." July 18, 2006. Serial no. 109–108.

Basel—A Review of Regulatory Proposals on Basel Capital and Commercial Real Estate. Hearing entitled "A Review of Regulatory Proposals on Basel Capital and Commercial Real Estate." September 14, 2006. Serial no. 109–120.

Financial Literacy—Improving Financial Literacy: Working Together to Develop Private Sector Coordination and Solutions. Hearing entitled "Improving Financial Literacy: Working Together to Develop Private Sector Coordination and Solutions." September 28, 2006. Serial no. 109–124.

SUBCOMMITTEE ON HOUSING AND COMMUNITY OPPORTUNITY

(Ratio: 14–12)

(*VACANCY*), Chairman [2]

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EMANUEL CLEAVER, Missouri
AL GREEN, Texas
BARNEY FRANK, Massachusetts,
ex officio

* Mr. Sanders is an independent, but caucuses with the Democratic Caucus.

SUBCOMMITTEE LEGISLATIVE ACTIVITIES

FHA MANUFACTURED HOUSING LOAN MODERNIZATION ACT OF 2006

(H.R. 4804)

To modernize the manufactured housing loan insurance program under title 1 of the National Housing Act.

Summary

H.R. 4804, the FHA Manufactured Housing Loan Modernization Act of 2006 amends the National Housing Act with respect to Federal Housing Administration (FHA) housing loan insurance for manufactured homes (or lots for such homes).

Amends Title I of the Federal Housing Administration (FHA) manufactured housing personal property mortgage insurance program by encouraging more private-sector participation in the Title I program, increasing the availability of Title I loans for manufactured housing, and improving access for such loans to the secondary mortgage market.

Legislative History

H.R. 4804, the FHA Manufactured Housing Loan Modernization Act of 2006, was introduced by Mr. Tiberi and one cosponsor on February 16, 2006, and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Housing and Community Opportunity on March 21, 2006. On June 8, 2006, the Subcommittee considered and approved H.R. 4804 for full Committee consideration, by voice vote.

On June 14, 2006, the full Committee met in open session and ordered the bill to be reported as amended with a favorable recommendation to the House by voice vote. On July 19, 2006, the Committee reported the bill to the House, as amended (H. Rept. 109–580). On July 25, 2006, the House considered the bill under suspension of the rules and passed the bill as amended by a vote of 412–4.

On July 26, 2006, H.R. 4804 was received in the Senate, read twice, and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

No further action was taken on this legislation in the 109th Congress.

SAVING AMERICA'S RURAL HOUSING ACT OF 2006

(H.R. 5039)

To establish a program to revitalize rural multifamily housing assisted under the Housing Act of 1949.

Summary

H.R. 5039, Saving America's Rural Housing Act of 2006, amends the Housing Act of 1949 to direct the Secretary of Agriculture to implement a revitalization program to provide financial incentives and other assistance to owners of eligible projects through voluntary long-term use agreements entered into between the projects.

Legislative History

H.R. 5039, Saving America's Rural Housing Act of 2006, was introduced by Mr. Geoff Davis and ten cosponsors on March 29, 2006, and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Housing and Community Opportunity on April 21, 2006.

On April 25, 2006, the Subcommittee held a legislative hearing on H.R. 5039. On May 23, 2006, the Subcommittee considered and approved H.R. 5039 for full Committee consideration, as amended. The full Committee met in open session on June 14, 2006 and ordered the bill to be reported with a favorable recommendation to the House, as amended, by voice vote. The Committee reported the bill as amended to the House on July 27, 2006, (H. Rept. 109–604).

NATURAL DISASTER HOUSING REFORM ACT OF 2006

(H.R. 5393)

To provide for the Department of Housing and Urban Development to coordinate Federal housing assistance efforts in the case of disasters resulting in long-term housing needs.

Summary

H.R. 5393, the 'Natural Disaster Housing Reform Act of 2006' has two main functions: to designate the Department of Housing and Urban Development (HUD) as the lead Federal agency in natural disasters (subject to a Stafford Act declaration) where long-

term housing needs exist and to make changes to the Stafford Act to facilitate post-Katrina recovery.

H.R. 5393 would allow, after a Presidential disaster declaration under the Stafford Act, a governor to request that the President find a long-term housing response. Upon making a finding that disaster victims may be displaced from their residences for more than 30 days, the President may designate HUD as the lead agency to provide housing assistance to disaster victims. Housing assistance is broadly defined in order to provide HUD a comprehensive array of options to meet long-term housing needs. This flexibility will offer significant improvements to existing law that sharply limits housing options for disaster victims. While HUD is the lead agency, DHS primacy in the management of natural disaster response is retained.

Legislative History

H.R. 5393, the Natural Disaster Housing Reform Act of 2006 was introduced by Mr. Baker and two cosponsors on May 16, 2006, and referred to the Committee on Financial Services and the Committee on Transportation and Infrastructure.

The Financial Services Committee referred the bill to the Subcommittee on Housing and Community Opportunity on June 7, 2006. On June 8, 2006, the Subcommittee considered and approved H.R. 5393 by voice vote.

On June 14, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House by voice vote. The Committee reported the bill to the House, H. Rept. 109–607, on July 28, 2006.

The Committee on Transportation and Infrastructure referred the bill to the Subcommittee on Highways, Transit and Pipelines on May 17, 2006.

Portions of H.R. 5393 were included in the FY 07 Homeland Security Appropriations bill, which was signed by the President, October 4, 2006, becoming Public Law 109–295.

SECTION 8 VOUCHER REFORM ACT OF 2006

(H.R. 5443)

To reform the housing choice voucher program under section 8 of the United States Housing Act of 1937.

Summary

H.R. 5443, the Section 8 Voucher Reform Act of 2006, amends the United States Housing Act of 1937 to set forth exceptions to the requirement of initial inspection prior to occupancy, especially to allow assistance payments if failure to meet standards results only from non-life threatening conditions.

Prescribes guidelines for income reviews and calculation of income. Directs the Secretary of Housing and Urban Development to make an annual inflation adjustment to exclusions from such calculation.

Instructs the Secretary to implement a Moving to Work Program in which selected public housing agencies may participate.

Authorizes funding for tenant-based vouchers.

Permits a public housing agency, at its discretion, to provide a single grant to be used only as a contribution toward the downpayment for the purchase of a dwelling, in lieu of monthly assistance payments.

Legislative History

H.R. 5443, the Section 8 Voucher Reform Act of 2006, was introduced by Mr. Ney and three cosponsors on May 22, 2006, and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Housing and Community Opportunity on June 8, 2006. On the same day, the Subcommittee considered and approved H.R. 5443 for full Committee consideration, as amended, by a vote of 23 yeas and 2 nays.

On June 14, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, as amended, by voice vote.

MARK-TO-MARKET EXTENSION ACT OF 2006

(H.R. 5527) (see also H.R. 6115)

To extend the authority of the Secretary of Housing and Urban Development to restructure mortgages and rental assistance for certain assisted multifamily housing.

Summary

H.R. 5527, the Mark-to-Market Extension Act of 2006 amends the Multifamily Assisted Housing Reform and Affordability Act of 1997 to reauthorize to October 1, 2011: (1) the Mark-to-Market program; and (2) provisions of the FHA-insured Multifamily Housing Mortgage and Housing Assistance Restructuring program regarding projects and programs for which binding commitments have been entered into under such Act.

Legislative History

H.R. 5527, the Mark-to-Market Extension Act of 2006, was introduced by Mr. Ney and three cosponsors on June 6, 2006, and referred to the Committee on Financial Services. The bill was referred to the Subcommittee on Housing and Community Opportunity on June 7, 2006.

On June 8, 2006, the Subcommittee considered and approved H.R. 5527 for full Committee consideration, by voice vote. On June 14, 2006, the full Committee met in open session and ordered the bill to be reported with a favorable recommendation to the House, as amended, by voice vote. On July 17, 2006, the Committee reported the bill to the House, as amended (H. Rept. 109–572).

SUBCOMMITTEE OVERSIGHT ACTIVITIES

RURAL HOUSING IN AMERICA

On March 10, 2005, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Oversight of the Rural Housing Service and its Fiscal Year 2006 Budget." The Financial Services Committee has jurisdiction over the rural housing programs under the Rural Housing Service (RHS) in the Department

of Agriculture. The Subcommittee heard testimony from the Administrator of the Rural Housing Service, Department of Agriculture (USDA) and the Director of the Government Accountability Office.

The hearing was designed to review the Service's fiscal year 2006 budget proposal and three reports issued by the Government Accountability Office (GAO) entitled "Rural Housing: Changing the Definition of Rural Could Improve Eligibility Determinations" (GAO–05–110), "Rural Housing Service: Agency Has Overestimated Its Rental Assistance Budget Needs Over the Life of the Program" (GAO–04–752), and "Rural Housing Service: Updated Guidance and Additional Monitoring Needed for Rental Assistance Distribution Process" (GAO–04–937).

On April 25, 2006, the Subcommittee held a legislative hearing on H.R. 5039, Saving America's Rural Housing Act of 2006, introduced by Mr. Geoff Davis. The bill would create a revitalization program, allow for the prepayment of some section 515 loans made before 1989, and protect tenants. The Subcommittee heard testimony from the Administrator for Rural Development Housing and Community Facilities Programs at USDA and representatives from a variety of organizations involved with the Section 515 program.

NATIONAL FLOOD INSURANCE PROGRAM

The Subcommittee on Housing and Community Opportunity has held four hearings in a series focused on the National Flood Insurance Program (NFIP).

On April 14, 2005, the Subcommittee held a hearing entitled "Review and Oversight of the National Flood Insurance Program." The Financial Services Committee has jurisdiction over the NFIP under the Federal Emergency Management Agency (FEMA) in the Department of Homeland Security. The Subcommittee heard testimony from the Acting Mitigation Division Director and Federal Insurance Administrator at FEMA and the Director of Homeland Security and Justice at the Government Accountability Office. The hearing focused on administrative problems facing the NFIP and the steps currently being taken by FEMA and the private insurance industry to resolve these problems. The hearing also addressed the current funding difficulties impacting the implementation of the Flood Insurance Reform Act.

On July 12, 2005, the Subcommittee held a hearing entitled "Flood Map Modernization and the Future of the National Flood Insurance Program." The hearing focused on the $1 billion, 5-year flood map modernization program at FEMA. The Subcommittee heard testimony from the Acting Mitigation Division Director and Federal Insurance Administrator at FEMA and the Director of Homeland Security and Justice at the Government Accountability Office.

On August 17, 2005, the Subcommittee held a field hearing in New Philadelphia, OH entitled "A Look at the National Flood Insurance Program: Is Ohio Ready for a Flood?" The Subcommittee heard testimony from the Acting Mitigation Division Director and Federal Insurance Administrator at FEMA and several Ohio state and local officials. The hearing focused on how state and local governments operate under the NFIP, and the steps currently being

taken by FEMA, local officials, and the insurance industry to resolve problems dealing with inconsistencies and delays inherent to the program. The hearing examined current implementation difficulties in counties such as Tuscarawas, OH; specifically, how implementation of the Flood Insurance Reform Act has affected constituents and local organizations.

On October 20, 2005, the Subcommittee held a hearing entitled "Management and Oversight of the NFIP." Witnesses included Congressmen Richard Baker (LA) and Gene Taylor (MS), David Maurstad, Acting Director and Federal Insurance Administrator at FEMA, and William Jenkins, Jr., Director, Homeland Security and Justice, U.S. Government Accountability Office. The hearing focused on GAO's upcoming report on issues related to the NFIP, its management and oversight by FEMA, and FEMA's implementation of reforms to the NFIP that were mandated by the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (P.L. 108–264). The hearing also focused on the impact of Hurricanes Katrina and Rita on the NFIP and on FEMA's response as well as funding difficulties that may confront the NFIP in the aftermath of recent hurricanes.

EMERGENCY HOUSING NEEDS ON THE GULF COAST

On September 8, 2005, the Subcommittee held a roundtable discussion on crucial housing needs in the aftermath of Hurricane Katrina. Over 30 representatives from the housing industry, from charitable organizations, public housing and anti-poverty advocacy groups participated. Several Members of Congress also participated. Participants discussed the efforts their organizations were taking, what their needs were, and what regulatory or legislative solutions might be necessary in the immediate future.

The Subcommittee held seven hearings in a series focused on Gulf Coast recovery. The first hearing on September 15, 2005, was entitled "Emergency Housing Needs in the Aftermath of Hurricane Katrina." The hearing focused on the critical housing needs in the aftermath of Hurricane Katrina. The Subcommittee heard testimony from the housing industry, charitable organizations, and housing advocacy groups.

On December 8 and December 14, 2005, the Subcommittee held hearings entitled "Housing Options in the Aftermath of Hurricanes Katrina and Rita." The hearings focused on the Federal government's response to the emergency housing needs of residents affected by Hurricanes Katrina and Rita, specifically FEMA's hotel program for evacuees and the role of HUD housing programs in response to disasters. Witnesses included David E. Garratt, Acting Director, Recovery Division, Federal Emergency Management Agency, and Honorable Brian D. Montgomery, Assistant Secretary for Housing/Federal Housing Commissioner and Orlando J. Cabrera, Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development.

On January 13, 2006 and January 14, 2006, the Subcommittee held two field hearings in a continuing series of hearings entitled "Housing Options in the Aftermath of Hurricanes Katrina and Rita." The first hearing was held in New Orleans, LA. The second hearing was held in Gulfport, MS. Witnesses at the New Orleans

hearing included Congressman William Jefferson and Mayor C. Ray Nagin, officials representing HUD and FEMA, and leaders representing various community groups. Witnesses at the second hearing included Gulfport Mayor Brent Warr, officials from HUD and FEMA, and leaders representing community groups.

The Subcommittee held a hearing on February 28, 2006 entitled, "Fair Housing Issues in the Gulf Coast in the Aftermath of Hurricane Katrina and Rita." The hearing focused on the experiences and challenges faced by displaced families and individuals seeking temporary or permanent housing replacement. The current state of fair housing enforcement and the effect of recent technological advances on enforcement practices were examined. Following the hurricanes, offers of assistance, including housing assistance, were posted on internet web sites. This raised the question of whether the internet can complement disaster programs, and whether fair housing laws can be enforced on internet postings.

On March 9, 2006, the Subcommittee held a hearing entitled "The Federal Role in Facilitating Recovery and Long-term Rebuilding Efforts." Donald E. Powell, Federal Coordinator for Gulf Coast Rebuilding, U.S. Department of Homeland Security, was the only witness. On November 1, 2005, President Bush appointed Mr. Powell as the Federal Coordinator for Gulf Coast Rebuilding. In that capacity, Mr. Powell was tasked with developing a long-term rebuilding plan for the region in the aftermath of Hurricanes Katrina, Rita and Wilma, coordinating the federal efforts and helping state and local officials reach consensus on their vision for the region.

The hearing focused on the challenges and opportunities of both the intermediate recovery and long-term rebuilding efforts in the Gulf Coast region, the Federal role in assisting State and local governments in establishing and implementing their plans for rebuilding and recovery, and the appropriate role for the Federal government in these efforts.

HOUSING CHOICE VOUCHER REFORM

On May 11, 2005 and May 17, 2005, two legislative hearings were held entitled "H.R. 1999, The State and Local Housing Flexibility Act of 2005." The Full Committee held the May 11, 2005 hearing, and the Subcommittee on Housing and Community Opportunity held the May 17, 2005 hearing. The Committee heard testimony from the Secretary of the Department of Housing and Urban Development. The Subcommittee heard testimony from a number of public housing authorities and housing advocacy groups.

Both hearings focused on H.R. 1999, the Administration's proposal to reform the Housing Choice Voucher program. The bill was introduced in the House by Congressman Gary G. Miller of California and by Senator Wayne Allard in the Senate. H.R. 1999 makes significant changes to the housing choice voucher program by providing greater flexibility to Public Housing Authorities (PHA) to manage their individual budgets.

HOUSING AFFORDABILITY

The Subcommittee held a legislative hearing on H.R. 3043, The Zero Downpayment Pilot Program Act of 2006 on June 30, 2005.

Representatives of the Government Accountability Office, industry and consumer groups testified.

H.R. 3043 was introduced in the House by Mr. Tiberi and Mr. David Scott on June 23, 2005 and reflects a legislative proposal incorporated in the Administration's FY 2005 and 2006 budgets for the U.S. Department of Housing and Urban Development (HUD). In the 108th Congress, Congressmen Tiberi and Scott introduced an earlier version—"Zero Downpayment Act of 2004" on February 3, 2004. The legislative proposal would eliminate the downpayment requirement for families and individuals who buy homes with FHA-insured mortgages. H.R. 3043 incorporates the 2004 reported bill as well as the following key revisions: (1) establishes the Zero Downpayment program as a pilot program; (2) limits the number of mortgages insured this pilot program to 50,000, in order to gauge whether zero downpayment programs can be underwritten to limit foreclosures; and, (3) sunsets the program in 2010, in order to provide an opportunity to review the program and determine its effectiveness.

CHANGING REAL ESTATE MARKET

On July 25, 2006, the Subcommittee held a hearing entitled "The Changing Real Estate Market". Witnesses included representatives from the Department of Justice, the Federal Trade Commission, the Government Accountability Office, consumer groups and the real estate industry. The hearing focused on the growing role of the Internet in real estate transactions and its impact on homeownership and consumers. The hearing addressed new and innovative brokerage business models, multiple listing services, and the implications of state-imposed minimum-service requirements.

MORTGAGE BROKER LICENSING AND REGISTRATION

The Subcommittee held a legislative hearing on September 29, 2005 entitled "Licensing and Registration in the Mortgage Industry." The hearing focused on Title V of H.R. 1295, The Responsible Lending Act, introduced by Mr. Ney on March 15, 2005, and on the benefits, controversies and problems surrounding the patchwork nature of State licensing, registration and education requirements regarding the mortgage industry.

Mortgage companies are generally licensed by the States. However, with the proliferation of predatory lending practices, States are moving beyond corporate licensing and requiring the licensing of loan officers and, in some cases, support staff. Licensing and regulation of the mortgage industry differs significantly from State to State. The subcommittee heard testimony from the North Carolina Commissioner of Banks, and representatives from industry and consumer groups.

ABUSIVE MORTGAGE LENDING PRACTICES

The Subcommittee and the Subcommittee on Financial Institutions and Consumer Credit held a joint legislative hearing on May 24, 2005 entitled "Legislative Solutions to Abusive Mortgage lending Practices." The hearing focused on predatory and abusive mortgage lending practices, particularly in the subprime market, and

current legislative proposals to abate and eliminate such practices. Representatives of the mortgage lending industry, the secondary market, consumer groups, and a mortgage counseling professional discussed the problems associated with abusive lending practices and various legislative solutions currently pending before this Congress.

Nationally, subprime mortgage originations have skyrocketed since the early 1990s. In 1994, just $34 billion in subprime mortgages were originated, compared with over $213 billion in 2002 and $608 billion in 2004. The proportion of subprime loans compared with all home loans also rose dramatically. In 1994, subprime mortgages represented five percent of overall mortgage originations in the U.S. By 2002, the share had risen to 8.6 percent, and by the fourth quarter of 2004, the share had grown to 24 percent.

Although subprime lending has increased access to credit to those with less-than-perfect credit and low-to-moderate income borrowers, it has also in some instances increased abusive lending practices that have targeted more vulnerable populations, such as minorities and the elderly. These abusive practices have become known as "predatory lending." Specific terms or practices that many associate with predatory lending include excessively high interest rates and fees, balloon payments, high loan-to-value ratios, excessive prepayment penalties, loan flippings, loan steering, and unnecessary single-premium credit insurance.

Various legislative proposals attempt to limit abusive lending practices. Earlier this year, Chairman Ney and Congressman Paul Kanjorski introduced H.R. 1295, the Responsible Lending Act, which contains a number of new and comprehensive solutions to mortgage lending problems and abuses. Other legislative proposals to this problem have been introduced in the 109th Congress, including H.R. 1182, the Prohibit Predatory Lending Act, introduced by Congressman Brad Miller and Congressman Melvin Watt.

NATIVE AMERICAN LAND TITLE ISSUES

The Committee on Financial Services held a joint hearing with the Committee on Resources on July 19, 2005 entitled "Improving Land Title Grant Procedures for Native Americans." Representatives from the Office of Native American Programs, Department of Housing and Urban Development and from the Bureau of Indian Affairs (BIA), Department of the Interior testified.

The hearing focused on the administrative problems facing Native Americans seeking homeownership and the process of obtaining land title through BIA. Specifically, the hearing focused on the BIA's ability to produce timely Title Status Reports (TSR) for Native American Lands, as well as how BIA affects HUD programs such as the Indian Community Development Block Grant Program and the Indian Housing Block Grant Program. Since the TSR serves as proof of "clear title" for the purpose of mortgaging leasehold interests for property, the ability of BIA to issue these reports affects more than housing, and has been seen by critics as a major contributing factor to the lack of economic development on Native American lands.

The Subcommittee held a field hearing entitled "Removing Barriers to Homeownership for Native Americans" on July 31, 2006 in

Camp Verde, Arizona. This hearing focused on the progress made by the BIA and HUD in removing those barriers to federal housing assistance for Native Americans identified in the full Committee hearing on July 19, 2005.

POWERS OF EMINENT DOMAIN

The Subcommittee held a field hearing on August 18, 2005 on the impact on Ohio communities of the Supreme Court's decision, *Kelo* v. *City of New London.* The morning session of the hearing was held in Hebron, Ohio, and the afternoon session was held in Chillicothe, OH. The hearing examined the balance needed between governments' power to condemn land for "public use" while maintaining the rights of citizens who wish to retain their private property. Witnesses testified about Ohio's state and local laws that regulate condemnation and their personal experiences concerning families and businesses that have lost private property through condemnation.

COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG)

The Subcommittee on Housing and Community Opportunity held three field hearings entitled "Strengthening Rural Ohio: A Review of the Community Development Block Grant Program." The first hearing was held on Friday, March 24, 2006, in the Knox County Commission Hearing Room, Mount Vernon, Ohio. The second hearing was held later that same day in the Guernsey County Commission Conference Room, Cambridge, Ohio. The third hearing was held the following day, on Saturday, March 25, 2006, in the Hocking County Emergency Management Agency Conference Room, Logan, Ohio. Witnesses included local elected officials and representatives of nonprofit organizations.

The Subcommittee also held a field hearing on the CDBG program on April 12, 2006 in Los Angeles, California. Witnesses included local officials, and representatives from economic development and nonprofit organizations.

The CDBG program, administered by HUD, is the Federal government's largest and most widely available source of financial assistance to support State and local government-directed neighborhood revitalization, housing rehabilitation, and economic development activities. These formula-based grants are allocated to more than 1,100 entitlement communities (metropolitan cities with populations of 50,000 or more, and urban counties), the 50 states, Puerto Rico, and the insular areas of American Samoa, Guam, the Virgin Islands, and the Northern Mariana Islands. The States participating in the CDBG Program award grants only to units of general local government that carry out development activities, which accounts for the investment in rural areas. Annually each State develops funding priorities and criteria for selecting projects. Grants are used to implement plans intended to address local housing, neighborhood revitalization, public services, and infrastructure needs, as determined by local officials with citizen input.

HOUSING FOR MILITARY PERSONNEL

On February 8, 2006, the Subcommittee on Housing and Community Opportunity held a legislative hearing on H.R. 3186, Build Houses for Our Military's Enlisted Servicemembers Act, introduced by Congressman Jim Ryun. The bill amends the Department of Housing and Urban Development Act to exclude basic housing assistance amounts received by a member of the Armed Forces from consideration as income for any Federal housing assistance program.

The Low Income Housing Tax Credit (LIHTC) was created by the Tax Reform Act of 1986 as an alternative method of funding to provide housing for low and moderate income families in private developments. Presently, HUD's policy is to include the military's Basic Allowance for Housing (BAH) as income in its calculation for determining if a family meets the income qualification for LIHTC housing.

H.R. 3186 directs HUD to exclude the BAH in its calculation of income for the purposes of the LIHTC program. This change would allow housing developers to take advantage of the low income housing tax credit (LIHTC), and build more low income housing in communities near military bases. This bill does not increase credit allocation to the states; therefore, there is no additional cost to the taxpayer.

FEDERAL HOUSING ADMINISTRATION

On April 5, 2006, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Transforming the Federal Housing Administration for the 21st Century."

The hearing focused on the Administration's FY 2007 budget proposal to reform the Federal Housing Administration's (FHA) single-family mortgage insurance activities. Under the proposal, FHA would base each borrower's mortgage insurance premiums upon the risk that the borrower poses to the FHA Mortgage Insurance Fund. Additionally, mortgage insurance premiums would be based on the borrower's credit history, loan-to-value ratio, debt-to-income ratio, and on FHA's historical experience with similar borrowers. The Administration believes that these changes would decrease premiums for many of FHA's traditional borrowers, thereby increasing their access to homeownership.

The Administration's proposal also amends the National Housing Act regarding the factors for determining the maximum single family mortgage amounts insurable by FHA. Generally, under current law, the maximum insurable mortgage is the lesser of a maximum allowable dollar amount and an amount based on a maximum percentage of appraised value plus the mortgage insurance premium. FHA maximum mortgage dollar amounts are established with reference to the median home price for the area in which the property is located. Under the proposal, the FHA could insure the full median house price up to 100 percent of the Federal Home Loan Mortgage Corporation Association conforming loan limit, now $362,790 for a one-unit property.

HOUSING INSURANCE ISSUES

The Subcommittee held a hearing on Wednesday, April 26, 2006, entitled "Title Insurance: Cost and Competition". This hearing focused on the title insurance marketplace and ways to make the market more competitive and efficient for consumers. Witnesses testified about the status of state and Federal investigations, the relationships between title insurers, title agents, realtors, and lenders, and the various factors that determine the cost of title insurance policies; and about the effectiveness of state and federal regulation and oversight. Witnesses included a representative from a state insurance department, GAO, HUD, a title insurance trade association, a small and large title insurance underwriter, realtors, real estate service providers, and a consumer group.

Title insurance is designed to protect homeowners and lenders from future claims to their property. Unlike most other types of insurance (such as homeowners or automobile insurance) that focus on potential future events and are renewed annually, title insurance protects against losses arising from past defects, and is only paid at the purchase or refinancing of a home.

Last year State and Federal investigators identified numerous allegedly illegal title insurance transactions. For example, many cases involved so-called "captive reinsurance agreements," where several major title insurance companies ceded nearly 50 percent of their premium to captive reinsurance companies set up by realtors, lenders, homebuilders and developers. According to State regulators, primary insurance companies use reinsurance to diversify their potential loss portfolios and it is unusual for reinsurance to be used in title insurance business because loss ratios are minimal. These "reinsurers" supposedly assumed part of the risk of the title policies in return for a portion of the title premiums. Regulators in Colorado and California determined that reinsurance was unnecessary given the very limited risk the reinsurer assumed and determined that these payments were in effect "kickbacks" that raised the cost of title insurance for consumers.

On January 24, 2006, in response to the state and federal investigations, Committee on Financial Services Chairman Michael G. Oxley asked the GAO to conduct a comprehensive study of the title insurance marketplace. The GAO report is expected to be completed by September.

The Subcommittee held a hearing on June 28, 2006 entitled "Is America's Housing Market prepared for the Next Natural Catastrophe? Among those testifying were Dr. William Gray, Professor Emeritus of Atmospheric Science at Colorado State University, Kevin McCarty, Florida Insurance Commissioner and representatives from various consumer and industry groups. The hearing focused on the ability of America's housing market to withstand future natural catastrophes in light of recent availability and affordability issues surrounding homeowners insurance.

SUBCOMMITTEE HEARINGS HELD

Rural Housing Service. Hearing entitled "Oversight of the Rural Housing Service and its Fiscal Year 2006 Budget." March 10, 2005. PRINTED, serial no. 109–8.

National Flood Insurance Program, Hearing entitled "Review and Oversight of the Flood Insurance Program." April 14, 2005. PRINTED, serial no. 109–17.

Housing Choice Voucher Reform, Legislative Hearing on H.R. 1999—State and Local Housing Flexibility Act of 2005. May 11, 2005 and May 17, 2005. PRINTED, serial no. 109–28 and 109–30.

Zero Downpayment, Legislative Hearing on H.R. 3043—The Zero Downpayment Pilot Program Act of 2005. June 30, 2005. PRINTED, serial no. 109–43.

Flood Map Modernization, Hearing entitled "Flood Map Modernization and the Future of the National Flood Insurance Program." July 12, 2005. PRINTED, serial no. 109–44.

National Flood Insurance Program, Field Hearing entitled "A Look at the National Flood Insurance Program: Is Ohio Ready for a Flood?" August 17, 2005. PRINTED, serial no. 109–

Eminent Domain, Field Hearing entitled "Eminent Domain: Are Ohio Homeowners at Risk?" August 18, 2005. PRINTED, serial no. 109–51.

Housing Needs in the Gulf Coast Area, Hearing entitled "Emergency Housing Needs in the Aftermath of Hurricane Katrina." September 15, 2005. PRINTED, serial no. 109–54.

Mortgage Industry Licensing, Hearing entitled "Licensing and Registration in the Mortgage Industry." September 29, 2005. PRINTED, serial no. 109–58.

National Flood Insurance Program, Hearing entitled "Management and Oversight of the National Flood Insurance Program." October 20, 2005. PRINTED, serial no. 109–60.

Housing Needs in the Gulf Coast Area, Hearing entitled "Housing Options in the Aftermath of Hurricane Katrina." December 8, 2005. PRINTED, serial no. 109–67.

Housing Needs in the Gulf Coast Area, Hearing entitled "Housing Options in the Aftermath of Hurricane Katrina." December 14, 2005. Serial no. 109–68.

Housing Needs in the Gulf Coast Area, Field hearing in New Orleans, LA entitled "Housing Options in the Aftermath of Hurricanes Katrina and Rita." January 13, 2006. PRINTED, serial no. 109–69.

Housing Needs in the Gulf Coast Area, Field hearing in Gulfport, MS entitled "Housing Options in the Aftermath of Hurricanes Katrina and Rita." January 14, 2006. PRINTED, serial no. 109–70.

Military Housing, Legislative hearing on H.R. 3186, Build Houses for our Military's Enlisted Servicemembers Act. February 8, 2006. PRINTED, serial no. 109–71.

Fair Housing Issues, Hearing entitled "Fair Housing Issues in the Gulf Coast in the Aftermath of Hurricane Katrina," February 28, 2006. PRINTED, serial no. 109–74.

Gulf Coast Rebuilding, Hearing entitled "The Federal Role in Facilitating Recovery and Long-term Rebuilding Efforts in the Gulf Coast Region," March 9, 2006. Serial no. 109–76.

CDBG Program in Ohio, Field hearing in Mount Vernon, OH, entitled "Strengthening Rural Ohio: A Review of the Community Development Block Grant Program," March 24, 2006 and March 25, 2006. Serial no. 109–78 and 109–79.

Transforming FHA, Hearing entitled "Transforming the Federal Housing Administration for the 21st Century," April 5, 2006. Serial no. 109–82.

Impact of the CDBG Program, Field hearing in Los Angeles, CA entitled "Community Development Block Grants: The Impact of CDBG on our Communities," April 12, 2006. Serial no. 109–85.

Rural Housing Service, Hearing on the Rural Housing Service FY 2007 Budget and H.R. 5039, the Saving America's Rural Housing Act of 2006, April 25, 2006. Serial no. 109–86.

Title Insurance, Hearing entitled "Title Insurance: Cost and Competition," April 26, 2006. Serial no. 109–88.

Housing Market, Hearing entitled "Is America's Housing Market Prepared for the Next Natural Catastrophe?" June 28, 2006. Serial no. 109–103.

Real Estate Market, Hearing entitled "The Changing Real Estate Market," July 25, 2006. Serial no. 109–112.

Native American Housing Issues, Field hearing entitled "Removing Barriers to Homeownership for Native Americans," July 31, 2006. Serial no. 109–114.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

(Ratio: 11–9)

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SUBCOMMITTEE OVERSIGHT ACTIVITIES

CONTINUING THE GLOBAL FIGHT TO SHUT DOWN TERRORIST FINANCING

The Subcommittee on Oversight and Investigations held a hearing entitled "Terrorist Responses to Improved U.S. Financial Defenses" on February 16, 2005. Three witnesses testified: the Assistant Secretary of the Treasury for Terrorist Financing, the president of a New York merchant bank, also a member of the Council on Foreign Relations, and an author with special expertise in this subject matter. The hearing focused on the successes of recent U.S. initiatives against terrorist financing and how terrorists have reacted to these successes.

On May 4, 2005, the Subcommittee on Oversight and Investigations, along with the Subcommittee on International Terrorism and Nonproliferation of the House International Relations Committee, held a joint hearing entitled "Starving Terrorists of Money: The Role of Middle Eastern Financial Institutions". This hearing examined efforts to break the flow of charitable donations from certain Muslim organizations to terrorist organizations. Witnesses represented the Departments of the Treasury and State as well as the American Banking Association and a Muslim-American scholar from Georgetown University.

On July 28, 2005, the Subcommittee on Oversight and Investigations held a joint hearing with the House Armed Services Committee Subcommittee on Terrorism, Unconventional Threats and Capabilities entitled "Who Pays the Iraqi Insurgents?" This hearing focused on the sources of funding for the insurgency in Iraq, the methods by which these funds enter Iraq, and the efforts the United States is taking to enable the Iraqi government to thwart terrorist finance. Following the public hearing, a classified briefing was initiated for Members and cleared staff. Witnesses included

the Acting Treasury Assistant Secretary for the Office of Terrorism and Financial Intelligence and Department of Defense Counter-terrorism specialists.

The Subcommittee on Oversight and Investigations held a hearing entitled "Weapons of Mass Destruction: Stopping the Funding—the OFAC Role" on Thursday, February 16, 2006. This hearing examined Treasury's Office of Foreign Asset Control's (OFAC) Weapons of Mass Destruction designation program, and how it has been implemented and executed. The Director of OFAC testified. The Subcommittee also looked at how legitimate U.S. business interests are protected from loss or indemnified in the event of unforeseen setbacks as a consequence of OFAC designations and sanctions.

The Subcommittee on Oversight and Investigations held a hearing entitled "Counter-Terrorism Financing Foreign Training and Assistance: Progress since 9/11" on April 6, 2006. The hearing reviewed the key findings and recommendations of Government Accountability Office (GAO) Report 06–19, "Terrorist Financing: Better Strategic Planning Needed to Coordinate U.S. Efforts to Deliver Counter-Terrorism Financing Training and Technical Assistance Abroad." This report, released in October 2005, found a communications failure between key departments in the war against terrorist organizations. A key GAO finding spotlighted the lack of an integrated strategy for such training efforts by the Departments of the Treasury and State as a reason for the coordination failure. This finding was the primary focus of the Oversight and Investigations Subcommittee hearing. The Comptroller General of the U.S. and representatives of the Departments of State, Treasury and Justice testified.

The Subcommittee on Oversight and Investigations held a hearing entitled "The Terrorist Finance Tracking Program" on Tuesday, July 11, 2006. During the June 29, 2006, House floor debate on H. Res. 895, Chairman Oxley committed the Subcommittee on Oversight and Investigations to hold this hearing to look at the Department of the Treasury's Terrorist Finance Tracking Program. H. Res. 895 expressed the sense of the House in support of U.S. government programs to track terrorist financing and to condemn illegal disclosure of classified information that impairs the international fight against terrorism. The Subcommittee reviewed the subject matter with the Treasury Undersecretary for Terrorism and Financial Intelligence.

On Tuesday, July 25, 2006, the Subcommittee on Oversight and Investigations and the Committee on Homeland Security Subcommittee on Intelligence, Information Sharing, and Terrorism Risk Assessment held a joint hearing entitled "Terrorism Threats and the Insurance Market." The Subcommittees focused on the insurance industry's attempts to model for terrorism risk and market terrorism risk insurance. Industry witnesses also addressed the industry's representations that terrorism is an "uninsurable risk" due to lack of actuarial data and baseline intelligence. Witnesses included a broad cross-section from the terrorism insurance marketplace, including underwriters, policyholders, and risk management experts.

The Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises and the Subcommittee on Oversight and Investigations held a joint hearing entitled "Protecting Americans from Catastrophic Terrorism Risk" on Thursday, September 27, 2006. The Subcommittees heard from experts in the field of terrorism insurance and chief executive officers of companies that offer and purchase terrorism risk insurance in the primary and secondary markets.

FANNIE MAE AND THE FIRST BENEFICIAL MORTGAGE FRAUD CASE

The Subcommittee on Oversight and Investigations held a hearing entitled "Due Diligence in Mortgage Repurchases and Fannie Mae: the First Beneficial Mortgage Case" on Thursday, March 10, 2005. The hearing focused on a scheme by a North Carolina mortgage company, First Beneficial Mortgage Corporation, to sell fraudulent mortgages to the Government National Mortgage Association (Ginnie Mae) to generate funds to pay Fannie Mae after receiving a Fannie Mae repayment demand. Fannie Mae was ordered by the U.S. Court for the Western District of North Carolina to forfeit $6.5 million in funds that were "criminally derived" from illegal activities by First Beneficial Mortgage. Representatives from the Department of Housing and Urban Development, Office of Federal Housing Enterprise Oversight, and Fannie Mae testified.

HELPING OUR INSTITUTIONS BEST USE THEIR FINANCIAL CRIME DETECTION TOOLS

The Oversight and Investigations Subcommittee convened a hearing entitled "The First Line of Defense: The Role of Financial Institutions in Detecting Financial Crimes" on May 26, 2005. This hearing looked into the use of Suspicious Activity Reports (SARs) by the Financial Crimes Enforcement Network (FinCEN) and how that data is made available to law enforcement. The panel reviewed progress on the integration of money service businesses (MSBs) into the reporting regimen and also discussed the new Financial Crimes Enforcement Network (FinCEN) Office of Compliance and its efforts to standardize Bank Secrecy Act (BSA) requirements. Lastly, the hearing examined the phenomenon known as "defensive" SAR filings, their causes and possible remedies. The Subcommittee received testimony from FinCEN, the Justice Department, a state regulator, and representatives of the financial services sector.

STRENGTHENING NATIONAL EFFORTS TO PREVENT CONSUMER DATA THEFT

The Subcommittee on Oversight and Investigations held a hearing entitled, "Credit Card Data Processing: How Secure Is It?" on July 21, 2005. This hearing, the third convened on data security breaches by the Financial Services Committee in the 109th Congress, focused on a major data breach at CardSystems Solutions, a payments processor. In addition, the hearing examined potential data security gaps within the credit card transaction process. The four major U.S. card systems companies testified.

OVERSIGHT OF THE EXPORT-IMPORT BANK OF THE UNITED STATES

The House Financial Services Subcommittees on Domestic and International Monetary Policy, Trade, and Technology and Oversight and Investigations convened a joint hearing, which reviewed the implementation of the Export-Import Bank Reauthorization Act of 2002, on November 10, 2005. This hearing, entitled "Oversight of the Export-Import Bank of the United States," evaluated how effectively the Bank has been operating under its existing charter. The hearing addressed concerns over the Bank's management, structure, transparency initiative, information technology capability, and its role in supporting small business exporters. It also began exploring ideas for how best to enhance the effectiveness and efficiency of the Bank's products and services, especially to the U.S. small business community. Witnesses included the Chairman of the Export-Import Bank and representatives of the small business sector.

OVERSIGHT OF THE OFFICE OF THRIFT SUPERVISION

The Subcommittee on Oversight and Investigations held a hearing entitled "Oversight of the Office of Thrift Supervision" on Thursday, May 25, 2006. The Subcommittee reviewed the regulatory activities of the Office of Thrift Supervision (OTS). Witnesses included the Director of the Office of Thrift Supervision and other experts in the thrift industry.

MILITARY FINANCIAL SERVICES NEEDS

The Subcommittee on Oversight and Investigations held a hearing entitled "Financial Services Needs of Military Personnel and Their Families" on Thursday, May 18, 2006. The Subcommittee looked at the financial services needs of U.S. military service members, including active duty personnel as well as those serving in the Reserves and National Guard, and their dependents. The Subcommittee explored current assessments of the financial problems faced by these families and the solutions the military is making available. Specific concerns included service-mandated personal financial planning programs, financial educational support for dependents, insurance sales to enlisted personnel, and housing allowances. Witnesses included representatives from GAO, Navy Federal Credit Union and NASD.

PANDEMIC INFLUENZA PREPAREDNESS IN THE FINANCIAL SERVICES SECTOR

On Thursday, June 29, 2006, the Subcommittee on Oversight and Investigations convened a hearing entitled "Pandemic Influenza Preparedness in the Financial Services Sector." This hearing looked at how the financial services sector has focused considerable attention on issues raised by the possibility of an influenza "pandemic." In recognition of this threat, the sector has devoted considerable resources to identifying industry-specific as well as general business issues and appropriate responses. The sector worked with the Federal Government to create the Financial Services Sector Coordinating Council ("FSSCC") "to promote and facilitate coordination of financial services sector-wide voluntary activities and initia-

tives designed to improve critical infrastructure protection and homeland security." Testimony was received from the Treasury Department and representatives of the financial services sector.

DIVERSITY: THE GAO PERSPECTIVE

The Subcommittee on Oversight and Investigations held a hearing on Wednesday, July 12, 2006, entitled "Diversity: The GAO Perspective." GAO had prepared a report entitled "Financial Services Industry, Overall Trends in Management-Level Diversity and Diversity Initiatives, 1993–2004", as the result of a formal request from the July 15, 2004, Subcommittee hearing on "Diversity in the Financial Services Industry and Access to Capital for Minority-Owned Businesses: Challenges and Opportunities." At the hearing, GAO examined the status of diversity in the financial services industry, initiatives to promote diversity, and access to capital by minority- and women-owned businesses. GAO concluded that diversity did not change much between 1993 and 2004, and that the financial services industry has set up various programs to try to diversify its workforce. Based on secondary research, GAO found that challenges in gaining access to capital exist, pointing to problems with discrimination (though limited data exist on this issue), and lack of assets to pledge for collateral. Nonetheless, some firms, primarily commercial banks, have designed products to appeal to minority- and women-owned businesses. Witnesses included the GAO and representatives from the private sector.

CONTRIBUTIONS TO THE INVESTIGATION OF THE UNITED NATIONS' "OIL-FOR-FOOD" SCANDAL

The Oversight and Investigations Subcommittee, using transaction records supplied by the Committee on International Relations, conducted a forensic investigation of the behavior of a major European bank as part of the broader United Nations Oil-for-Food matter. The professional services of a specially detailed Internal Revenue Service forensic accountant contributed substantially to this effort. During the course of this investigation, the Subcommittee learned that a regulatory prosecution as well as a Department of Justice probe was underway. After briefing the Members, further Subcommittee efforts were suspended pending completion of the ongoing law enforcement activities.

OVERSIGHT PLAN FOR THE 109TH CONGRESS

Clause 2(d) of rule X of the Rules of the House of Representatives for the 109th Congress requires that each standing committee in the first session of a congress adopt an oversight plan for the two-year period of the Congress and submit the plan to the Committee on Government Reform and the Committee on House Administration.

Clause 1(d)(1) of rule XI requires each committee to submit to the House not later than January 2 of each odd-numbered year, a report on the activities of that committee under rules X and XI during the Congress ending on January 3 of such year. Clause 1(d)(3) of rule XI also requires that the report include a summary of the oversight plans submitted pursuant to clause 2(d) of rule X; a summary of the actions taken and recommendations made with respect to each such plan; and a summary of any additional oversight activities undertaken by the committee and any recommendations made or actions taken thereon.

Part A of this section contains the Oversight Plan of the Committee on Financial Services for the One Hundred Ninth Congress, which the Committee considered and adopted on February 2, 2005.

Part B of this section contains a summary of the actions taken to implement that plan and the recommendations made with respect to the plan. Additional oversight activities undertaken by the Committee, and the recommendations made or actions taken thereon, are contained in the specific sections relating to the activities of the full Committee and each of the subcommittees.

PART A

OVERSIGHT PLAN OF THE COMMITTEE ON FINANCIAL SERVICES FOR THE ONE HUNDRED NINTH CONGRESS

February 2, 2005.—Approved by the Committee on Financial Services, as amended.

Mr. OXLEY, from the Committee on Financial Services, submitted to the Committee on Government Reform and the Committee on House Administration the following

REPORT

Clause 2(d)(1) of rule X of the Rules of the House of Representatives for the 109th Congress requires each standing committee, not later than February 15 of the first session to adopt an oversight plan for the 109th Congress. The oversight plan must be submitted simultaneously to the Committee on Government Reform and the Committee on House Administration.

The following agenda constitutes the oversight plan of the Committee on Financial Services for the 109th Congress. It includes areas in which the Committee and its subcommittees expect to conduct oversight during this Congress, but does not preclude oversight or investigation of additional matters or programs as they arise. The Committee will consult, as appropriate, with other committees of the House that may share jurisdiction on any of the subjects listed below.

FINANCIAL INSTITUTIONS

Implementation of the USA PATRIOT Act. The Committee will monitor the government's efforts to combat terrorist financing, including its enforcement of Title III of the USA PATRIOT Act (Public Law 107–56) and its implementation of the counter-terrorist financing provisions included in the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–796).

Money Laundering and the Financing of Terrorism. The Committee will review enforcement of anti-money laundering laws and regulations, including but not limited to those enacted or implemented as part of the USA PATRIOT Act. This review will include examination of the administration's annual National Money Laundering Strategy, a short-term reauthorization of which was included in the Intelligence Reform and Terrorism Prevention Act of 2004. The Committee will also monitor the development of the newly created Office of Terrorism and Financial Intelligence, to en-

sure that adequate resources are applied efficiently, and in particular will monitor the effectiveness of the Financial Crimes Enforcement Network (FinCEN) and ongoing changes at the Office of Foreign Assets Control, including adequate allocation of assets at OFAC to develop suitable, modern computer systems that allow it to do its job effectively.

Implementation of Gramm-Leach-Bliley Act. The Committee will continue to monitor various aspects of the implementation of the Gramm-Leach-Bliley Act (GLB) to ensure that the benefits of that landmark financial modernization law are fully realized by consumers and the financial services sector. Included in the Committee's review will be regulatory interpretations of (1) GLB's provision authorizing the Federal Reserve Board and the Treasury Department to define activities that are "financial in nature," and therefore permissible for financial holding companies and financial subsidiaries to engage in; and (2) the Title II "push-out" provisions, relating to regulation of certain securities activities conducted within banking organizations. The Committee will also review government and private sector implementation of the financial privacy requirements of Title V of GLB, including the process by which consumers are given notice and choice about how their financial information is used and disseminated by financial firms.

Implementation of FACT Act. The Committee will monitor government and private sector implementation of the Fair and Accurate Credit Transactions (FACT) Act (Public Law 108–159), the 2003 legislation that renewed certain key provisions of the Fair Credit Reporting Act (FCRA) and gave consumers important new rights and protections against identity theft, including the ability to obtain free credit reports annually. Among the issues the Committee may address are what efforts can be undertaken to promote voluntary reporting of data not currently being supplied to credit reporting agencies, which could have the effect of facilitating greater access to the financial mainstream, as well as how the use of credit and credit-based insurance scores may affect the availability and affordability of financial services and products.

Financial Privacy and Identity Theft. In addition to examining financial privacy issues in the context of the implementation of the Gramm-Leach-Bliley and FACT Acts, the Committee will continue its focus on combating identity theft and other emerging threats to the security of consumers' personal financial information.

Payments System Innovations. The Committee will review government and private sector efforts to achieve greater innovations and efficiencies in the payments system. With passage of the Check 21 Act (Public Law 108–100) during the 108th Congress, the Committee led the way toward a more modern check processing system. The Committee will continue to monitor the implementation of the Check 21 Act, as well as other improvements to the payments system, including ACH debit entries, wire transfers, and international remittances.

Deposit Insurance Reform. The Committee will review proposals to address potential inequities and economic distortions in the Federal deposit insurance system, to ensure that deposit insurance continues to serve its historic function as a source of stability in the banking system and a valued safety net for depositors.

Internet Gambling. The Committee will continue to monitor the use of financial instruments which include credit cards, checks, electronic funds transfers, and other alternative forms of payment in unlawful Internet gambling. The Committee's review will focus on the potential misuse of illegal offshore Internet gambling sites to facilitate money laundering and other criminal activity.

Basel Capital Accord. The Committee will continue to review changes to the Basel Capital Accord, which seeks to establish an international minimum standard for assessing regulatory capital cushions held by commercial banks, and monitor its implementation in the United States. The Basel Accord is promulgated by an informal grouping of banking supervisors from the Group of Ten countries meeting under the auspices of the Bank for International Settlements' Basel Committee on Banking Supervision. The members of the Basel Committee negotiated changes to the Basel Accord, finalizing the agreement in 2004. The Accord will determine the level of capital financial institutions must hold against various assets. The Committee will examine the need for the recommended changes and will address whether the proposed new capital charges will have a discriminatory effect on U.S. financial institutions or other unintended consequences. The Accord is scheduled to be fully implemented in the United States by 2007. The Committee will also assess whether adequate arrangements have been made for the allocation of responsibilities among home and host regulators for reviewing and setting regulatory capital requirements within a banking organization. The Committee will continue to consider whether legislation is needed to formalize the negotiating authority of various Federal banking regulators when participating in discussions under the umbrella of the Basel Committee on Banking Supervision.

Credit Unions. The Committee will review issues relating to the safety and soundness and regulatory treatment of the credit union industry.

Financial Supervision. The Committee will require Federal regulators to provide periodic updates on their safety and soundness supervision of the banking, thrift and credit union industries, to ensure that systemic risks or other structural weaknesses in the financial sector are identified and addressed promptly. The trend toward consolidation in the banking industry and the growing number of large credit unions serving broad fields of membership requires that Federal regulators maintain the expertise and risk evaluation systems necessary to oversee the activities of the increasingly complex institutions under their supervision. The Committee will also consider proposals to modernize the federal regulatory structure to better reflect the new market for financial services created by GLB.

Regulatory Burden Reduction. The Committee will review the current regulatory burden on banks, thrifts, and credit unions with the goal of reducing unnecessary or duplicative regulations, consistent with consumer protection and safe and sound banking practices. The Committee's starting point will be the work done in the 108th Congress in developing bipartisan regulatory relief legislation (H.R. 1375) that passed the House in March 2004. Pursuant to the Economic Growth and Regulatory Paperwork Reduction Act

of 1996 (EGRPRA), the Federal banking agencies and the National Credit Union Administration (NCUA) are currently engaged in a review of all existing regulations to identify and eliminate those that are outdated, unnecessary, or unduly burdensome to insured depository institutions. The Committee will monitor the EGRPRA process, which is expected to yield legislative proposals for reducing regulatory burdens on insured depository institutions.

Consumer Protections. In addition to issues addressed throughout this oversight plan that relate to consumers of financial services, the Committee will consider other specific consumer protection issues within its jurisdictional purview, including, but not limited to, the use of credit reports to change the rates and terms of pre-existing accounts, to ensure that the financial services industry fulfills its responsibility to treat its customers fairly and fully disclose the terms on which financial products and services are offered to the public.

Credit Card Regulation. The Committee will continue its review of credit card industry practices, which have been the subject of Committee oversight hearings in each of the last two Congresses. In that regard, the Committee will monitor the Federal Reserve Board's recently announced review of the format and content of the disclosures required by the Truth in Lending Act related to open-end credit arrangements (such as credit card accounts). The Committee will also monitor efforts to reform the nation's bankruptcy laws, including provisions to allow for the netting of financial contracts.

Credit Counseling. The Committee will review the credit counseling industry, which provides financial education and debt management services to consumers seeking to address excessive levels of personal indebtedness.

Financial Literacy. The Committee will continue its efforts to promote greater financial literacy and awareness among the public. As part of these efforts, the Committee will review the implementation of Title V of the FACT Act (Public Law 108–159), which authorized the creation of a Financial Literacy and Education Commission comprised of senior officials from a wide cross-section of government agencies. To date, the Commission has held several public hearings, created a website and toll-free hotline, and begun developing a national strategy to promote basic financial literacy and education. The Committee will also monitor an ongoing General Accountability Office (GAO) review mandated by the FACT Act assessing the extent of consumers' knowledge and awareness of credit reports, credit scores, and the dispute resolution process, and on methods for improving financial literacy among consumers. The committee will also review the Federal Trade Commissions' efforts to implement the Act's National Public Service Multimedia Campaign.

Access to Financial Services. The Committee will continue to explore ways to expand access to mainstream financial services by traditionally underserved segments of the United States population, particularly those without any prior banking history (commonly referred to as the "unbanked"). One area of review will be developments in the rapidly expanding marketplace for inter-

national remittances services used by individuals seeking to send funds back to relatives in their countries of origin.

Community Development Financial Institutions Fund. In reviewing the expired authorization of the Community Development Financial Institutions (CDFI) Fund, created in 1994 to promote economic revitalization and community development, the Committee will examine the record of the Fund in implementing reforms pledged in 1997 to eliminate irregularities in the grant making process identified during the course of an investigation by the Subcommittee on General Oversight. The Committee will monitor the CDFI Fund's implementation of the New Markets Tax Credits program, which was part of the Renewable Communities and New Markets initiative enacted into law during the 106th Congress.

Subprime Lending. The Committee will study the complex problem of and potential solutions to abusive and deceptive lending in the mortgage industry, particularly among those households with imperfect credit.

SECURITIES

Sarbanes-Oxley Act. The Committee will continue to monitor and review the implementation and impact of the Sarbanes-Oxley Act upon investors, public companies, and the capital markets.

Public Company Accounting Oversight Board. The Committee will examine the work of the Public Company Accounting Oversight Board as it completes its first required inspections of public company auditors pursuant to the Sarbanes-Oxley Act.

Financial Accounting Standards Board. The Committee will review the recent work of the Financial Accounting Standards Board (FASB) and the success of the mechanisms put in place in the Sarbanes-Oxley Act to independently fund FASB's operations.

Corporate Governance. The Committee will study the role and actions of directors of public companies and mutual funds in light of the governance changes mandated by the Sarbanes-Oxley Act, public company listing standards, and the Securities and Exchange Commission's (SEC) rulemakings.

Market Structure. The Committee will monitor and review the work of the SEC relating to updating the rules governing the National Market System to ensure that any changes adopted encourage competition, decrease costs, limit conflicts of interest, improve transparency, and protect investors. As part of these investigations, it will also examine the issue of payment for order flow.

Credit Rating Agencies. The Committee will assess the role and regulation of credit rating agencies to determine if there is a need for greater transparency and competition in the industry.

Mutual Funds. The Committee will appraise the impact and functioning of the SEC's adopted and proposed rules affecting mutual funds to ensure that investors are being protected. In particular, the Committee will focus on rules prohibiting late trading, limiting market timing, enhancing fee and expense disclosure, requiring compliance officers, and strengthening corporate governance.

529 Plans. The Committee will continue to monitor the regulation of 529 college tuition savings plans and will undertake an ex-

amination of the expected regulatory proposals of the SEC Chairman's Task Force on College Savings Plans.

Securities Offering Process. The Committee will review the SEC's proposed rule on reforming the securities offering process, which aims to modernize outdated rules governing the process and facilitate access to information regarding public offerings.

Social Security Reform. The Committee will analyze the Administration's proposed Social Security reform and its potential impact upon investors and the capital markets, including the creation of personal savings retirement accounts.

Initial Public Offerings (IPO) Allocation. The Committee will review current practices regarding the allocation of initial public offerings and self-regulatory organizations' rules and proposals to improve this process and to increase investor access to initial public offerings as well as market efficiency and transparency.

Capital Formation. The Committee will survey regulatory impediments to capital formation and seek both regulatory and market-based incentives to increase access to capital, particularly for business development companies.

Stock Option Accounting. The Committee will continue to assess the impact upon U.S. public and private companies and the venture capital industry of the Financial Accounting Standards Board's rule mandating the expensing of stock options in public company financial statements.

Investor Restitution. The Committee will appraise the operations and efficiency of investor restitution regulations, including the Fair Fund provision of the Sarbanes-Oxley Act.

SRO Regulation. The Committee will evaluate the SEC's proposed rule regarding the fair administration, transparency, governance, and ownership at self-regulatory organizations.

SEC Oversight. The Committee will monitor the operations of the SEC, particularly the Office of Compliance Inspections and Examinations and the newly created Office of Risk Management.

Hedge Funds. The Committee will analyze the SEC's adopted rule to register hedge fund advisers and consider the implications of adviser registration, including the potential of the hedge fund business moving offshore.

Bond Pricing Transparency. The Committee will examine the efforts being made to improve transparency of the pricing of municipal and corporate bonds.

Access to Broker Information. The Committee will continue to examine efforts to improve investor access to information regarding brokers, including disciplinary actions.

Investor Education and Financial Literacy. The Committee will continue to promote efforts to encourage investor education initiatives and increase financial literacy.

Financial Markets and Terrorism. The Committee will continue its oversight of the implementation of disaster preparedness and business continuity measures by the financial services industry in the event of a terrorist attack. The Committee anticipates receiving a report addressing these matters from Federal financial regulators in 2006, pursuant to the study mandated in section 7803(e)(1) of P.L. 108–458, the Intelligence Reform and Terrorism Prevention Act of 2004.

Convergence of International Accounting Standards. The Committee will review the convergence of international accounting standards and United States accounting standards.

XBRL Accounting. The Committee will consider the SEC's concept release and proposed rule on XBRL accounting, or eXtensible Business Reporting Language, to determine whether XBRL makes the analysis and exchange of corporate information more reliable and accessible to investors.

Securities Arbitration. The Committee will examine developments in securities arbitration to determine the impact of arbitration rule changes, particularly by the NASD, and how the NASD and other industry forums are coping with a significant increase in investor claims.

SIPC. The Committee will review the operations of the Securities Investor Protection Corporation and proposals to improve its effectiveness

GOVERNMENT SPONSORED ENTERPRISES

Regulatory Reform. The Committee will continue to pursue efforts to improve the regulatory structure of Fannie Mae, Freddie Mac, and the twelve Federal Home Loan Banks (FHLBs), collectively known as government sponsored enterprises (GSEs). Following accounting irregularities and management reorganizations at Fannie Mae and Freddie Mac, as well as financial troubles at several of the FHLBs, the Committee has sought to strengthen the regulatory oversight of the GSEs. The Committee will consider proposals to consolidate GSE supervision under an independent regulator that will have enforcement and supervisory powers. Currently, the GSEs are monitored by several entities. The Office of Federal Housing Enterprise Oversight, an independent office within the Department of Housing and Urban Development (HUD), regulates the safety and soundness of Fannie Mae and Freddie Mac. HUD regulates Fannie Mae and Freddie Mac for mission compliance by setting affordable housing goals, approving new business activities, and conducting fair lending reviews. Similarly, the FHLBs are regulated by the Federal Housing Finance Board, an independent agency within the executive branch. Its purpose is to ensure that the FHLBs operate in a financially safe and sound manner and carry out their affordable housing and community investment mission programs. The Committee will consider creating a new regulator that will have powers similar to those of other Federal financial regulators, including the ability to set risk-based and minimum capital levels, to approve new programs, and to place a GSE into receivership.

GSEs and Financial Disclosure. The restatements by Fannie Mae and Freddie Mac have called into question the integrity of their accounting procedures and financial reporting. The Committee will examine transparency and market discipline for the Government Sponsored Enterprises, including both the status of the voluntary registration by Fannie Mae and Freddie Mac under the Securities Exchange Act of 1934. Additionally, the Committee will consider disclosure of the guarantee fees charged by the GSEs, as well as the levels of these fees related to the risks assumed by the GSEs.

Federal Home Loan Bank System. The Committee will monitor various regulatory initiatives undertaken by the Federal Housing Finance Board, including proposals to require the FHLBs to register with the Securities and Exchange Commission, as well as allowing the FHLBs to securitize mortgages. The Committee will also look to improve the corporate governance of the various FHLBs by examining the approval process and terms of the Boards of Directors.

Executive Compensation. The Committee will examine the compensation agreements of current and previous executives of the GSEs and consider additional action needed to prevent excessive compensation in the future and to ensure investor restitution.

Housing Mission. The Department of Housing and Urban Development (HUD) recently approved increases in the percentage of business that the GSEs must dedicate to affordable housing. Citing data that indicates the GSEs are not leading the market in affordable housing activity, HUD raised the goals that the GSEs are required to meet. The Committee has closely examined many of the GSE's affordable housing transactions and found that some loans were double counted in order to achieve the goals. The Committee will continue to monitor closely the affordable housing goals in order to ensure that the GSEs are meeting their mission and that HUD is properly enforcing these goals. Additionally, the Committee will consider proposals to maintain and strengthen the affordable housing mission of the GSE's.

Mortgage Fraud. The Committee has closely monitored the issue of mortgage fraud and its impact on home purchasers and on Ginnie Mae. The Committee will continue to monitor this issue and will encourage the GSEs to assist with the efforts to prevent and report cases of mortgage fraud.

HOUSING

Federal Housing Administration (FHA). The Committee will conduct hearings on the FHA program and administrative structure, loan commitment authority, actuarial soundness, and credit subsidies. The Housing Subcommittee requested GAO studies concerning: (1) the performance of FHA and other loans that involve down payments; (2) the loan commitment authorities of FHA and Rural Housing Service; (3) TOTAL Scorecard; and (4) credit subsidy reestimates and actuarial soundness of the Mutual Mortgage Insurance Fund (MMIF). The Committee is concerned about a $7 billion reestimate during FY 2004. The Credit Reform Act requires FHA to estimate the original credit subsidy or benefit of its books of business. As the loans age, FHA is required to correct estimates regarding the type of subsidy or benefits expected. In FY 2004, FHA corrected its earlier estimates to state that an additional $7 billion is necessary to cover expected FHA insurance claims. The Committee will investigate, among other things, whether the re-estimate is a barometer of future Mutual Mortgage Insurance Fund problems or whether it is an anomaly based on the high refinance activity for FY 2004.

Government National Mortgage Association (GNMA). The Committee will conduct a comprehensive review of GNMA to determine whether its mission and/or authority meets contemporary housing

needs that promote affordable housing. The Committee requested a GAO review of GNMA as it relates to the agency's loss of market share.

Rural Housing Service's (RHS) Mission. The Committee will examine the Rural Housing Service and in particular the agency's mission and whether it has served the intended population in providing necessary housing loans or guarantees. The GAO report entitled "Rural Housing: Changing the Definition of Rural Could Improve Eligibility Determinations" [GAO–05–110], issued on December 3, 2004 would be a major focus of this hearing. Additionally, the Committee would also review GAO studies concerning (1) RHS's Section 521 Rental Assistance Program and, (2) the loan commitment authority of RHS. In addition, the Committee will conduct a hearing on the state of the Section 515 rental housing stock, including a review of the November 2004 report commissioned by the Rural Housing Service, entitled "Rural Rental Housing Comprehensive Property Assessment and Portfolio Analysis.

Home Mortgage Disclosure Act (HMDA). The Committee will review new issues involving the Home Mortgage Disclosure Act (HMDA). For the first time, the Federal Reserve will release information by September 2005, related to new loan pricing data that shows whether, and how much, the price of credit varies by borrower's race, sex, age, or geographic region. In a joint hearing, the Subcommittees on Financial Institutions and Housing and Community Opportunity would review this new data to understand how it impacts mortgage markets and its utility in curbing predatory or discriminatory mortgage lending.

FY 2006/2007 Budget/Review of Housing and Urban Development, Rural Housing Service, National Reinvestment Corporation and the National Flood Insurance Program. The Committee will conduct hearings to consider the Administration's proposals for FY 2006 and 2007. The Committee will review and hear testimony from the Administration on those budgets under the jurisdiction of the Housing Subcommittee. Testimony is expected from the Department of Housing and Urban Development, Rural Housing Service, National Reinvestment Corporation and the National Flood Insurance Program.

Section 8 Housing Choice Voucher Program. The Committee will conduct additional hearings on the Housing Choice Voucher Program. During the past two fiscal years, changes to the voucher program were implemented through the appropriations process. Moreover, the Administration offered two proposals that either block granted voucher funds to states or to the relevant local public housing authority. This Committee will review the impact of the changes made to the voucher program and investigate the current needs of the administrators of the voucher program as well as the voucher recipients.

Timely HAP Payments. The Committee will review the GAO's findings, when available, regarding the timeliness of Housing Assistance Payments (HAP) for project-based Section 8 properties.

Mortgage Finance Reform/Real Estate Settlement Procedures Act. The Committee will conduct additional hearings on the Real Estate Settlement Procedures Act (RESPA). The Committee held hearings in the 108th Congress reviewing the Department of Housing and

Urban Development's (HUD) proposed rule. While the proposed rule was withdrawn by the Administration, the Committee will review new proposals, if necessary, and consider ways to simplify and streamline the mortgage closing process.

Housing Counseling. The Committee will review current housing counseling programs and whether improvements could be made to enhance consumer education as well as prevent abusive lending practices. This review will encompass Federal, State, private and non-profit efforts to use homeownership counseling as a tool to prevent defaults and foreclosures in the mortgage markets.

Public Housing. The Committee will review the public housing programs in light of the post-1998 landmark public housing reform legislation. Public Law 105–276. In particular, the Committee notes that the 1998 legislation provided flexibility to the public housing authorities in managing public housing developments and programs while at the same time targeting housing to low income families. This hearing would review whether the law has been fully implemented and determine what future directions the Committee should pursue to equip public housing authorities and other administrative entities with the necessary tools to provide affordable housing. This review would also include HUD's Negotiated Rulemaking on project-based accounting and management for public housing, the Moving to Work program, agency short- and long-range planning, and, community service requirements, among other things.

Colonias. The Committee will review all the programs under the jurisdiction of the Subcommittee on Housing and Community Opportunity to assess the private and public sector response to housing and community development in the Colonias. The Colonias are generally identifiable communities in the U.S.-Mexico border regions (150 miles of the U.S.-Mexico border excluding Metropolitan Statistical Areas with populations exceeding one million) of Arizona, California, New Mexico, and Texas that are determined to be colonias on the basis of objective criteria, including lack of a potable water supply, inadequate sewage systems, and a shortage of decent, safe, and sanitary housing.

National Flood Insurance Program. The Committee will review the National Flood Insurance Program and in particular the implementation of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (Public Law 108–264). The Committee will continue to monitor the National Flood Insurance Program's policy sales, premium use, and claims handling practices.

Community Development Block Grant. The Committee will follow-up on a July 29, 2003 hearing in Columbus, Ohio where concerns were raised about the funding formula created in 1974. Moreover, HUD conducted a study of the program and, in particular, the allocation of CDBG funds. The Committee will review the mission and objective of CDBG funding and whether the Housing and Community Development Act of 1974 should be adjusted to meet contemporary affordable housing and community development needs. The Committee will also review any budget proposals, if offered, to make significant funding cuts to CDBG block grants or to transfer the jurisdiction of the program, with a view to ensuring that the purposes of the program are not compromised.

HUD Mission, Management Reform and Staffing. The Committee will review the overall mission, organization, human resource and technology of the Department of Housing and Urban Development to determine whether the Department is meeting and addressing contemporary housing issues. Over the past four years, the Administration has conducted a comprehensive review of the management and staff structure of the Department. Weaknesses, however, continue in some of HUD's programs, coupled with a significant number of Federal workers scheduled to retire in the next 5–10 years.

HOPE VI/Mainstreet Program. The Committee will review the HOPE VI program as a follow-up to its post-2003 legislation providing program authorization through 2006. [Public Law 108–186.] In addition to the program's authorization extension, Congress also included a provision to allow 5 percent of HOPE VI funds to assist smaller communities with main street revitalization or redevelopment projects. The Committee will review the administration of the program and the status of on-going HOPE VI projects, the economic impact of these programs to the community and neighborhoods and the status of the new provisions that are designed to assist smaller communities through a main street revitalization or redevelopment project.

Minorities and Homeownership. The Committee will conduct hearings to review homeownership rates, particularly for underserved markets, e.g. minorities, inner-city neighborhoods, and women. While the Committee intends to review the traditional methods for increasing homeownership, the Committee will also explore new ways in which the minority community can achieve homeownership, particularly through local mortgage bankers and brokers, or expanding mortgage lines of credit or warehouse credit that will result in providing comparable market level service and products to underserved communities.

Homelessness. The Committee will continue to conduct hearings on the issue of homelessness, including a review of data provided by HUD's new HMIS nationwide homeless count, a review of HUD programs which provide housing and services to the homeless, and a review of the adequacy of those programs and funding levels in addressing the problem of homelessness.

Housing Preservation. The Committee will continue to hold hearings on the issue of preservation of federally assisted housing, including the challenge of maintaining housing affordability for those federally assisted properties scheduled to experience mortgage maturities in the next decade. The Committee may conduct a hearing, or series of hearings, on the transition of the Mark to Market program from the Office of Multi-family Housing and Restructuring to the new Office of Affordable Housing Preservation (OAHP) and on efforts by the OAHP to provide assistance to affordable housing areas in the oversight and preservation of affordable housing programs." The Committee may conduct a hearing, or series of hearings, on HUD's property disposition program, and on the extent to which HUD has worked with local housing authorities and nonprofit organizations to preserve the affordability of HUD's inventory of multi-family housing following foreclosure by the borrower.

Housing Production. The Committee may conduct a hearing or series of hearings on the extent to which the existing housing stock

meets the demand for affordable housing by low-income families, seniors, and disabled persons; a review of existing housing programs which are used in the construction or substantial rehabilitation of affordable housing units; and strategies for developing additional affordable housing units.

Native American Housing Programs. The Committee may hold hearings on HUD's programs which create affordable housing opportunities for Native Americans.

Fair Housing. The Committee may conduct hearings on the issue of fair housing enforcement, adequacy of resources and staffing levels, and the National Fair Housing Training Academy.

INSURANCE

Terrorism Risk Insurance Act. The Committee will continue to monitor the terrorism insurance marketplace and conduct oversight of the Terrorism Risk Insurance Act of 2002 (Public Law 107–297), or "TRIA," which is scheduled to expire on December 31, 2005. TRIA's implementation by the Treasury Department, State insurance departments, and insurance underwriters, agents, and brokers will be reviewed to ensure that the goals of the legislation continue to be met. The Committee will review the Treasury report required by TRIA and due to be delivered in the first half of 2005. The Committee will also consider whether to move legislation regarding short and long-term proposals for ensuring the continued availability of terrorism insurance coverage for consumers as TRIA nears expiration and the need to expand TRIA to cover group life insurance.

Military Personnel Financial Protection. The Committee will continue its oversight of insurance companies and producers selling life insurance on Federal military installations. The Committee will consider proposals to improve the conduct of financial product sales on bases, restrict and prohibit unscrupulous sales tactics, clarify State jurisdiction over insurance activities on military installations, and register and disseminate information on companies and agents that have been banned or restricted from military installations for improper activities on military bases.

Regulatory Modernization. The Committee will continue its discussion on initiatives to modernize and improve insurance regulation. The Committee will review various ideas for reform, including the Federal promotion of State uniformity, State-by-State improvements, coordination of State regulation through the National Association of Insurance Commissioners (NAIC), and other reforms for improving the efficiency and effectiveness of State insurance regulation.

Insurance Solvency Regulation. The Committee will continue its examination of the NAIC's accreditation program that judges the adequacy of State insurance financial regulation. The Committee will focus on the steps the NAIC has taken to update the program since its inception in the early 1990's and will analyze other areas for improving the financial regulation of insurers.

Market Conduct Regulation. The Committee will review the need to modernize market conduct supervision to increase efficiency to better serve consumers. The Committee will focus on the efforts of State insurance regulators to improve market conduct oversight,

and on various reform proposals to increase the coordination, quality, and uniformity of State market conduct regulation.

Producer Licensing Reform. The Committee will continue its review of the States' progress in passing and implementing uniform or reciprocal insurance producer licensing reform and what further measures may be necessary to promote uniformity as appropriate in producer licensing. The Committee will monitor the continuing external developments involving the relationships between insurance carriers and insurance brokers.

Insurance Product Approval. The Committee will continue its review of the need to modernize the State product approval process to achieve uniformity, efficiency, and timeliness in the regulatory review of insurance rates and forms. This review will include an evaluation of the NAIC interstate compact proposal as well as the NAIC improvements to State-based systems initiative for property and casualty products. The Committee will pay particular attention to State legislative efforts designed to adopt these proposals, and may consider various legislative reform proposals.

Insurance Fraud. The Committee will continue its examination of the efforts by the States, the NAIC, and other entities, to locate and fight insurance fraud. The Committee will focus on proposals to coordinate State and Federal anti-fraud efforts and establish a coordinated network of computer systems to share appropriate anti-fraud information.

Insurance Consumer Protections. The Committee will examine the regulatory systems established by the States to protect consumers' insurance interests. The Committee will also monitor the practice of recording consumer inquiries as part of consumer claim records.

Preemption of State Insurance Law. The Committee will monitor efforts by Federal agencies to preempt State laws governing insurance activities, and will also monitor State insurance laws to ensure that they do not significantly interfere with federally authorized powers of financial institutions.

Price Controls, Underwriting Criteria, and Availability. The Committee will continue its review of insurance availability in the States, including the impact of State rate regulation on long-term availability and competitive options for insurance coverage. The Committee will review the results of the study required under section 215 of the FACT Act on the impact on consumers of the growing use of credit-based insurance scores. The Committee will also examine the application of State and Federal antitrust law to insurers and insurance activities.

Insurance Marketing. The Committee will examine a number of consumer protection issues concerning the marketing of insurance products, potentially including misleading sales and marketing representations, the churning of life insurance, coercion and pressure tactics, product bundling, and premium charges for credit insurance and mortgage insurance. The Committee may examine the manner in which insurance brokers are compensated for the sale of insurance products and recent State investigations of such compensation practices. The Committee will specifically focus on industry marketing practices targeting military personnel.

Insurer Licensing. The Committee will continue to examine the need to develop uniform and coordinated standards for company licensing. The Committee will discuss proposals for allowing single point and coordinated electronic license application filing systems, as well as proposals for establishing licensing uniformity and coordination.

Surplus Lines. The Committee will continue its review of the surplus lines marketplace. The Committee will contemplate various reform proposals, including the creation of a uniform system of allocation and remittance of surplus lines premium taxes and the creation of a uniform filing system.

Reinsurance. The Committee will continue its review of the state of the reinsurance marketplace. It is anticipated that the Committee will discuss various proposals to encourage greater uniformity and transparency for filing financial statements, uniform solvency regulation, and deference to home state regulators.

Viaticals. The Committee will continue to monitor the evolution of the viaticals industry. The Committee will consider potential reforms, including implementation of uniform and reciprocal standards and coordination of State and Federal securities regulators to decrease potential fraud.

Receivership. The Committee will continue to monitor the State system of receivership. The Committee will review proposed reforms to develop uniform and coordinated receivership laws, provide greater transparency and efficiency in administration, improve the administration of receiverships within the state system, and to protect the interests of the insureds, claimants, creditors, and the public.

Financial Surveillance. The Committee will continue its focus on improving financial surveillance to enhance insurance solvency regulations, including by reviewing proposals to establish a more coordinated and uniform system of financial surveillance.

Risk Retention Act. The Committee will conduct a review of alternative risk transfer arrangements to determine their effectiveness in offering insureds alternatives to traditional property and casualty insurance products. The Committee will focus particularly on the Risk Retention Act of 1981 and its 1986 amendments. The Committee will review the regulatory structure created by the Risk Retention Act in order to identify any potential problems resulting from the Act's partial preemption of State insurance law, and assess the benefits of the Act to consider its potential expansion.

Insurance Litigation Reform. The Committee will monitor issues surrounding professional liability insurance to determine whether further efficiencies and reforms are necessary. The Committee will also review issues surrounding reform of insurance settlements, including the adequacy and reasonableness of fees and compensation awarded.

Natural Disaster Insurance. The Committee will review the availability and affordability of natural disaster insurance for homeowners, and will consider proposals for improving insurers' access to capital in the reinsurance, banking, and securities markets to ensure adequate capacity and solvency of the industry to meet consumer needs. The Committee will pay particular attention to the potential benefits of long-term reserving, natural disaster

securitization, catastrophic reinsurance, and industry pooling mechanisms. In addition, the Committee will specifically examine the impact of recent hurricanes on the Florida insurance marketplace, including the ongoing availability and affordability of homeowners insurance for consumers. The Committee will also examine programs in other States and foreign countries for providing catastrophic insurance.

Workers' Compensation Insurance. The Committee will monitor the current state of workers' compensation insurance to determine the reasonableness of the level of compensation and the types of claims and charges being made, and to consider whether further efficiencies or anti-fraud mechanisms can be developed.

Catalogue of Regulated Insurance Products and Federal Insurance Programs. The Committee will examine the types of financial products with insurance-related features that are regulated to various degrees by the States, as well as the different regulatory approaches used by the States. The Committee will also continue its ongoing review of the scope of the Federal Government's involvement and exposure in insuring risk, the extent to which the Federal government is displacing private insurance, and the degree to which Federal insurance programs are not being conducted efficiently or effectively.

Seniors' Retirement Needs. The Committee will monitor the insurance needs particular to those contemplating or currently in retirement, including the use of annuities, long-term care insurance, insurance pension programs, 401(k)s, as well as nursing care insurance and other old age insurance programs. The Committee's focus will include newly marketed hybrid insurance instruments that incorporate features of securities and banking products. The Committee will examine whether seniors' assets are being adequately protected and whether Federal and State financial regulators are ensuring that seniors' products are being properly regulated without any gaps in functional oversight.

Insurance Industry Critical Infrastructure Protection. The Committee will continue to examine the ability of the insurance industry, State insurance regulators, and the NAIC to protect against potential disruptions of the insurance sector from physical or cyber attacks by terrorists, as well as natural disasters.

INTERNATIONAL FINANCE

Annual Report and Testimony by the Secretary of the Treasury on International Monetary Fund Reform and the State of the International Financial System. The Committee will review and assess the annual report to Congress from the Secretary of the Treasury on the International Monetary Fund (IMF) and the state of the international financial system. Pursuant to section 613 of Public Law 105–277, the Committee will hear annual testimony from the Secretary of the Treasury on: (1) progress made in reforming the IMF; (2) the status of efforts to reform the international financial system; (3) compliance by borrower countries with the terms and conditions of IMF assistance; and (4) the status of implementation of anti-money laundering and counterterrorism financing standards by the IMF, the multilateral development banks, and other multilateral financial policymaking bodies.

U.S.-E.U. Financial Sector Issues. The Committee will continue to monitor efforts by the European Union to build a unified financial services market, especially in light of the E.U.'s recent expansion to include a total of 25 Member States. These efforts include revisions to corporate governance standards, adoption of International Accounting Standards, efforts to update trading, clearance & settlement, and derivatives trading structures, oversight of financial conglomerates, transatlantic assessments of equivalency in regulatory oversight, and the evolution of relative responsibilities between Home and Host regulatory authorities. These reforms, upon implementation, will have a significant impact on American firms, consumers, investors. The Committee is committed to working with the U.S. and European regulators to ensure fair access to Europe's financial markets and to supporting increased exchanges of views across the Atlantic regarding matters of mutual interest.

U.S. Contributions to the International Financial Institutions (IFIs). The Committee will consider reauthorization of the International Development Association (IDA), the concessional lending window of the International Bank for Reconstruction and Development. Special attention will be given to efforts to improve transparency of the IFIs, efforts to implement anti-corruption measures at the IFIs, and the role of grants and loans in promoting economic development. The Committee will review U.S. participation in, and the effectiveness of U.S. policy toward, the IMF, the World Bank Group, and the regional Multilateral Development Banks (MDBs). The Committee will also continue to monitor the role that remittances by individuals in developed countries to family members in developing countries can have in fostering economic growth and entrepreneurship and the implications these flows holds for development and security policy, given that remittance flows substantially exceed the flows of official sector development assistance. The Committee will continue to monitor the role of the World Bank as nonvoting board member and trustee of the Global Fund to Fight AIDS, Tuberculosis and Malaria in addition to assessing the status of the World Bank's programs to reduce HIV/AIDS in developing countries. Assessments of the effectiveness of the IFIs in promoting development in individual countries will be undertaken as needed. The Committee will also monitor the process of appointing a new President of the World Bank upon the retirement of the current President from that position in the spring of 2005.

Trade in Financial Services. The Chairman and the Ranking Member of the Committee continue to serve on the Congressional Oversight Group on Trade, pursuant to the Trade Promotion Authority Act (Public Law 107–210), which is due for reauthorization in 2005. In this capacity, the Committee will remain active in the oversight of trade negotiations and will consult regularly with the United States Trade Representative on matters within the jurisdiction of the Committee, with particular emphasis on the financial services and investment provisions of bilateral free trade agreements in addition to the negotiations within the World Trade Organization that apply to financial services. The Committee will monitor negotiations for increased trade liberalization in financial services and will consult with U.S. counterparts to those negotiations.

International Debt Relief. The committee will monitor and conduct necessary oversight activities regarding the implementation of legislation passed in the 106th Congress to authorize U.S. funding for the Enhanced Heavily Indebted Poor Country (HIPC) Initiative. The committee will assess progress made by the IMF and World Bank in granting multilateral debt relief to qualified HIPC countries. The Committee will also monitor the development and adoption of poverty reduction strategies by the HIPC countries, will assess compliance with other conditions on U.S. funding specified in the authorizing legislation, and assess efforts to address potential shortfalls in financing the HIPC Trust Fund. The Committee will continue to assess the effectiveness of the current HIPC initiative as well as the need for reforms in light of other development efforts through the Millennium Challenge Corporation and the Millennium Development Goals.

Millennium Challenge Corporation (MCC). The Committee will continue to monitor the participation of the Secretary of the Treasury as a member of the board of the MCC. The MCC is designed to help developing nations improve their economies and standards of living by allocating bilateral development assistance based on specific criteria designed to measure progress in recipient countries' ability to allocate resources in support of good governance, investment in health and education, and economic policies that foster economic freedom. The Committee will monitor and assess the impact of the MCC on the MDBs and debt relief efforts.

Counter-terrorism Financing Policy. Section 7701 of the National Intelligence Reform Act of 2004 (Public Law 108–458) notes the significant progress made by the Treasury Department in promoting the adoption and implementation of counter-terrorism standards around the world through the Financial Action Task Force (FATF), the IMF, and the MDBs. The Committee will continue to monitor the role of the Treasury Department in promoting tighter counter-terrorism standards in these organizations as well as the evolution of the standards themselves as promulgated by FATF.

Export-Import Bank of the United States. The Committee will continue to monitor implementation of the Export-Import Bank Reauthorization Act of 2002 (Public Law 107–189) and the Bank's competitiveness as compared to foreign export credit agencies. Particular emphasis will be placed on the new mandates in that law regarding expansion of transactions with small businesses and the administration of the "Tied Aid" facility. The Committee will also review any cases where the President invokes Executive power to block Ex-Im financing due to foreign policy considerations. During the second session, the Committee will consider the reauthorization of the Ex-Im Bank.

Oil for Food Investigation. At the end of the 108th Congress, the Committee on International Relations referred to the Financial Services Committee an investigation of the letter of credit operation managed by BNParibas for the United Nations' Oil for Food program. During the 109th Congress, the Financial Services Committee will continue this investigation to determine whether any violations of law or regulation occurred in the administration of this letters of credit operation for the United Nations. It will also

seek to determine whether issues raised in the investigation provide insights into how due diligence requirements for letter of credit and/or correspondent banking counterparts may be evolving and whether legislation is needed to match the pace of change.

North American Development Bank. The Committee will monitor and conduct necessary oversight activities over U.S. involvement in the North American Development Bank (NADBank). Specifically, the Committee will review the joint reform proposal for the NADBank as agreed to by President George W. Bush and President Vicente Fox of Mexico.

DOMESTIC MONETARY POLICY AND TECHNOLOGY

The Federal Reserve Bank's Conduct of Monetary Policy. The Committee will hold hearings to receive the Chairman of the Federal Reserve Board of Governor's semi-annual reports on the conduct of monetary policy. As part of this effort, the Committee will review issues associated with monetary policy and the state of the economy, such as developments in employment, productivity, and investment and will consider the need for updating the government's economic indicators or changing the way they are collected, disseminated or used.

Management and Reform of the Federal Reserve System. The Committee will conduct oversight of the operations of the Federal Reserve System, including the System's management structure, its role in providing financial services, its conduct of monetary policy, and its role as a regulator with particular attention to compliance with anti-money laundering and anti-terrorist financing laws and regulations. Special attention will be given to possible consolidation of operations, use of technology, control and oversight mechanisms, budget processes, pay and benefit levels, system-wide strategic planning, and security issues.

Oversight of Agency Management Practices and Outcomes. The Committee will conduct oversight of the operations of all agencies under its jurisdiction to ensure disclosure of all material assets, liabilities, and costs of operations; to review agencies' measures taken to minimize waste and inefficiency; assess the impacts of agency actions on the financial services industry; and determine if the agencies are operating at the most efficient level of resources. The Committee will require the Federal regulators to report on the state of the financial services industry in order to alert Congress to any emerging weaknesses and supervisory measures being taken to counter such weaknesses. The Committee will review, for appropriate action, expired and expiring authorizations relating to the agencies.

Management of the Nation's Money: Activities of the Bureau of the Mint and the Bureau of Engraving and Printing. The Committee will conduct oversight of the activities of these Treasury bureaus as they relate to the printing and striking of U.S. currency and coins, and of the financing and minting of circulating and commemorative coins, and of Congressional gold medals. The Committee will review the efficiency and productivity of these bureaus' manufacturing operations, as well as the appropriate size of workforces and use of facilities. The Committee will monitor the Numismatic Public Enterprise Fund and consider the need for

making technical changes and removing obsolete language from its governing statute. The Committee will conduct oversight of issues relating to the circulation patterns of coins and currency, with an eye towards maximizing their availability and usefulness while minimizing the cost to taxpayers and business. In particular the Committee will focus on issues relating to the new one-dollar coin, including circulation patterns, and will continue to seek a true unit cost of production for the dollar and other coins.

Payments System Innovations. The Committee will review government and private sector efforts to achieve greater innovations and efficiencies in the payments system. The Committee will pay particular attention to efficiencies that could be created for business through enhancements of the types and amounts of information that accompanies electronic payments. The Committee will continue to assess the implications of new innovations in electronic money and electronic payment systems. Among the issues the Committee may examine are soundness, security, privacy, access to new electronic payment methods, eligibility criteria for issuing new payment methods, competing government regulation, threats posed to critical infrastructures such as the payments system, and new-technology methods of authenticating transactions and minimizing fraud.

Remittances. The Committee will monitor industry and government progress towards developing a robust, secure, transparent, and inexpensive method by which immigrants may send modest amounts of money to family members in their native countries.

Counterfeiting. The Committee will continue its review of efforts to detect and combat the counterfeiting of U.S. coins and currency in the United States and abroad. Particular attention will be paid to anti- counterfeiting successes by the United States Secret Service and to ways those efforts can be made even more effective. The Committee will examine U.S. anti-counterfeiting law with an eye towards modernizing it, and will examine the integrity of other countries' currencies, including counterfeiting of those currencies, to monitor any threats posed to the U.S. or world economies.

Technology and Compliance Monitoring at the Financial Crimes Enforcement Network. The Committee will monitor the establishment and maintenance at the Financial Crimes Enforcement Network (FinCEN) of the BSA Direct program to allow secure Internet filing of forms by and notification of institutions as required in anti-money laundering and anti-terrorist financing legislation, as well as FinCEN's development of a proprietary e-filing, data warehousing and data-interpretation technology. The Committee also will monitor FinCEN's efforts at establishing a robust Office of Compliance to monitor, enhance and encourage compliance with anti-money laundering and anti-terrorist financing legislation and regulations. Special attention will be given to FinCEN's efforts to attract and maintain top-qualified personnel.

Critical Infrastructure Protection and Cyber-security. The Committee will monitor private-sector and government-wide efforts to protect critical financial infrastructure, both physical structures and the infrastructure that support them—such as power, transportation systems—as well as telecommunications and computer systems that enable the functioning of our financial institutions

and of the markets. The Committee will monitor interagency coordination on protection issues as well as threat assessment.

Economic Security. The Committee will explore the need for Federal economic and financial regulators to prepare for and provide a coordinated response to economic events that could threaten the Nation's economic security.

Development of Economic Opportunities. The Committee will review economic development programs under the Committee's jurisdiction, including programs administered by the Appalachian Regional Commission, the Economic Development Administration, and the Delta Regional Authority. Reauthorization will be considered when appropriate.

Diversity in the Financial Services Industry. The Committee will continue to explore the financial services industry's efforts to attract and maintain a diverse workforce, and its efforts to enhance access to capital for minority- and women-owned firms.

Modernization of the Defense Production Act. The Committee will review the Defense Production Act and an ongoing inter-agency study of the 50-year-old legislation with an eye toward eliminating obsolete language and undertaking any reforms necessary to keep the legislation available as a useful tool to protect national security in the 21st Century.

PART B

IMPLEMENTATION OF THE OVERSIGHT PLAN OF THE COMMITTEE ON FINANCIAL SERVICES FOR THE ONE HUNDRED NINTH CONGRESS

FINANCIAL INSTITUTIONS

Implementation of the USA PATRIOT Act. The Committee continued to monitor the Treasury Department's regulatory implementation of the anti-money laundering and terrorist financing provisions of the USA PATRIOT Act (Public Law 107–56) through the 109th Congress.

On June 29, 2006, the House of Representatives voted 227–183 in favor of H. Res. 895, a resolution sponsored by Chairman Oxley. This resolution expressed the sense of the House in support of U.S. government programs to track terrorist financing and to condemn illegal disclosure of classified information that impairs the international fight against terrorism. During floor debate, Chairman Oxley noted that the Financial Services Subcommittee on Oversight and Investigations would hold a hearing to look at the Department of the Treasury's Terrorist Finance Tracking Program. On July 11, 2006, the Subcommittee on Oversight and Investigations held this hearing, entitled "The Terror Finance Tracking Program."

Money Laundering and the Financing of Terrorism. In addition to oversight of government and private sector implementation of the USA PATRIOT Act, the Committee conducted extensive oversight of a variety of other anti-money laundering compliance and enforcement issues. Several hearings and briefings were held on the Bank Secrecy Act and other anti-money laundering laws and their regulatory implementation.

On February 16, 2005, the Subcommittee on Oversight and Investigations held a hearing entitled "Terrorist Responses to Improved U.S. Financial Defenses." The hearing looked at the successes of U.S. initiatives against terrorist financing and how terrorists have reacted to these successes. It also explored the effectiveness of United States efforts with other nations in fighting terror financing.

On May 4, 2005, the Subcommittee on Oversight and Investigations held a joint hearing with the Committee on International Relations entitled "Starving Terrorists of Money: The Role of Middle Eastern Financial Institutions." This hearing focused on efforts to break the flow of charitable donations from some Muslim organizations to terrorist organizations.

On April 6, 2006, the Subcommittee on Oversight and Investigations held a hearing entitled "Counter-Terrorism Financing Foreign

Training and Assistance: Progress since 9/11." The hearing reviewed the key findings and recommendations of GAO Report 06–19, "Terrorist Financing: Better Strategic Planning Needed to Coordinate U.S. Efforts to Deliver Counter-Terrorism Financing Training and Technical Assistance Abroad." This report, requested by Senators Grassley, Durbin and Collins, and released in October, 2005, found a communications failure between key departments in the war against terrorist organizations. The report also questioned whether there has been any improvement in the U.S. government's efforts in this area since release of the "9/11 Commission" report in 2004.

On May 18, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Bank Secrecy Act's Impact on Money Services Businesses." The hearing sought to better understand the impact that the Bank Secrecy Act and related financial institution account discontinuance have had on MSB entities.

Oversight activities included staff visits to the Federal Bureau of Investigation and the Financial Crimes Enforcement Network of the Treasury Department.

The Committee also addressed money laundering through passage in March 2006 of H.R. 3505, the "Financial Services Regulatory Relief Act of 2005." Title VII of H.R. 3505 called for modification or elimination of some unnecessary compliance requirements in a manner that gave law-enforcement agencies adequate information to conduct necessary activities while lowering the burden for compliance. The Financial Institutions and Consumer Credit Subcommittee Chairman introduced and the House passed H.R. 5341, which was based on Title VII of H.R. 3505. Title VII was not included in S. 2856, the "Financial Services Regulatory Relief Act of 2006" (P.L. 109–351).

Implementation of Gramm-Leach-Bliley Act (GLBA). GLBA's Title II "push-out" provisions, found in S. 2856, the "Financial Services Regulatory Relief Act of 2006" (P.L. 109–351), direct the SEC and the Federal Reserve Board to adopt a single set of rules implementing broker exceptions, after consulting with and seeking the concurrence of the Federal banking agencies.

On August 31, 2005, the GAO delivered a report, at the Committee Chairman's request, entitled "Real Estate Brokerage: Factors That May Affect Price Competition." The report concluded that real estate brokerage fees remained uniform regardless of market conditions, home prices, or the effort required to sell a home.

On July 25, 2006, the Subcommittee on Housing and Community Opportunity held a hearing entitled "The Changing Real Estate Market." Department of Justice and GAO witnesses discussed the implications of developments taking place in the real estate brokerage marketplace.

Implementation of FACT Act. The Committee, in its role as monitor, held a series of staff meetings with the Federal Trade Commission and Federal banking agencies on regulatory implementation of the Fair and Accurate Credit Transactions (FACT) Act (P.L. 108–159).

Financial Privacy and Identity Theft. The Committee took a number of actions including hearings to review the policies and

procedures of Federal and State governments and the private sector to protect sensitive information about consumers from improper disclosure, theft, or loss.

On May 4, 2005, the Committee held a hearing entitled "Assessing Data Security: Preventing Breaches and Protecting Sensitive Information" to assess current data security protections and what additional steps may need to be taken in light of several high profile data breaches.

On May 18, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Enhancing Data Security: The Regulators' Perspective."

On July 21, 2005, the Subcommittee on Oversight and Investigations held a hearing entitled "Credit Card Data Processing: How Secure Is It?" This hearing, the third held on data security breaches by the Financial Services Committee in the 109th Congress, addressed the 2005 data breach at CardSystems Solutions, a payments processor. In addition, the hearing examined potential data security gaps within the credit card transaction process.

A legislative hearing was held on November 9, 2005 on H.R. 3997, the "Financial Data Protection Act of 2005."

In July 2006, the Committee Chairman and Representatives Castle, Hooley, LaTourette and Moore requested a GAO report on issues regarding data breaches and the need for timely breach notification to consumers. That report is expected during the 110th Congress.

On July 18, 2006, the Committee held a hearing entitled "ICANN and the Whois Database: Providing Access to Protect Consumers from Phishing" to review tools that law enforcement and businesses use to fight "phishing" and fraudulent website postings.

Payments System Innovations. On April 20, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Implementation of the Check Clearing for the 21st Century Act."

Deposit Insurance Reform. On April 17, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a legislative hearing on H.R. 1185, the "Deposit Insurance Reform Act of 2005."

In 2006, deposit insurance reform was enacted as part of S. 1932, the "Deficit Reduction Act of 2005" (P.L. 109–171). Also enacted in 2006 was H.R. 4636, "Federal Deposit Insurance Reform Conforming Amendments of 2005" (P.L. 109–173). This legislation preserves the value of insured deposits at the nation's banks, thrifts, and credit unions, advance the national priority of enhancing retirement security, and ensure that the value, benefits, and costs of deposit insurance are allocated fairly.

Internet Gambling. In 2006, the House passed H.R. 4411, the "Unlawful Internet Gambling Enforcement Act of 2006," as it was included in the conference report for H.R. 4954, the "Security and Accountability For Every Port Act" (P.L. 109–347). H.R. 4411 was enacted in an effort to prevent the use of certain payment instruments, credit cards, and fund transfers for unlawful Internet gambling.

Basel Capital Accord. On March 10, 2005, the Chairman of the Subcommittee on Financial Institutions and Consumer Credit introduced H.R. 1226, in order to develop a plan for uniform U.S. po-

sitions on issues before the Basel Committee and to provide a review of the most recent recommendation of the Basel Committee accord on capital standards.

On May 11, 2005, the Subcommittees on Financial Institutions and Consumer Credit and Domestic and International Monetary Policy held a joint hearing entitled "Basel II: Capital Changes in the U.S. Banking System and the Results of the Impact Study."

On September 28, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Private Sector Priorities for Basel Reform."

The new deposit insurance reform law (P.L. 109–171) included a study by the GAO, due in February 2007, on the potential impact of Basel capital reform on the U.S. financial system.

On July 26, 2006, Chairman Oxley and Ranking Member Frank and the Subcommittee on Financial Institutions and Consumer Credit Chairman and Ranker sent a letter to all Federal banking regulators on Basel capital reform and commercial real estate. They urged that no final action be taken on those separate Basel proposals prior to a hearing.

On September 14, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "A Review of Regulatory Proposals on Basel Capital and Commercial Real Estate." This hearing examined the possible effects of Basel capital reform on U.S. financial institutions vis-à-vis domestic and foreign competitors and the development of Basel II and IA regulatory proposals. The hearing also focused on proposed interagency commercial real estate guidance and addressed concerns in the banking industry that the guidance may have an adverse impact on a number of financial institutions and local economies.

Following these hearings, Financial Services Committee staff met regularly with Federal banking regulators to receive updates and provide feedback on Basel capital issues.

Credit Unions. On April 13, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a legislative hearing entitled "H.R. 1042, Net Worth Amendment for Credit Unions Act," a bill which amended the Federal Credit Union Act's definition of net worth, so that the retained earnings of both credit unions in a merger transaction count toward the net worth of the surviving entity, thereby addressing the consequences of a Financial Accounting Standards Board rule. The House passed H.R. 1042 in 2005 and it was included in S. 2856, the "Financial Services Regulatory Relief Act of 2006" (P.L. 109–351).

On May 11, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "H.R. 3206, Credit Union Charter Choice Act," a bill amending the Federal Credit Union Act regarding conversion of a credit union charter to a mutual savings bank or savings association charter and the nature of disclosures made by a converting credit union to its members and of the conversion vote. The hearing addressed concerns that the National Credit Union Administration, in monitoring the conversion process, overreached its authority in requiring certain disclosures and procedural actions.

Financial Supervision. On September 15, 2005, the GAO issued a report entitled "Industrial Loan Corporations: Recent Asset

Growth and Commercial Interest Highlight Differences in Regulatory Authority" (GAO–05–621).

On July 12, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "ILCs—A Review of Charter, Ownership, and Supervision Issues." ILCs are state-chartered, federally insured, limited purpose financial institutions, owned by both financial and commercial companies. The hearing focused on whether Congress should continue to allow commercial companies to own ILCs and whether existing ILCs and their holding companies should be brought under the Federal Reserve Board's consolidated supervision rather than current FDIC supervision. The FDIC subsequently established a temporary moratorium on ILC applications.

During the 109th Congress, the Committee exercised continuous oversight of insured depository institutions, through hearings and staff briefings with relevant Federal regulatory agencies.

On May 25, 2006, the Subcommittee on Oversight and Investigations held a hearing on the operations of the Office of Thrift Supervision, which focused on thrift supervision and compliance issues. The OTS was established in 1989 as a bureau of the U.S. Department of the Treasury as part of the congressional response to the savings and loan crisis, and is the successor organization to the Federal Home Loan Bank Board.

The GAO released several reports to the Committee regarding the Office of the Comptroller of Currency, which supervises some 2,000 national banks. Two reports on OCC preemption rules were released on October 17, 2005 and April 28, 2006, respectively. A report on OCC's consumer assistance was released on February 23, 2006.

Regulatory Relief Burden. On May 19, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Financial Services Regulatory Relief: Private Sector Perspectives."

On June 9, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Financial Services Regulatory Relief: The Regulators' Views."

The Subcommittee on Financial Institutions and Consumer Credit held legislative hearings on H.R. 3505, the "Financial Services Regulatory Relief Act of 2005," on September 22 and October 18, 2005. H.R. 3505 contained a broad range of provisions that, taken as a whole, will allow banks, thrifts, and credit unions to devote more resources to the business of providing financial services and less to compliance with outdated and unneeded regulations. In 2006, the House passed H.R. 3505 and over 40 of its provisions were included in S. 2856, the "Financial Services Regulatory Relief Act of 2006" (P.L. 109–351).

Financial Services Needs of the Military and Military Families. On May 18, 2006, the Subcommittee on Oversight and Investigations held a hearing entitled "Financial Services Needs of Military Personnel and Their Families." The hearing addressed the financial services needs of U.S. military service members and their dependents, including regular duty personnel as well as the Reserves and National Guard. The Subcommittee was particularly interested in current assessments of the problems faced by these individuals and

the solutions being used to correct them. Specific concerns include service-mandated personal financial planning programs, financial educational support for dependants, insurance sales to enlisted personnel, and housing allowances.

Pandemic Influenza Preparedness. On June 29, 2006, the Subcommittee on Oversight and Investigations held a hearing entitled "Pandemic Influenza Preparedness in the Financial Services Sector." The financial services sector is focused on issues raised by the possibility of an influenza "pandemic." In recognition of this threat, the financial services sector is devoting considerable resources to identifying industry-specific as well as general business issues and is formulating appropriate responses.

Management Diversity in the Financial Services Industry. On July 12, 2006, the Subcommittee on Oversight and Investigations held a hearing entitled "Diversity: The GAO Report." This report, Government Accountability Office (GAO) Report 06–617, "Financial Services Industry, Overall Trends in Management-Level Diversity and Diversity Initiatives, 1993–2004", was written in response to a request stemming from the July 15, 2004, Subcommittee hearing entitled "Diversity in the Financial Services Industry and Access to Capital for Minority-Owned Businesses: Challenges and Opportunities." During that earlier hearing, a number of open questions were raised, which the GAO was asked to address by means of this report. Committee Members asked GAO to examine the status of diversity in the financial services industry, financial services industry initiatives to promote workforce diversity, particularly at senior management levels, and the challenges that minority- and women-owned businesses face in obtaining access to capital. Based on an examination of trend data from the Equal Employment Opportunity Commission covering the period of 1993 through 2004, and other research obtained from secondary sources, the GAO concluded that overall diversity at senior management levels in the financial services industry did not change substantially, and that increases in representation varied by racial/ethnic minority group. The GAO also found that while the financial services industry has initiated a variety of programs (such as scholarships, internships, retention programs, and management incentives) to increase workforce diversity, firm management continues to face challenges recruiting and retaining minority candidates. Lastly, GAO concluded, based on review of studies, that minority- and women-owned businesses face challenges in gaining access to capital because many lack the assets for collateral and, in some instances, studies suggest that lenders discriminate, although conclusive data are limited. Nonetheless, some financial institutions, primarily commercial banks, have developed strategies to serve minority- and women-owned businesses.

Credit Card Regulation. The Committee passed H.R. 5585, the "Financial Netting Improvements Act of 2006" which amends the Federal Deposit Insurance Act and the Federal Credit Union Act, and revises treatment of certain agreements entered into before appointment of depository institution conservators or receivers, including securities contracts, forward contracts, swap agreements, and certain walkaway clauses.

Credit Counseling. Although the Committee took no direct oversight action on this topic, the Committee monitored The Department of Treasury's counseling efforts for Hurricane Katrina and Rita victims.

Financial Literacy. On April 20, 2005, the Committee held a hearing entitled "Generations Working Together: Financial Literacy and Social Security Reform" to examine how financial literacy concepts can help all generations move toward greater retirement and investment security.

On September 28, 2006 the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Improving Financial Literacy: Working Together to Develop Private Sector Coordination and Solutions."

Committee staff attended Financial Literacy and Education Commission meetings and were briefed periodically by the Treasury Department on the progress of the Commission. On December 4, 2006, the GAO reported the findings of its study entitled "GAO Report on Effectiveness of the Financial Literacy and Education Commission."

Access to Financial Services. H.R. 3505 contained a provision to allow credit unions to offer check cashing and money transfer services to those within the field of membership, expanding these services beyond credit union members. This provision was included in S. 2856, the "Financial Services Regulatory Relief Act of 2006" (P.L. 109–351).

On May 12, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Helping Consumers Obtain the Credit They Deserve." The hearing focused on promoting greater access to credit through the collection and reporting of data not traditionally captured by our nation's credit reporting system or by credit scoring models used by prospective creditors.

On June 23, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Banking on Retirement Security: A Guaranteed Rate of Return."

On September 14, 2005, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Hurricane Katrina: The Financial Institutions' Response." The hearing focused on the financial services industry, its efforts to help victims of Hurricane Katrina, and whether legislative and regulatory solutions are needed.

On May 18, 2006, the Subcommittee on Oversight and Investigations held a hearing entitled "Financial Services Needs of Military Personnel and Their Families." The hearing addressed the financial services needs of U.S. military service members and their dependents, including regular duty personnel as well as the Reserves and National Guard. The Subcommittee was particularly interested in current assessments of the problems faced by these individuals and the solutions being used to correct them. Specific concerns include service-mandated personal financial planning programs, financial educational support for dependants, insurance sales to enlisted personnel, and housing allowances.

Community Development Financial Institutions Fund. Although the Committee took no direct oversight action on this topic, the

Committee monitored developments in this area throughout the 109th Congress.

Subprime Lending. The Committee continued its review of the complex problem of abusive and deceptive lending in the mortgage industry. The Subcommittees on Financial Institutions and Consumer Credit and Housing and Community Opportunity held a hearing on May 24, 2005 entitled "Legislative Solutions to Abusive Mortgage Lending Practices." The hearing focused on predatory and abusive mortgage lending practices, particularly in the subprime market, and current legislative proposals to abate and eliminate such practices.

HMDA. On June 13, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Home Mortgage Disclosure Act: Newly Collected Data and What It Means."

SECURITIES

Sarbanes-Oxley Act. On April 21, 2005, the Committee held a hearing entitled, "The Impact of the Sarbanes-Oxley Act." The hearing was a continuation of the Committee's monitoring and review of the implementation of the Sarbanes-Oxley Act.

On May 3, 2006, the Committee received testimony from Securities and Exchange Commission (SEC) Chairman Christopher Cox that addressed the implementation of the Sarbanes-Oxley Act during a hearing entitled, "Protecting Investors and Fostering Efficient Markets: A Review of the SEC Agenda."

On September 19, 2006, the Committee held an oversight hearing entitled, "Sarbanes-Oxley at Four: Protecting Investors and Strengthening the Markets," at which testimony was given by SEC Chairman Cox and Public Company Accounting Oversight Board (PCAOB) Chairman Mark Olson.

On March 3, 2006, Chairman Oxley and Capital Markets, Insurance and Government Sponsored Enterprises Subcommittee Chairman Baker sent a letter to SEC Chairman Cox expressing their opinion that the SEC currently possesses the authority to provide relief from provisions of the Sarbanes-Oxley Act under both Section 36(a) of the Securities Exchange Act of 1934 and under Sarbanes-Oxley Act Section 3(a). This letter was sent in anticipation of recommendations of the SEC's Advisory Committee on Smaller Public Companies regarding the easing of regulatory requirements under the Sarbanes-Oxley Act.

Public Company Accounting Oversight Board. As noted above, the Committee held three related hearings on the Sarbanes-Oxley Act, including the Public Company Accounting Oversight Board in its effort to oversee implementation of the Sarbanes-Oxley Act.

On April 21, 2005, a hearing was held entitled, "The Impact of the Sarbanes-Oxley Act."

On May 3, 2006, the Committee received further testimony on Sarbanes-Oxley Act implementation during a hearing entitled, "Protecting Investors and Fostering Efficient Markets: A Review of the SEC Agenda."

On September 19, 2006, the Committee held an oversight hearing entitled, "Sarbanes-Oxley at Four: Protecting Investors and Strengthening the Markets," at which testimony on several issues facing the PCAOB was provided by Chairman Olson.

Financial Accounting Standards Board. On March 29, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Fostering Accuracy and Transparency in Financial Reporting" to explore ways to promote more transparent financial reporting.

Corporate Governance. In addition to the oversight activities on the Sarbanes-Oxley Act and the PCAOB, which included reviews of public company corporate governance, on May 25, 2006, the Committee held the second day of a hearing entitled, "Protecting Investors and Fostering Efficient Markets: A Review of the SEC Agenda," and received testimony on executive compensation issues.

Market Structure. On February 15, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "The SEC's Market Structure Proposal: Will It Enhance Competition?" to examine changes in market structure proposed by the SEC under Regulation NMS.

On March 15, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises continued its review of Regulation NMS during a hearing entitled, "Regulation NMS: The SEC's View."

Credit Rating Agencies. On April 12, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Reforming Credit Rating Agencies: The SEC's Need for Statutory Authority." The purpose of the hearing was to review the need for reform in the credit rating industry. This hearing and the Committee's activities on this issue resulted in Committee consideration of H.R. 2990, the Credit Rating Agency Duopoly Relief Act, which provides for the voluntary registration of credit rating agencies with the SEC, removes conflicts of interest within the ratings process, and enhances transparency of rating agencies. H.R. 2990 was reported favorably out of the Committee on July 7, 2006, and passed the full House on July 12, 2006.

On June 29, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing on H.R. 2990 and legislative responses to issues of competition and transparency within the credit rating industry entitled, "Legislative Solutions for the Rating Agency Duopoly."

On November 29, 2005, the Committee held a hearing on H.R. 2990 entitled, "The Credit Rating Agency Duopoly Relief Act of 2005."

The Committee's efforts on this issue led to the enactment of S. 3850, the Credit Rating Agency Reform Act (Public Law 109–291), on September 29, 2006.

Mutual Funds. On May 10, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Mutual Funds: A Review of the Regulatory Landscape." The purpose of the hearing was to continue the Subcommittee's examination of mutual fund practices and to review the impact of SEC rulemakings on the mutual fund industry and investors.

529 Plans. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress.

Securities Offering Process. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress.

Social Security Reform. On April 20, 2005, the Committee continued its oversight of Social Security reform issues by holding a hearing entitled "Generations Working Together: Financial Literacy and Social Security Reform."

On May 5, 2005, the Subcommittee on Domestic and International Monetary Policy held a hearing entitled, "Social Security Reform: Successes and Lessons Learned."

Finally, on June 23, 2005, the Subcommittee on Financial Institutions held a hearing on social security reform entitled, "Banking on Retirement Security: A Guaranteed Rate of Return."

Initial Public Offerings (IPO) Allocation. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress.

Capital Formation and Global Competitiveness. On April 26, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "America's Capital Markets: Maintaining Our Lead in the 21st Century." The hearing examined the challenges posed to U.S. capital markets from rapidly maturing foreign markets, a litigious environment, regulation, and addressed ways to enhance our competitiveness in the capital formation process.

The Committee's activities on this issue resulted in the House passage of H.R. 436, the Increased Capital Access for Growing Business Act, which amends the Investment Company Act of 1940 to provide incentives for small business investment, on April 6, 2005.

Stock Option Accounting. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress.

Investor Restitution. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress, including questions on this topic during SEC oversight hearings. Additionally, this included the introduction of H.R. 5956, the Fair Fund Improvement Act, by Mr. Baker and four cosponsors, to address shortcomings in this program.

SRO Regulation. On November 17, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Self-Regulatory Organizations: Exploring the Need for Reform." During the hearing, the Subcommittee heard testimony regarding an SEC proposed rule designed to improve the governance and transparency of SROs and a concept release contemplating alternative models for self-regulation of our capital markets.

SEC Oversight. The Committee continued its oversight of the SEC by receiving testimony from SEC Chairman Christopher Cox at a May 3, 2006, hearing entitled, "Protecting Investors and Fostering Efficient Markets: A Review of the SEC Agenda."

Hedge Funds. The Committee continued to monitor the impact of the growth of hedge funds, and implications for America's financial

markets and individual investors. The Committee's activities on this issue resulted in the September 27, 2006, House passage of H.R. 6079, the Hedge Fund Study Act, which directs the President's Working Group on Financial Markets to study and report on hedge fund growth and risk,

Bond Pricing Transparency. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress.

Access to Broker Information. The Committee continued to monitor investor access to information regarding brokers during the 109th Congress. The Committee's activities on this issue resulted in the House passage of H.R. 1077, the Realtime Investor Protection Act, on April 6, 2005. Although H.R. 1077 failed to pass the Senate, certain provisions of the bill that enhance investor access to information about broker-dealers were included in the Military Personnel Financial Services Protection Act (Public Law 109–290), which was signed into law by President Bush on September 29, 2006.

Investor Education and Financial Literacy. The Committee continued its oversight of financial literacy by holding an April 20, 2005, hearing on this issue entitled, "Generations Working Together: Financial Literacy and Social Security Reform."

Convergence of International Accounting Standards. The Committee continued to review the convergence of international and U.S. accounting standards during a March 29, 2006, Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises hearing entitled, "Fostering Accuracy and Transparency in Financial Reporting."

XBRL Accounting. On March 29, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Fostering Accuracy and Transparency in Financial Reporting."

In addition, testimony was received from SEC Chairman Christopher Cox at a May 3, 2006, full Committee hearing entitled, "Protecting Investors and Fostering Efficient Markets: A Review of the SEC Agenda," regarding the SEC's progress in promoting the use of interactive data in financial reporting through the development of the eXtensible Business Reporting Language (XBRL) technology.

Securities Arbitration. The Committee continued its examination of developments in securities arbitration during the 109th Congress. On March 17, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "A Review of the Securities Arbitration System." SIPC. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress.

Securities Litigation. The Committee monitored the abuse of the securities litigation process and examined the growing costs on U.S. businesses arising from securities class-action settlements and judgments during the 109th Congress by holding a hearing entitled, "Investor Protection: A Review of Plaintiffs" Attorney Abuses in Securities Litigation and Legislative Remedies," on June 28, 2006.

Abusive Financial Product Sales to Military Personnel. The Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises continued to conduct oversight of insurance companies and producers selling insurance on Federal military installations. Subcommittee efforts were considered and incorporated into the Military Personnel Financial Services Protection Act (P. L. 109–290), which was signed into law by President Bush on September 29, 2006.

Hurricane Katrina Relief/Louisiana Recovery Corporation. The Committee and the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises oversaw post-Hurricane Katrina initiatives to repair the Gulf Coast region, including H.R. 4100, the Louisiana Recovery Corporation Act, which was introduced on October 20, 2005 and passed the Committee on December 15, 2005.

On November 17, 2005, the Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises held a hearing on the Louisiana Recovery Corporation Act.

Financial Accounting Transparency. The Committee continued to oversee financial accounting issues at a March 29, 2006, Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises hearing entitled, "Fostering Accuracy and Transparency in Financial Reporting." Along with other matters, the hearing addressed SEC initiatives to enhance the transparency and reduce the complexity of financial accounting.

GOVERNMENT SPONSORED ENTERPRISES

Regulatory Reform. On April 13, 2005, the Committee held a hearing entitled, "The Administration Perspective on GSE Regulatory Reform." The hearing focused on H.R. 1461, the "Federal Housing Finance Reform Act of 2005," which established the Federal Housing Finance Agency (FHFA), as an independent agency to oversee the safe and sound operation and mission function of the housing government sponsored enterprises (GSEs). FHFA would assume the GSE supervisory duties of the Office of Federal Housing Enterprise Oversight (OFHEO), Federal Housing Finance Board (FHFB), and the Department of Housing and Urban Development (HUD). The House passed H.R. 1461 in 2005.

On August 30, 2006, Chairman Oxley sent a letter to the Secretary of Treasury commending his efforts to hold discussions on GSE regulatory reform and urging further action.

On September 14, 2006, Chairman Oxley and Ranking Member Frank, joined by 62 Members on the Committee, sent a letter to the Chairman and Ranking Member of the Senate Committee on Banking, Housing, and Urban Affairs urging expeditious Senate action on GSE regulatory reform legislation.

GSEs and Financial Disclosure. On February 9, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Accounting Irregularities at Fannie Mae and the Impact on Investors." The Securities and Exchange Commission (SEC) had previously determined that certain accounting practices of the Federal National Mortgage Association (Fannie Mae) did not comply with generally accepted accounting principles, or GAAP.

On April 6, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Additional Accounting and Management Failures at Fannie Mae—OFHEO's Efforts to Ensure Safe and Sound Operations," to review a 2005 agreement between Fannie Mae and OFHEO.

On March 14, 2006, the Committee held a hearing entitled, "Review of the Rudman Report on Fannie Mae." The hearing centered on a report by former Senator Warren Rudman that resulted from OFHEO's findings of significant accounting and management irregularities at Fannie Mae.

On June 6, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "OFHEO's Final Report on Fannie Mae," to review OFHEO's special examination of Fannie Mae.

Federal Home Loan Bank System. On March 9, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "GSE Reform and the Federal Home Loan Bank System," to review developments within the Federal Home Loan Bank (FHLB) System.

On June 30, 2006, Chairman Oxley and Ranking Member Frank sent a letter to the FHFB Chairman expressing concerns regarding the potential impact of a proposed rule affecting the retained earnings and excess stock of the FHLBs.

On September 7, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "A Review of the Federal Home Loan Bank System," to review the status of the FHLB System and its regulator, including the FHFB's proposal on retained earnings and excess stock.

Executive Compensation. Although the Committee took no direct oversight action on this topic, the Committee monitored developments in this area throughout the 109th Congress.

Housing Mission. The Committee monitored compliance by Fannie Mae and the Federal Home Loan Mortgage Corporation (Freddie Mac) with HUD's affordable housing goals, to ensure that the GSEs are performing their mission and HUD is enforcing these goals. H.R. 1461, the "Federal Housing Finance Reform Act of 2005," which the House passed in 2005, revised the housing goals and created an affordable housing fund.

Mortgage Fraud. On March 10, 2005, the Subcommittee on Oversight and Investigations held a hearing entitled, "Due Diligence in Mortgage Repurchases and Fannie Mae: The First Beneficial Case." The hearing focused on the recent discovery and settlement of fraudulent lending practices involving First Beneficial Mortgage, Fannie Mae and Ginnie Mae.

HOUSING

Federal Housing Administration (FHA) and Government National Mortgage Association (GNMA). The Committee provided numerous oversights, through hearings, reported legislation and GAO investigations regarding FHA and the Government National Mortgage Association. In particular, at the beginning of the 109th Congress, the Committee was concerned about the viability and operational components of FHA and whether the agency had a necessary role in providing homeownership opportunities in the 21st

century, considering the significant changes in the mortgage finance marketplace, since FHA's conception in 1927.

On April 5, 2006, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Transforming the Federal Housing Administration for the 21st Century." The hearing focused on the Administration's FY 2007 budget proposal to reform FHA's single-family mortgage insurance activities. Under the proposal, FHA would base each borrower's mortgage insurance premiums upon the risk that the borrower poses to the FHA Mortgage Insurance Fund. Additionally, mortgage insurance premiums would be based on the borrower's credit history, loan-to-value ratio, debt-to-income ratio, and on FHA's historical experience with similar borrowers. The Administration believes that these changes would decrease premiums for many of FHA's traditional borrowers, thereby increasing their access to homeownership. The Committee reported favorably H.R. 5121, the "Expanding American Homeownership Act of 2006" on June 14, 2006 by voice-vote and the House approved the measure on July 25, 2006 by a vote of 415–7.

In addition to the April 5, 2006 hearing, FHA issues were paramount in the annual Department of Housing and Urban Development (HUD) budget hearings conducted on March 3, 2005 and March 30, 2006. Additionally, the GAO released the following reports related to the Committee's 109th oversight of the FHA program: "Mortgage Financing: HUD Could Realize Additional Benefits from Its Mortgage Scorecard," April 13, 2006 (GAO–06–435); "Hospital Mortgage Insurance Program: Program and Risk Management Could be Enhanced," February 28, 2006 (GAO–06–316); "Mortgage Financing: Additional Action Needed to Manage Risks of FHA-Insured Loans with Down Payment Assistance," November 9, 2005 (GAO–06–24); "Residential Care Facilities Mortgage Insurance Program: Opportunities to Improve Program and Risk Management," May 24, 2006 (GAO–06–515).

Rural Housing Service's (RHS) Mission. On March 10, 2005, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Oversight of the Rural Housing Service and its Fiscal Year 2006 Budget." The hearing was designed to review RHS's fiscal year 2006 budget proposal as well as three reports issued by the GAO during the 108th Congress entitled "Rural Housing: Changing the Definition of Rural Could Improve Eligibility Determinations" (GAO–05–110); "Rural Housing Service: Agency Has Overestimated Its Rental Assistance Budget Needs Over the Life of the Program" (GAO–04–752); and "Rural Housing Service: Updated Guidance and Additional Monitoring Needed for Rental Assistance Distribution Process" (GAO–04–937). At this hearing, the Subcommittee heard testimony from the Administrator of the Rural Housing Service, an agency within the Department of Agriculture (USDA), and the GAO.

On April 25, 2006, the Subcommittee held a legislative hearing on H.R. 5039, the "Saving America's Rural Housing Act of 2006," introduced by Rep. Geoff Davis (KY–4). The bill would create a revitalization program for section 515 properties, allow for the prepayment of some section 515 loans made before 1989, and protect tenants. The Subcommittee heard testimony from the RHS Admin-

istrator and representatives from a variety of organizations involved with the Section 515 program.

On March 10, 2005, the GAO released a report, at the request of the Committee, entitled "Rural Housing Service: Overview of Program Issues."

Home Mortgage Disclosure Act (HMDA). On June 13, 2006, the Subcommittee on Financial Institutions and Consumer Credit held a hearing entitled "Home Mortgage Disclosure Act: Newly Collected Data and What It Means." This hearing focused on the recently implemented Federal Reserve Board regulation under the Home Mortgage Disclosure Act that requires mortgage lenders to collect, report, and make public new mortgage pricing data and what this data means to consumers and lenders. At this hearing, the Subcommittee heard testimony from several witnesses, including a Federal Reserve Board Governor and organizations representing housing industry and advocacy groups.

FY 2006/2007 Budget/Review of Housing and Urban Development, Rural Housing Service, National Reinvestment Corporation and the National Flood Insurance Program. On March 3, 2005, the Committee on Financial Services held a hearing entitled "Oversight of HUD" to review the Administration's FY 2006 budget proposal.

On March 30, 2006, the Committee on Financial Services held a hearing entitled "Oversight of HUD" to review the Administration's FY 2007 budget proposal.

On March 10, 2005, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Oversight of the Rural Housing Service" to review the Administration's FY 2006 budget proposal.

On April 25, 2006, the Subcommittee on Housing and Community Opportunity held a hearing on H.R. 5039—Saving Rural Housing, which included testimony and review of the Administration's FY 2007 budget proposal.

On April 14, 2005, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Oversight of the Flood Insurance Program".

On August 23, 2006, the Committee on Financial Services held a field hearing in Buck's County, Pennsylvania on the status of the National Flood Insurance Program.

The staff of the Subcommittee on Housing and Community Opportunity met with representatives of the National Reinvestment Corporation to review their proposed FY 2006 and 2007 budget proposals and in 2006 also discussed their newly drafted strategic plan.

Section 8 Housing Choice Voucher Program. On May 11, 2005 and May 17, 2005, two legislative hearings were held entitled "H.R. 1999, The State and Local Housing Flexibility Act of 2005." The Full Committee held the May 11, 2005 hearing, and the Subcommittee on Housing and Community Opportunity held the May 17, 2005 hearing. The Committee heard testimony from the Secretary of HUD. The Subcommittee heard testimony from a number of public housing authorities and housing advocacy groups. Both hearings focused on H.R. 1999, the Administration's proposal to reform the Housing Choice Voucher program introduced in the House by Rep. Gary G. Miller (CA) and by Sen. Wayne Allard (CO) in the

Senate. H.R. 1999 makes significant changes to the housing choice voucher program by providing greater flexibility to Public Housing Authorities (PHAs) to manage their individual budgets. The current voucher program operates under a complex set of regulations and guidelines which make the program overly prescriptive and difficult to administer.

In addition, the Subcommittee on Housing and Community Opportunity held a roundtable discussion that focused on the future of the Housing Choice Voucher Program on March 17, 2005. The goal of these roundtable discussions was to identify the top-level issues regarding the current operation, administration, and funding of the Housing Choice Voucher Program and to craft solutions that would address the effectiveness and efficiency of the government's role in the administration of the Housing Choice Voucher Program.

During the 109th Congress, the Republican and Democratic staffs met on a regular basis in an effort to craft bipartisan legislation that would reform the section 8 Housing Choice Voucher Program. H.R. 5443, the "Section 8 Reform Act of 2006" was introduced on May 22, 2006 as the product of the bipartisan meetings. On June 14, 2006, the Committee on Financial Services approved this reform proposal.

The Committee requested GAO to conduct several reports relating to the Housing Choice Voucher Program.

On February 18, 2005, the GAO released a report entitled "HUD Rental Assistance: Progress and Challenges in Measuring and Reducing Improper Rent Subsidies" (GAO–05–224).

On April 28, 2006, the GAO released a report entitled "Rental Housing Assistance: Policy Decisions and Market Factors Explain Changes in the Costs of the Section 8 Programs" (GAO–06–405).

Timely HAP Payments. HUD provides subsidies, known as housing assistance payments, under contracts with privately owned, multifamily projects so that they are affordable to low-income households. Project owners have expressed concern that HUD has chronically made late housing assistance payments in recent years, potentially compromising the ability of owners to pay operating expenses, make mortgage payments, or set aside funds for repairs. Members of the Committee, including the Chairmen and Ranking Minority Members of the Full Financial Services Committee and the Subcommittee on Housing and Community Opportunity, asked GAO to review the timeliness of HUD's monthly housing assistance payments, the factors that affect payment timeliness, and the effects of delayed payments on project owners.

On November 15, 2006 GAO released a report (GAO–06–57) entitled "Project-Based Rental Assistance: HUD Should Streamline the Process to Ensure Timely Housing Assistance Payments." GAO recommended that HUD streamline and automate the contract renewal and automate the contract renewal process to prevent errors and delays. GAO also offered recommendations to improve HUD's monitoring of contract funding levels and notifying owners about late payments. HUD agreed with GAO's conclusions and recommendations.

Mortgage Finance Reform/Real Estate Settlement Procedures Act (RESPA). The Subcommittee on Housing and Community Oppor-

tunity continued to monitor the need for RESPA reform, particularly the adoption of a new rule addressing the issue by HUD.

Housing Counseling. In the 109th Congress, the Committee on Financial Services and the Subcommittee on Housing and Community Opportunity continued to monitor this issue.

Public Housing/Housing Preservation. The Committee will continue to examine the cost of preserving current public housing units and will consider new alternatives to address the funding and preservation of public housing. Currently, there are about 1.25 million units of public housing worth an estimated $90 billion in the United States. Preserving the current public housing stock is fundamental to maintaining adequate levels of affordable housing in this country. Issues related to public housing were addressed during the March 3, 2005, Committee on Financial Services hearing entitled "Oversight of HUD," which reviewed the Administration's FY 2006 budget proposal and again during the March 30, 2006 hearing entitled "Oversight of HUD," which reviewed the Administration's FY 2007 budget proposal.

In addition, several GAO reports were requested focusing on Public Housing and Preservation:

On October 3, 2005, the GAO released a report entitled "Department of Housing and Urban Development Revisions to the Public Housing Operating Fund Program" (GAO–06–107R).

On December 9, 2005, the GAO released a report entitled "Public Housing: Distressed Conditions in Development for Elderly and Persons with Disabilities and Strategies Used for Improvement" (GAO–06–163).

Colonias. The Committee's review of Native American and rural housing issues housing is ongoing. On July 31, 2006, the Subcommittee on Housing and Community Opportunity held a field hearing in Arizona entitled "Removing Barriers to Native American Homewnership."

National Flood Insurance Program. The Committee on Financial Services and the Subcommittee on Housing and Community Opportunity have held five hearings in a series focused on oversight of the National Flood Insurance Program (NFIP).

On April 14, 2005, the Subcommittee held a hearing entitled "Review and Oversight of the National Flood Insurance Program." At this hearing, the Subcommittee heard testimony from the Acting Mitigation Division Director and Federal Insurance Administrator at FEMA and the Director of Homeland Security and Justice at the GAO. The hearing focused on administrative problems facing the NFIP and the steps currently being taken by FEMA and the private insurance industry to resolve these problems. The hearing also addressed the current funding difficulties impacting the implementation of the "Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004."

On July 12, 2005, the Subcommittee held a hearing entitled "Flood Map Modernization and the Future of the National Flood Insurance Program." The hearing focused on the $1 billion, 5–year flood map modernization program at FEMA. The Subcommittee heard testimony from the Acting Mitigation Division Director and Federal Insurance Administrator at FEMA and the Director of Homeland Security and Justice at the GAO.

On August 17, 2005, the Subcommittee held a field hearing in New Philadelphia, Ohio entitled "A Look at the National Flood Insurance Program: Is Ohio Ready for a Flood?" The Subcommittee heard testimony from the Acting Mitigation Division Director and Federal Insurance Administrator at FEMA and several Ohio state and local officials. The hearing focused on how state and local governments operate under the NFIP, and the steps currently being taken by FEMA, local officials, and the insurance industry to resolve problems dealing with inconsistencies and delays inherent to the program. The hearing examined current implementation difficulties in counties such as Tuscarawas, Ohio—specifically, how implementation of the Flood Insurance Reform Act has affected constituents and local organizations.

On October 20, 2005, the Subcommittee held a hearing entitled "Management and Oversight of the NFIP." Witnesses included Reps. Richard Baker (LA) and Gene Taylor (MS), David Maurstad, Acting Director and Federal Insurance Administrator at FEMA, and William Jenkins, Jr., Director, Homeland Security and Justice at the GAO. The hearing focused on GAO's upcoming report on issues related to the NFIP, its management and oversight by FEMA, and FEMA's implementation of reforms to the NFIP that were mandated by the "Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004." The hearing also focused on the impact of Hurricanes Katrina and Rita on the NFIP and on FEMA's response, as well as funding difficulties that may confront the NFIP in the aftermath of recent hurricanes.

On August 15, 2006, the Full Committee held a field hearing in Yardley, Pennsylvania entitled "A Look at the National Flood Insurance Program and Flood Mitigation Efforts: Is Bucks County, Pennsylvania Ready for Another Flood?" This hearing focused on the NFIP and the program's response to the June 2006 flooding in Bucks County and in the Commonwealth of Pennsylvania. The hearing also focused on how state and local governments operate under the NFIP, and the steps currently being taken by FEMA, local officials, and the insurance industry to resolve problems dealing with inconsistencies and delays inherent in the program. At the hearing, the Committee received testimony from David Maurstad, Director and Federal Insurance Administrator at FEMA, a representative from the insurance industry, and several local officials.

On January 24, 2006, Rep. Michael G. Oxley, Chairman, Committee on Financial Services, requested that the GAO complete three reports related to flood insurance and natural disaster insurance. The GAO was directed to study 1) government legislation to help facilitate mitigation of natural disaster insurance losses; 2) wind versus flood hurricane insurance issues; and 3) proposals for improving natural catastrophe coverage. The report related to mitigation of natural disaster insurance losses is expected to be released on February 28, 2007. The other two reports will be released on a date, yet to be determined.

Community Development Block Grant. The Subcommittee on Housing and Community Opportunity held a series of three field hearings entitled "Strengthening Rural Ohio: A Review of the Community Development Block Grant Program." The first hearing was held on March 24, 2006, in Mount Vernon, Ohio. The second hear-

ing was held later that same day in Cambridge, Ohio. The third hearing was held the following day, on March 25, 2006, in Logan, Ohio. Witnesses included local elected officials and representatives of nonprofit organizations.

The Subcommittee also held a field hearing on the CDBG program on April 12, 2006 in Los Angeles, California. Witnesses included local officials, and representatives from economic development and nonprofit organizations.

On June 14, 2005, Reps. Bob Ney, Chairman, Subcommittee on Housing and Community Opportunity and Mike Turner, Chairman, Subcommittee on Federalism and the Census, requested that the GAO issue a report on alternative formulas to allocate CDBG funds. This report is estimated to be issued on April 30, 2007.

On July 28, 2006, the GAO delivered a report to Congress entitled "Community Development Block Grants: Program Offers Recipients Flexibility but Oversight Can Be Improved." This report was requested by Rep. Bob Ney, Chairman, Subcommittee on Housing and Community Opportunity; Sen. Tom Coburn, Chairman, Subcommittee on Federal Financial Management, Government Information, and International Security; and Rep. Mike Turner, Chairman, Subcommittee on Federalism and the Census.

The CDBG program, administered by HUD, is the Federal government's largest and most widely-available source of financial assistance to support State and local government-directed neighborhood revitalization, housing rehabilitation, and economic development activities. These formula-based grants are allocated to more than 1,100 entitlement communities (metropolitan cities with populations of 50,000 or more, and urban counties), the 50 states, Puerto Rico, and the insular areas of American Samoa, Guam, the Virgin Islands, and the Northern Mariana Islands. The States participating in the CDBG Program award grants only to units of general local government that carry out development activities, which accounts for the investment in rural areas. Annually, each State develops funding priorities and criteria for selecting projects. Grants are used to implement plans intended to address local housing, neighborhood revitalization, public services, and infrastructure needs, as determined by local officials with citizen input.

HUD Mission, Management Reform and Staffing. The Committee held two hearings that combined a review of HUD's annual budget proposals as well as their mission and management reform. Those two hearings were held on March 3, 2005 and March 30, 2006 respectively. Additionally, Committee staff was briefed on GAO Report GAO–06–1002R—"Managerial Cost Accounting Practices: Department of Agriculture and the Department of Housing and Urban Development," which was delivered to Congress on September 21, 2006.

HOPE VI/Mainstreet Program. The HOPE VI program provides competitive grants to PHAs for the demolition and/or revitalization of distressed public housing. HOPE VI has been popular with many Members of Congress, but it has been criticized by the Administration, which argues that grantees spend money too slowly, and by tenant advocates, who argue the program displaces more families than are housed in new developments.

During the 109th Congress, this Committee responded to concerns raised regarding the HOPE VI program by considering and approving legislation. In addition to reauthorizing the program through FY2006, the legislation established a new form of HOPE VI grant to be used to fund the redevelopment of distressed Main Street areas in small communities. The legislation included several management changes to make the program more accountable and sensitive to the people it is intended to assist and to address the slow expenditure rate of HOPE VI funds.

Authorization for the HOPE VI program is set to expire at the end of FY2006. This Committee approved, and the House passed, a one-year reauthorization bill, H.R. 5347, HOPE VI Reauthorization Act of 2006, on September 27, 2006. The bill is currently awaiting action in the Senate. Future reauthorization and program mission will be the focus of debate in the 110th Congress.

Minorities and Homeownership. The Committee conducted several hearings reviewing the impact of homeownership activity in minority communities. Several legislative initiatives, if enacted, would have a disproportionately positive impact on the increase in minority homeownership. These legislative initiatives include:

(1) H.R. 797, the "Native American Housing Enhancement Act of 2005," passed by the House on April 6, 2005, agreed to by the Senate with an amendment on November 8, 2005 and agreed to by the House on December 18, 2005. The bill was signed into law by the President on December 22, 2005, Public Law 109–240;

(2) H.R. 280, the "Brownfields Redevelopment Enhancement Act," was ordered reported by Committee on March 16, 2005 and passed by the House on December 13, 2005;

(3) H.R. 4804, the "FHA Manufactured Housing Loan Modernization Act of 2006," was reported by the Subcommittee on Housing and Community Opportunity on February 16, 2006, ordered reported by the Committee on June 14, 2006; and passed the House on July 25, 2006 by a vote of 412–4;

(4) H.R. 5121, the "Expanding American Homeownership Act of 2006," was ordered reported by the Committee on May 24, 2006 and passed by the House on July 25, 2006 by a vote of 415–7; and

(5) H.R. 3043, the "Zero Downpayment Act of 2005," was ordered reported by the Committee on May 24, 2006.

The Subcommittee on Housing and Community Opportunity held several hearings to review issues directly impacting minority homeownership, including one on June 30, 2005, entitled "Legislative Hearing on H.R. 3043–Zero Downpayment Act of 2005."

On May 24, 2005, The Subcommittee on Housing and Community Opportunity held a joint hearing with the Subcommittee on Financial Institutions entitled "Legislative Solutions to Abusive Mortgage Lending Practices."

On July 19, 2005, the Committee held a joint hearing with the Committee on Resources entitled "Improving Land Title Grant Procedures For Native Americans."

On April 5, 2006, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Transforming the FHA."

On July 25, 2006, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Changing Real Estate Markets."

On July 31, 2006, the Subcommittee on Housing and Community Opportunity held a Field Hearing in Arizona entitled "Removing Barriers to Native American Homeownership."

Homelessness. The Homeless Assistance Grants fund the four major homeless assistance programs—Shelter Plus Care (S+C), the Supportive Housing Program (SHP), Section 8 Moderate Rehabilitation Single Room Occupancy (SRO), and Emergency Shelter Grants (ESG)—authorized by the McKinney-Vento Homeless Assistance Act (P.L. 100–77) and administered by HUD. The Act, which was signed into law in 1987, has remained unauthorized since 1994. The Committee will continue to monitor the administration and funding of these important programs.

Housing Production. Increasing minority homeownership and making sure that families have access to decent affordable rental housing in their communities is an important issue facing many communities in today's high-cost housing market. Oversight of this issue has been an important component that permeates throughout most of the Committee's housing hearings and legislative agenda. For example, housing production has been one of the critical issues of discussion during consideration of GSE Reform. H.R. 1461, the "Federal Housing Finance Reform Act of 2005," creates a new Affordable Housing Fund that could contribute as much as $350 to 400 million for the development of affordable housing over the first two years.

Native American Housing Programs. The Full Committee held a joint hearing with the Committee on Resources on July 19, 2005 entitled "Improving Land Title Grant Procedures for Native Americans." Representatives from the Office of Native American Programs at HUD, and from the Bureau of Indian Affairs (BIA) at the Department of the Interior, testified.

The hearing focused on the administrative problems facing Native Americans seeking homeownership and the process of obtaining land title through BIA. Specifically, the hearing focused on the BIA's ability to produce timely Title Status Reports (TSR) for Native American Lands, as well as how BIA affects HUD programs such as the Indian Community Development Block Grant Program and the Indian Housing Block Grant Program. Since the TSR serves as proof of "clear title" for the purpose of mortgaging leasehold interests for property, the ability of BIA to issue these reports affects more than housing, and has been seen by critics as a major contributing factor to the lack of economic development on Native American lands.

On July 31, 2006, the Subcommittee on Housing and Community Opportunity held a field hearing entitled "Removing Barriers to Homeownership for Native Americans" in Camp Verde, Arizona. This hearing focused on the progress made by the BIA and HUD in removing those barriers to Federal housing assistance for Native Americans identified in the Full Committee hearing on July 19, 2005.

Fair Housing. On February 28, 2006, the Subcommittee on Housing and Community Opportunity held a hearing entitled "Fair

Housing Issues in the Gulf Coast in the Aftermath of Hurricanes Katrina and Rita." This hearing focused on fair housing experiences, practices, and challenges faced by displaced families and individuals seeking temporary or permanent housing replacement. The hearing also focused on the current state of fair housing enforcement and whether recent technological advances have helped or hindered enforcement practices. The Subcommittee heard testimony from Kim Kendrick, Assistant Secretary for Fair Housing and Equal Opportunity at HUD. Witnesses also included representatives from organizations promoting the enforcement of fair housing laws.

INSURANCE

Terrorism Risk Insurance Act. On July 13, 2005, the Committee held a hearing entitled, "Treasury's Report to Congress on the Terrorism Risk Insurance Act." The hearing focused on the Treasury's report on the effectiveness of the Terrorism Risk Insurance Act program and the Administration's suggestions to scale back and eventually phase out the program.

On July 27, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "The Future of Terrorism Insurance." The hearing focused on potential short-term and long-term solutions for improving the terrorism insurance marketplace. Witnesses included a broad cross-section from the terrorism insurance marketplace, including underwriters, policyholders and risk-management experts. In addition to general issues facing the terrorism insurance marketplace, witnesses discussed their views on appropriate reform measures for the Terrorism Risk Insurance Act of 2005.

On January 24, 2006, Chairman Oxley sent a letter to the Government Accountability Office (GAO) requesting a study to determine the extent to which risks associated with nuclear, biological, chemical and radioactive (NBCR) events are measurable and insurable at the private sector as well as whether private insurers are currently exposed to NBCR risks and the challenges they face in pricing such risk. The GAO report was released on September 25, 2006.

On July 25, 2006, the Subcommittee on Oversight and Investigations and the Committee on Homeland Security Subcommittee on Intelligence, Information Sharing, and Terrorism Risk Assessment held a joint hearing entitled "Terrorism Threats and the Insurance Market." This hearing looked at the insurance industry's attempts to model terrorism risk and market for terrorism risk insurance. Witnesses also addressed industry representations that terrorism is an "uninsurable risk" due to lack of actuarial data and baseline intelligence.

On September 27, 2006, the Subcommittees on Capital Markets, Insurance and Government Sponsored Enterprises, and Oversight and Investigations held a joint hearing entitled, "Protecting Americans from Catastrophic Terrorism Risk." The hearing focused on the availability of terrorism insurance in the private market and how to best protect Americans from catastrophic terrorism risk. Witnesses included various representatives from the terrorism insurance marketplace, including chief executive officers from na-

tional companies with expertise in the business of purchasing or providing terrorism insurance and reinsurance coverage. Witnesses discussed the GAO Report on NBCR risk as well as proposals to solve availability and affordability problems associated with terrorism insurance.

Military Personnel Financial Protection. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises continued to conduct oversight of insurance companies and producers selling insurance on Federal military installations. Subcommittee efforts were considered and incorporated into the Military Personnel Financial Services Protection Act, which was signed into law by President Bush on September 29, 2006.

Regulatory Modernization. On June 16, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "SMART Insurance Reform." The hearing focused on the need for comprehensive reform of the State system of insurance regulation. Witnesses included current and former State insurance commissioners and officers of the National Association of Insurance Commissioners (NAIC). Witnesses discussed unsuccessful efforts by the States to create a more uniform and efficient regulatory system. The witnesses commented on potential Federal legislative proposals for improving State insurance regulation, in particular the legislative draft of the State Modernization and Regulatory Transparency Act.

On June 21, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Commercial Insurance Modernization." Witnesses included representatives from the nonadmitted insurance and reinsurance marketplace. Witness testimony addressed the problems faced by nonadmitted consumers, surplus lines insurers, and reinsurance providers in the current regulatory environment and how changes proposed in the Nonadmitted and Reinsurance Reform Act of 2006 will dramatically improve the nonadmitted and reinsurance marketplace.

Insurance Solvency Regulation. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises continued to monitor developments in insurance solvency regulation. The Subcommittee also held a hearing on June 16, 2005 that discussed issues related to insurance solvency regulation.

Market Conduct Regulation. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing on June 16, 2005 that discussed issues related to market conduct regulation.

Producer Licensing Reform. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held hearings on June 16, 2005 and June 21, 2006 that addressed issues related to producer licensing reform.

Insurance Product Approval. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing on June 16, 2005 that discussed issues related to insurance product approval.

Insurance Fraud. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing on June 16, 2005 that discussed issues related to insurance fraud.

Insurance Consumer Protections. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held hearings on June 16, 2005 and June 21, 2006 that discussed issues related to insurance consumer protections.

Preemption of State Insurance Law. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises continued to monitor efforts by Federal agencies to preempt State laws governing the business of insurance. The Subcommittee also monitored State insurance laws to ensure that they did not interfere with federally authorized powers governing financial institutions.

Price Controls, Underwriting Criteria, and Availability. The Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises monitored developments on this topic throughout the 109th Congress. The topic was also discussed in hearings held by the Subcommittee on June 16, 2005, July 27, 2005, June 21, 2006, September 13, 2006, and September 27, 2006.

Insurance Marketing. Although the Committee took no direct oversight action on this topic, the Committee monitored developments in this area throughout the 109th Congress.

Insurer Licensing. On June 16, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing that discussed issues related to insurer licensing.

Surplus Lines Insurance. On June 16, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing that specifically focused on surplus lines insurance. The Committee subsequently reported, and the House passed, H.R. 5637, The Nonadmitted and Reinsurance Reform Act.

The Subcommittee also held a hearing on June 16, 2005 that discussed issues relating to "surplus lines insurance."

Reinsurance. On June 16, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing on reinsurance regulation.

The Subcommittee also held a hearing on June 16, 2005 that discussed issues relating to reinsurance regulation.

Viaticals. On June 16, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing that discussed issues related to viaticals.

Receivership. On June 16, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing that discussed issues related to receivership.

Financial Surveillance. On June 16, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing featuring issues related to "financial surveillance of insurance companies."

Risk Retention Act. In response to a request by the Committee on Financial Services in the 108th Congress, the GAO released a report on the Risk Retention Act (RRA) on August 15, 2005. The report, entitled "Risk Retention Groups: Common Regulatory Standards and Greater Protections Are Needed" examined the effect of Risk Retention Groups on insurance availability and affordability, assessed whether the Risk Retention Act (RRA) preemption created regulatory problems, and evaluated the sufficiency of the RRA's ownership, control, and governance provisions in protecting

the best interests of insureds. The Subcommittee monitored other developments in this area throughout the 109th Congress.

Insurance Litigation Reform. Although no direct oversight action was taken on this topic, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises continued to monitor developments in this area throughout the 109th Congress.

Natural Disaster Insurance. On September 14, 2005, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a briefing with representatives from private property and casualty insurance companies to discuss the impact of Hurricane Katrina on coastal insurance markets. The briefing focused on several topics, including claims procedures, coverage issues, mitigation efforts, insurance availability, reinsurance capacity, and marketplace impact. On November 9, 2005, the Subcommittee held a briefing with State insurance commissioners from Louisiana, Florida, Mississippi, Texas, and Alabama. This briefing focused on the regulatory impact of the 2005 hurricane season.

On January 24, 2006, in response to the devastating hurricane season of 2005 and its after-effects on the personal and commercial property insurance marketplace, the Committee on Financial Services asked the GAO to examine and conduct a comprehensive study concerning the need for government involvement to better protect for insured losses resulting from natural disasters. The GAO was also asked to examine how insurance claims adjusters determine whether storm damage is caused by wind or flooding, what mitigation efforts can be used to reduce natural disaster insurance losses, and potential solutions to decrease the number of uninsured and underinsured consumers. The GAO assessment is ongoing.

On September 13, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled, "Stabilizing Insurance Markets for Coastal Consumers." Witnesses included the insurance commissioner from the State of Florida and representatives from the property and casualty insurance marketplace. The hearing focused on the disruptions in the personal and commercial insurance markets along the coasts and potential legislative solutions to reduce post-event market distortions caused by natural disasters.

Workers' Compensation Insurance. The Committee examined workers' compensation insurance issues within the context of its oversight of terrorism insurance at hearings on July 27, 2005 and September 13, 2006. The Committee continued to monitor developments in this area throughout the 109th Congress.

Catalogue of Regulated Insurance Products and Federal Insurance Programs. On July 27, 2005 and September 27, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held hearings that covered issues relating to Federal insurance programs. It continued to monitor this topic throughout the 109th Congress.

Seniors' Retirement Needs. Although no direct oversight action was taken on this topic, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises continued to monitor developments in this area throughout the 109th Congress.

Insurance Industry Critical Infrastructure Protections. Although no direct oversight action was taken on this topic, the Sub-

committee on Capital Markets, Insurance and Government Sponsored Enterprises continued to monitor developments in this area throughout the 109th Congress.

Title Insurance. On January 24, 2006, in response to several State investigations involving questionable title insurance practices, including "kickbacks" and fraudulent "captive reinsurance agreements", the Committee asked the GAO to conduct a comprehensive study of the title insurance marketplace. The GAO released a preliminary report on April 24, 2006 that focused on the reasonableness of the cost structures and agent practices common to the title insurance industry, the implications of activities identified in recent State and Federal investigations, and the potential need for regulatory changes. The GAO investigation is continuing into 2007.

On April 26, 2006, the Subcommittee on Housing and Community Development held a hearing entitled, "Title Insurance: Cost and Competition." The hearing focused on the title insurance marketplace, recent State and Federal investigations, and proposals to make the market more competitive and efficient for consumers. The preliminary findings of the GAO report were also discussed. Witnesses included representatives from the title insurance industry, GAO, the Department of Housing and Urban Development, and the NAIC.

On May 24, 2006, the Committee sent a letter to LandAmerica Financial Group requesting all documents and records relating to Colorado Deputy Insurance Commissioner Erin Toll. The letter was in response to testimony from Commissioner Toll on April 26, 2006, where she suggested in a subcommittee hearing that LandAmerica was interfering with her ability to carry out Colorado's investigation into the title insurance industry. The Committee received the documents from LandAmerica on June 12, 2006. Committee staff continues to review and evaluate them.

Transparency in the State Regulation of Insurer Investments. On September 20, 2006, the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled "Improving Transparency in State Regulation of Insurer Investments." The hearing focused on the NAIC's Securities Valuation Office and the impact of its classification decisions on the market for hybrid securities, insurer's investment portfolios, and the broader U.S. capital markets. Witnesses included representatives from the life insurance marketplace, the securities market, and the NAIC.

INTERNATIONAL FINANCE AND TRADE

Annual report and testimony by the Secretary of the Treasury on International Monetary Fund Reform and the State of the International Financial System. The Committee held hearings to receive the annual report of the Secretary of the Treasury on the State of the International Financial System on March 15, 2005, and May 17, 2006. The Secretary testified on topics covering the progress on China's revaluation of the Yuan, the Doha round of negotiations, how the US could improve its exporting of financial services and the Treasury Department's current agenda. The Committee mon-

itored other developments in this area throughout the 109th Congress.

U.S.-E.U. Financial Sector Issues. On June 16, 2005, the Subcommittee on Domestic and International Monetary Policy, Trade and Technology held a hearing entitled "The U.S.-E.U. Regulatory Dialogue: What Comes Next?" This hearing examined the United States and European Union financial regulator meeting. Throughout the 109th Congress, Financial Services Committee staff met periodically with the Department of the Treasury, the Securities and Exchange Commission (SEC), the Public Company Accounting Oversight Board (PCAOB), and the Board of Governors of the Federal Reserve System (Federal Reserve) to receive updates and provide feedback on Trans-Atlantic financial sector issues.

U.S. Contributions to the International Financial Institutions (IFIs and other international development entities). The Committee held hearings on September 27, 2005 and September 12, 2006 examining the U.S. participation in the fourteenth reauthorization of the International Development Association (IDA–14) and oversight of the International Fund for Agricultural Development (IFAD) respectively. The Committee continued to review U.S. participation in, and the effectiveness of, U.S. policy toward, the IMF, the World Bank Group and the appointment of a new President, and other regional multilateral development banks (MDBs) such as the African Development Bank (AfDB), the Asian Development Bank (ADB), and the Inter-American Development Bank (IDB) during the 109th Congress by meeting with representatives from these organizations and the U.S. Treasury.

Trade in Financial Services. On November 15, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, 'Increasing Efficiency and Economic Growth Through Trade in Financial Services' that assessed how the Doha Round of multilateral trade negotiations were progressing with respect to the financial services sector and suggestions of how the U.S. could enhance its own offers in the financial services chapters as well as enhance monitoring and implementation. With passage of the Trade Promotion Authority Act (Pub. L. 107–210), the Chairman and Ranking Minority Member of the full Committee were named to the Congressional Oversight Group on Trade. In this capacity, the Committee was active in the oversight of trade negotiations with the Central American Free Trade Agreement (CAFTA), Bahrain, Oman, South Korea, Vietnam, Malaysia and Peru. Committee staff consulted regularly with staff of the U.S. Trade Representative on matters within the jurisdiction of the Committee. As part of its oversight responsibilities, the Committee monitored negotiations for increased trade liberalization and consulted with U.S. counterparts to these negotiations.

On March 17, 2005, Chairman Oxley, Chairman Pryce and the Ranking Member of the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology Maloney wrote a letter to the Secretary of the Treasury and Acting United Stated Trade Representative expressing concern over the faltering pace of financial services negotiations at the World Trade Organization.

On November 3, 2005, Chairman Oxley and Chairman Pryce wrote a letter to the United States Trade Representative request-

ing an appearance to testify and discuss the goals of the United States Trade Representative regarding the financial component of the World Trade Organization ministerial meeting in December of 2005.

On July 14, 2006, the Chairman of the full Committee, Chairman of the Committee on Science, and three other Members of Congress wrote a letter to the Speaker and Majority Leader of the U.S. House of Representatives urging consideration of the Vietnam Permanent Normal Trade Relations (PNTR) legislation.

International Debt Relief. On June 8 and September 27, 2005, the Subcommittee on Domestic and International Monetary Policy, Trade and Technology held hearings on debt and development, and how to provide effective assistance to the world's poorest countries. Committee staff monitored efforts to renew the government's debt-relief authority.

Millennium Challenge Corporation (MCC). The Committee monitored the activities of the Millennium Challenge Corporation through the 109th Congress.

Export-Import Bank of the United States. In the 109th Congress, the Committee continued its oversight responsibilities of the Export-Import Bank (Ex-Im) of the United States and worked to reauthorize the banks operations, which expired on September 30, 2006.

On November 10, 2005, the Subcommittees on Domestic and International Monetary Policy, Trade, and Technology and Oversight and Investigations held a joint hearing overseeing the operations at the Export-Import Bank of the United States.

Throughout the 109th Congress, Committee staff met with representatives of the Bank and with large-business and small-business Bank clients to determine how well the Bank was serving its clients and how well it was meeting the statutory requirements of its last reauthorization, in 2002.

On April 5, 2006, the Subcommittee held a legislative hearing entitled, "Reauthorization of the Export-Import Bank of the United States." The hearing focused on H.R. 5068, a bill that would reauthorize the Export-Import Bank of the United States and make certain changes to the Bank's charter.

On May 18, 2006, Chairman Oxley and Ranking Member Frank, the Chairman and the Ranking Member of the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology, the Chairwoman of the Subcommittee on Oversight and Investigations, and the Chairman of the Committee on Small Business wrote a letter to the President of the United States urging for nominations of an Inspector General and two Members of the Board of Directors for the Export-Import Bank of the United States.

Oil for Food Program. The Committee continued to monitor the developments related to the Oil for Food throughout the 109th Congress.

North American Development Bank. The Committee continued to monitor the operations of the North American Development Bank (NADBank) throughout the 109th Congress.

Trafficking in Persons. On March 15, April 28, and June 22, 2005, the Subcommittee on Domestic and International Monetary

Policy, Trade, and Technology held hearings involving the combating of trafficking in persons, profiteering from such trade and steps the international financial institutions and development banks can and are taking to help eradicate such trade.

Holocaust Restitutions. On July 27, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, "Review of the Repatriation of Holocaust Art Assets in the United States."

DOMESTIC MONETARY POLICY AND TECHNOLOGY

The Federal Reserve Bank's Conduct of Monetary Policy. On February 17 and July 20, 2005, and February 25 and July 20, 2006, the Committee on Financial Services held hearings to receive the testimony of the Chairman of the Board of Governors of the Federal Reserve System, covering the conduct of monetary policy and the state of the economy.

Staff held numerous briefing sessions with staff from the Board of Governors.

Management/Reform of the Federal Reserve System. On February 17 and July 20, 2005, and February 25 and July 20, 2006, the Committee on Financial Services held wide-ranging hearings covering many aspects of the operation of the Federal Reserve System and the monetary policy activities of its Board of Governors.

On July 19, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, "Coin and Currency Issues Facing Congress: Can We Still Afford Money?" That hearing covered issues related to the Federal Reserve's issuance of currency, the design of that currency, and the Federal Reserve's role in circulation of currency and of coins issued by the Treasury Department. The hearing also served as the legislative hearing for H.R. 5077, the "Numismatic Rarities Certainty Act of 2006."

Oversight of Agency Management Practices and Outcomes. On November 10, 2005, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a joint hearing with the Subcommittee on Oversight and Investigations overseeing the operations at the Export-Import Bank of the United States.

Throughout the 109th Congress, Committee staff met with representatives of the Bank and with large-business and small-business Bank clients to determine how well the Bank was serving its clients and how well it was meeting the statutory requirements of its last reauthorization, in 2002.

On April 5, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade and Technology held a legislative hearing entitled, "Reauthorization of the Export-Import Bank of the United States."

The Committee monitored the Department of the Treasury and selected aspects of the Department of Homeland Security and the Department of Justice, as they related to Committee jurisdiction, throughout the 109th Congress by meeting with agency staff ensure appropriate actions had been taken, to review measures taken to minimize waste and inefficiency; to assess the impacts of agency actions on the financial services industry and other areas under

Committee jurisdiction; and to determine if the agencies are operating at the most efficient level of resources.

Management of the Nation's Money: Activities of the Bureau of the Mint and the Bureau of Engraving and Printing. On July 19, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, "Coin and Currency Issues Facing Congress: Can We Still Afford Money?" regarding issues dealing with the operation of the Bureau of Engraving and Printing and the Bureau of the Mint.

Throughout the 109th Congress Committee staff met regularly with staff of the United States Mint and the Bureau of Engraving and Printing on a variety of issues, and Committee staff met with the directors of the two bureaus. Committee staff also met regularly with staff of the Board of Governors of the Federal Reserve System on matters related to the distribution and circulation of coins and currency throughout the economy.

On March 8, 2005, Chairman Oxley and Ranking Member Frank wrote a letter to the Chairman and Ranking Member of the Subcommittee on Science, State, Justice, and Commerce and Related Agencies on the Committee on Appropriations to correct drafting errors in Public Law 108–447.

On May 24, 2006, Chairman Oxley and Ranking Member Frank wrote a letter to the Senate Majority and Minority Leaders urging them to make all appropriate arrangements for the Senate to consider and pass H.R. 5401, the "Lewis and Clark Commemorative Coin Correction Act." These efforts led to enactment of Public Law 109–232.

Payments System Innovations. The Committee monitored the developments in payment system technology throughout the 109th Congress, paying particular attention to the ways the system might be exploited to fund terrorism or move the proceeds of crime, including illegal internet gambling.

Remittances. Throughout the 109th Congress, the Committee conducted vigorous oversight activity of developments in the area of remittances, meeting with non-governmental organizations and with the International Fund for Agricultural Development and the Multilateral Investment Fund as well as industry groups focusing on how to improve the ease of remitting funds, while lowering costs and improving security and transparency of the system.

Counterfeiting. On July 19, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled "Coin and Currency Issues Facing Congress: Can We Still Afford Money?" The Secret Service in collaboration with the Bureau of Engraving and Printing, the Bureau of the Mint and the Federal Reserve Board discussed the design and security of circulating coins and currency.

Committee staff met regularly with Secret Service staff, with the Bureau of Engraving and Printing's staff and with staff of the Board of Governors of the Federal Reserve on anti-counterfeiting matters.

Technology and Compliance Monitoring at the Financial Crimes Enforcement Network (FinCEN). On May 26, 2005, the Subcommittee on Oversight and Investigations held a hearing entitled "The First Line of Defense: The Role of Financial Institutions in

Detecting Financial Crimes." Committee staff met regularly with staff of FinCEN to monitor developments in anti-money laundering and counter-terrorist financing activities, and on the development of regulations to be followed by financial institutions. The Committee paid particular attention to efforts to harmonize compliance monitoring between regulators, and spent considerable time working to reduce the compliance burden on financial institutions without decreasing the flow of information essential to law enforcement.

Critical Infrastructure Protection and Cyber-security. Throughout the 109th Congress, the Committee monitored the developments in this area, paying particular attention to data and identity theft and cyber-attacks on financial institutions.

Economic Security. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress.

Development of Economic Opportunities. Although the Committee took no direct oversight action on this topic, the Committee monitored the developments in this area throughout the 109th Congress.

Modernization of the "Exon-Florio Amendment" to the Defense Production Act. On March 1, April 27, and May 17, 2006, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held hearings on operations of the Committee on Foreign Investment in the United States (CFIUS), consistent with its jurisdiction over the Defense Production Act. The hearings examined the process by which CFIUS evaluates bids by foreign companies to merge with, acquire or otherwise take over U.S. corporations to determine if the transaction might compromise national security and on H.R. 5337, a bill that addressed perceived gaps in the national security review process overseen by CFIUS. Testimony was taken from the U.S. Department of Treasury, the U.S. Department of Homeland Security, the U.S. Department of Defense, the U.S. Department of Justice and representatives from various private sector experts on CFIUS.

Counter-terrorism Financing Policy. On February 16, April 7, May 4, 2005, and February 16, April 6, July 11, 2006, the Subcommittee on Oversight and Investigations held hearings involving different aspects of anti-money laundering and of counter-terrorism financing efforts by the United States government.

On July 28, 2005, the Subcommittee on Oversight and Investigations held a joint hearing with the House Armed Services Committee Subcommittee on Terrorism Unconventional Threats and Capabilities entitled, "Who Pays the Iraqi Insurgents?"

Social Security. On May 5, 2005, the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled, "Social Security Reform: Successes and Lessons Learned."

Appendix I—Committee Legislation

PART A—COMMITTEE REPORTS

Reports filed by the Committee on Financial Services With the House

Bill No.	H. Rept. No.	Title
H.R. 749	109–38	Expanded Access to Financial Services Act of 2005
H.R. 902	109–39	Presidential $1 Coin Act of 2005
H.R. 458	109–40	Military Personnel Financial Services Protection Act
H.R. 804	109–44	Treatment of Certain Payments Under the National Flood Insurance Program
H.R. 1185	109–67	Federal Deposit Insurance Reform Act of 2005
H.R. 1224	109–81	Business Checking Freedom Act of 2005
H.R. 68	109–133	NASA and JPL 50th Anniversary Commemorative Coin Act
H.R. 358	109–134	Little Rock Central High School Desegregation 50th Anniversary Commemorative Coin Act
H.R. 280	109–138	Brownfields Redevelopment Enhancement Act
H.R. 1461	109–171	Federal Housing Finance Reform Act of 2005
H.R. 4133	109–274	National Flood Insurance Program Further Enhanced Borrowing Authority Act of 2005
H.R. 4146	109–282	Hurricanes Rita and Wilma Financial Services Relief Act of 2005
H.R. 3909	109–326	Hurricane Check Cashing Relief Act of 2005
H.R. 4314	109–327	Terrorism Risk Insurance Revision Act of 2005
H.R. 2695	109–336	SHIELD Act
H.R. 3422	109–342	Small Public Housing Authority Act
H.R. 3505	109–356	Financial Services Regulatory Relief Act of 2005
H.R. 4320	109–370	National Flood Insurance Program Commitment to Policyholders and Reform Act of 2005
H.R. 4916	109–403	First Replenishment of the Resources of the Enterprise for the Americas Multilateral Investment Fund
H.R. 4973	109–410	Flood Insurance Reform and Modernization Act of 2006
H.R. 4411	109–412	Unlawful Internet Gambling Enforcement Act of 2006
H. Res. 718	109–414	Requesting the President and Directing the Secretary of Homeland Security to provide to the House of Representatives Certain Documents in Their Possession Relating to the Dubai Ports World Acquisition of 6 United States Commerical Ports Lease
H.R. 4912	109–424	Rural Health Care Capital Access Act of 2006
H.R. 4127	109–453	Financial Data Protection Act of 2006
H.R. 3997	109–454	Financial Data Protection Act of 2006
H.R. 5117	109–500	To exempt persons with disabilities from the prohibition against providing Section 8 rental assistance to college students
H.R. 5347	109–506	Seasoned Customer CTR Exemption Act of 2006
H.R. 5337	109–523	National Security Foreign Investment Reform and Strengthened Transparency Act of 2006
H.R. 2990	109–546	Credit Rating Agency Duopoly Relief Act of 2006
H.R. 5024	109–565	Promoting Transparency in Financial Reporting Act of 2006
H.R. 5068	109–566	Export-Import Bank Reauthorization Act of 2006
H.R. 3043	109–571	Zero Downpayment Pilot Program Act of 2006
H.R. 5527	109–572	Market-to-Market Extension Act of 2006
H.R. 4804	109–580	FHA Manufactured Housing Loan Modernization Act of 2006
H.R. 5121	109–589	Expanding American Homeownership Act of 2006
H.R. 5039	109–604	Saving America's Rural Housing Act of 2006
H.R. 5347	109–605	HOPE VI Reauthorization Act of 2006
H.R. 5393	109–607	Natural Disaster Housing Reform Act of 2006
H.R. 5503	109–645	FHA Multifamily Loan Limit Adjustment Act of 2006
H.R. 5585	109–648	Financial Netting Improvements Act of 2006
H.R. 5637	109–649	Nonadmitted and Reinsurance Reform Act of 2006
H.R. 5851	109–697	Hawaiian Homeownership Opportunity Act of 2006

PART B—PUBLIC LAWS

This table lists measures which contained matters within the jurisdiction of the Committee on Financial Services which were enacted into law during the 109th Congress.

Public Laws

Public law No.	Bill No.	Title
109–8	S. 256	Bankruptcy Abuse Prevention and Consumer Protection Act of 2005
109–58	H.R. 6	Energy Policy Act of 2005
109–64	H.R. 804	To exclude from consideration as income certain payments under the national flood insurance program
109–65	H.R. 3669	National Flood Insurance Program Enhanced Borrowing Authority Act of 2005
109–106	H.R. 4133	National Flood Insurance Program Further Enhanced Borrowing Authority Act of 2005
109–136	H.R. 797	Native American Housing Enhancement Act of 2005
109–144	S. 467	Terrorism Risk Insurance Extension Act of 2005
109–145	S. 1047	Presidential $1 Coin Act of 2005
109–146	H.R. 358	Little Rock Central High School Desegregation 50th Anniversary Commemorative Coin Act
109–163	H.R. 1815	National Defense Authorization Act Fiscal Year 2006
109–171	S. 1932	Deficit Reduction Act
109–173	H.R. 4636	Federal Deposit Insurance Reform Conforming Amendments Act of 2005
109–177	H.R. 3199	USA Patriot Improvement Reauthorization Act of 2005
109–178	S. 2271	USA Patriot Act Additional Reauthorization Amendments Act of 2006
109–208	S. 2275	National Flood Insurance Program Enhanced Borrowing Authority Act of 2006
109–213	H.R. 1259	To award a congressional gold medal on behalf of the Tuskegee Airmen, collectively, in recognition of their unique military record, which inspired revolutionary reform in the Armed Forces
109–230	H.R. 1953	San Francisco Old Mint Commemorative Coin Act
109–232	H.R. 5401	Lewis and Clark Commemorative Coin Correction Act
109–240	H.R. 4912	Rural Health Care Capital Access Act of 2006
109–243	H.R. 42	Freedom to Display the American Flag Act of 2005
109–247	H.R. 2872	Louis Braille Bicentennial—Braille Literacy Commemorative Coin Act
109–249	H.R. 5117	To exempt persons with disabilities from the prohibition against providing section 8 rental assistance to college students
109–267	H.R. 5877	To amend the Iran and Libya Sanctions Act of 1996 to extend the authorities provided in such Act until September 29, 2006
109–281	S. 3534	YouthBuild Transfer Act
109–285	H.R. 5808	Abraham Lincoln Commemorative Coin Act
109–287	S. 2784	Fourteenth Dalai Lama Congressional Gold Medal Act
109–290	S. 418	Military Personnel Financial Services Protection Act
109–291	S. 3850	Credit Rating Agency Reform Act of 2006
109–293	H.R. 6198	Iran Freedom Support Act
109–347	H.R. 4954	SAFE Port Act
109–351	S. 2856	Financial Services Regulatory Relief Act of 2006
109–356	H.R. 3508	2005 District of Columbus Omnibus Authorization Act
109–357	H.R. 4902	Byron Nelson Congressional Gold Medal Act
109–390	H.R. 5585	Financial Netting Improvements Act of 2006
109–395	S. 2250	Congressional Tribute to Dr. Norman E. Borlaug Act of 2006
109–438	S. 3938	Export-Import Bank Reauthorization Act of 2006
109–455	S. 1608	U.S. SAFE Web Act of 2006
109-	H.R. 5948	Belarus Democracy Reauthorization Act of 2006
109-	H.R. 6345	To make a conforming amendment to the Federal Deposit Insurance Act with respect to examinations of certain insured depository institutions

APPENDIX II—COMMITTEE PUBLICATIONS

PART A—COMMITTEE HEARINGS

Serial No.	Title & Subcommittee	Date(s)
109–1	Accounting Irregularities at Fannie Mae and the Impact on Investors (Capital Markets).	February 9, 2005
109–2	The SEC's Market Structure Proposal: Will It Enhance Competition? (Capital Markets).	February 15, 2005
109–3	Terrorist Responses to Improved U.S. Financial Defenses (Oversight)	February 16, 2005
109–4	Monetary Policy and the State of the Economy (Full)	February 17, 2005
109–5	Oversight of the Department of HUD (Full)	March 2, 2005
109–6	GSE Reform and the Federal Home Loan Bank System (Capital Markets)	March 9, 2005
109–7	Due Diligence in Mortgage Repurchases and Fannie Mae: The First Beneficial Case (Oversight).	March 10, 2005
109–8	Oversight Hearing of the Rural Housing Service (Housing)	March 10, 2005
109–9	Regulation NMS: The SEC's View (Capital Markets)	March 15, 2005
109–10	H.R. 1185, the Deposit Insurance Reform Act of 2005 (Financial Institutions)	March 17, 2005
109–11	A Review of the Securities Arbitration System (Capital Markets)	March 17, 2005
109–12	Additional Accounting and Management Failures at Fannie Mae-OFHEO's Efforts to Ensure Safe and Sound Operations (Capital Markets).	April 6, 2005
109–13	Strengthening America's Communities: A Review of the President's FY2006 Budget Initiative (Full).	April 6, 2005
109–14	Reforming Credit Rating Agencies: The SEC's Need for Statutory Authority (Capital Markets).	April 12, 2005
109–15	The Administration Perspective on GSE Regulatory Reform (Full)	April 13, 2005
109–16	H.R. 1042, the ''Net Worth Amendment for Credit Unions Act'' (Financial Institutions).	April 13, 2005
109–17	Review and Oversight of the National Flood Insurance Program (Housing)	April 14, 2005
109–18	The State of the International Financial System (Full)	April 19, 2005
109–19	Generations Working Together: Financial Literacy and Social Security Reform (Full).	April 20, 2005
109–20	Implementation of the Check Clearing for the 21st Century Act (Financial Institutions).	April 20, 2005
109–21	The Impact of the Sarbanes-Oxley Act (Full)	April 21, 2005
109–22	Combating Trafficking in Persons: Status Report on Domestic and International Developments (Domestic & International).	April 28, 2005
109–23	Assessing Data Security: Preventing Breaches and Protecting Sensitive Information (Full).	May 4, 2005
109–24	Joint Hearing with the Committee on International Relations Subcommittee on International Terrorism and Nonproliferation—Starving Terrorists of Money: The Role of Middle Eastern Financial Institutions (Oversight).	May 4, 2005
109–25	Social Security Reform: Successes and Lessons Learned (Domestic & International).	May 5, 2005
109–26	Mutual Funds: A Review of the Regulatory Landscape (Capital Markets)	May 10, 2005
109–27	Joint hearing—Basel II: Capital Changes in the U.S. Banking System and the Results of the Impact Study (Financial Institutions/Domestic & International).	May 11, 2005
109–28	H.R. 1999, the State and Local Housing Flexibility Act of 2005 (Full)	May 11, 2005
109–29	Helping Consumers Obtain the Credit They Deserve (Financial Institutions)	May 12, 2005
109–30	H.R. 1999, The State and Local Housing Flexibility Act of 2005 (Housing)	May 17, 2005
109–31	Enhancing Data Security: The Regulators' Perspective (Financial Institutions)	May 18, 2005
109–32	Financial Services Regulatory Relief: Private Sector Perspectives (Financial Institutions).	May 19, 2005
109–33	Joint Hearing—Legislative Solutions to Abusive Mortgage Lending Practices (Financial Institutions/Housing).	May 24, 2005
109–34	The First Line of Defense: The Role of Financial Institutions in Detecting Financial Crimes (Oversight).	May 26, 2005
109–35	Debt and Development: How to Provide Efficient, Effective Assistance to the World's Poorest Countries (Domestic & International).	June 8, 2005

Serial No.	Title & Subcommittee	Date(s)
109–36	Financial Services Regulatory Relief: The Regulators' Views (Financial Institutions).	June 9, 2005
109–37	Protecting Consumers and Promoting Competition in Real Estate Services (Full)	June 15, 2005
109–38	SMART Insurance Reform (Capital Markets)	June 16, 2005
109–39	The US–EU Economic Relationship: What Comes Next? (Domestic & International).	June 16, 2005
109–40	Combating Trafficking in Persons: An International Perspective (Domestic & International).	June 22, 2005
109–41	Banking on Retirement Security: A Guaranteed Rate of Return (Financial Institutions).	June 23, 2005
109–42	Legislative Solutions for the Rating Agency Duopoly (Capital Markets)	June 29, 2005
109–43	H.R. 3043, the ''Zero Downpayment Pilot Program Act of 2005 (Housing)	June 30, 2005
109–44	Flood Map Modernization and the Future of the National Flood Insurance Program (Housing).	July 12, 2005
109–45	Treasury's Report to Congress on the Terrorism Risk Insurance Act (TRIA) (Full)	July 13, 2005
109–46	Joint Hearing with the Committee on Resources—Improving Land Title Grant Procedures for Native Americans (Full).	July 19, 2005
109–47	Monetary Policy and the State of the Economy (Full)	July 20, 2005
109–48	Credit Card Data Processing: How Secure Is It? (Oversight)	July 21, 2005
109–49	The Future of Terrorism Insurance (Capital Markets)	July 27, 2005
109–50	Joint Hearing with the Committee on Armed Services Subcommittee on Terrorism, Unconventional Threats and Capabilities entitled ''Who Pays the Iraqi Insurgents? (Oversight).	July 28, 2005
109–51	Field Hearing entitled ''A Look at the National Flood Insurance Program: Is Ohio Ready for a Flood?'' (Housing).	August 17, 2005
109–52	Field Hearing entitled, ''Eminent Domain: Are Ohio Homeowners At Risk?'' (Housing).	August 18, 2005
109–53	Hurricane Katrina: The Financial Institutions' Response (Financial Institutions)	September 14, 2005
109–54	Emergency Housing Needs in the Aftermath of Hurricane Katrina (Housing)	September 15, 2005
109–55	H.R. 3505, the Financial Services Regulatory Relief Act of 2005 (Financial Institutions).	September 22, 2005
109–56	IDA–14: Historic Advance or Incremental Change in Debt and Development Policy? (Domestic & International).	September 27, 2005
109–57	Private Sector Priorities for Basel Reform (Financial Institutions)	September 28, 2005
109–58	Licensing and Registration in the Mortgage Industry (Housing)	September 29, 2005
109–59	H.R. 3505, the Financial Services Regulatory Relief Act of 2005 (Financial Institutions).	October 18, 2005
109–60	Management and Oversight of the National Flood Insurance Program (Housing)	October 20, 2005
109–61	H.R. 3997, the ''Financial Data Protection Act of 2005 (Financial Institutions)	November 9, 2005
109–62	Joint Hearing—Oversight of the Export-Import Bank of the United States (Domestic & International/Oversight).	November 10, 2005
109–63	Increasing Efficiency and Economic Growth Through Trade in Financial Services (Domestic & International).	November 15, 2005
109–64	H.R. 4100, the ''Louisiana Recovery Corporation Act (Full)	November 17, 2005
109–65	Self-Regulatory Organizations: Exploring the Need for Reform (Capital Markets)	November 17, 2005
109–66	Field hearing on H.R. 2990, the ''Credit Rating Agency Duopoly Relief Act of 2005'' (Full).	November 29, 2005
109–67	Housing Options in the Aftermath of Hurricanes Katrina and Rita (Housing)	December 8, 2005
109–68	Housing Options in the Aftermath of Hurricanes Katrina and Rita (Housing)	December 14, 2005
109–69	Housing Options in the Aftermath of Hurricanes Katrina and Rita (Housing)	January 13, 2006
109–70	Housing Options in the Aftermath of Hurricanes Katrina and Rita (Housing)	January 14, 2006
109–71	H.R. 3186, Build Houses for Our Military's Enlisted Servicemembers Act (Housing).	February 8, 2006
109–72	Monetary Policy and the State of the Economy (Full)	February 15, 2006
109–73	Weapons of Mass Destruction: Stopping the Funding—the OFAC Role (Oversight).	February 16, 2006
109–74	Fair Housing Issues in the Gulf Coast in the aftermath of Hurricane Katrina and Rita (Housing).	February 28, 2006
109–75	Foreign Investment, Jobs and National Security: The CFIUS Process (Domestic & International).	March 1, 2006
109–76	The Federal Role in Facilitating Recovery and Long-term Rebuilding Efforts in the Gulf Coast Region (Housing).	March 9, 2006

Serial No.	Title & Subcommittee	Date(s)
109–77	Review of the Rudman Report on Fannie Mae (Full)	March 14, 2006
109–78	Field Hearing entitled Strengthening Rural Ohio: A Review of the Community Development Block Grant Program (Housing).	March 24, 2006
109–79	Field Hearing entitled Strengthening Rural Ohio: A Review of the Community Development Block Grant Program (Housing).	March 25, 2006
109–80	Fostering Accuracy and Transparency in Financial Reporting (Capital Markets)	March 29, 2006
109–81	Oversight of the Department of Housing and Urban Development (Full)	March 30, 2006
109–82	Transforming the Federal Housing Administration for the 21st Century (Housing).	April 5, 2006
109–83	Reauthorization of the Export-Import Bank of the United States (Domestic & International).	April 5, 2006
109–84	Counter-Terrorism Financing Foreign Training and Assistance: Progress since 9/11 (Oversight).	April 6, 2006
109–85	Field Hearing entitled Community Development Block Grants (CDBG): The Impact of CDBG on our Communities (Housing).	April 12, 2006
109–86	H.R. 5039, the Saving America's Rural Housing Act of 2006 (Housing)	April 25, 2006
109–87	America's Capital Markets: Maintaining Our Lead in the 21st Century (Capital Markets).	April 26, 2006
109–88	Title Insurance: Cost and Competition (Housing)	April 26, 2006
109–89	CFIUS and the Role of Foreign Direct Investment in the United States (Domestic & International).	April 27, 2006
109–90	Protecting Investors and Fostering Efficient Markets: A Review of the S.E.C. Agenda (Full).	May 3, 2006
109–91	H.R. 3206, Credit Union Charter Choice Act (Financial Institutions)	May 11, 2006
109–92	The State of the International Financial System (Full)	May 17, 2006
109–93	H.R. 5337, Reform of National Security Reviews of Foreign Direct Investments Act (Domestic & International).	May 17, 2006
109–94	Financial Services Needs of Military Personnel and Their Families (Oversight)	May 18, 2006
109–95	H.R. 5341, Seasoned Customer CTR Exemption Act of 2006 (Financial Institutions).	May 18, 2006
109–96	Oversight of the Office of Thrift Supervision (Oversight)	May 25, 2006
109–97	Protecting Investors and Fostering Efficient Markets: A Review of the S.E.C. Agenda (Full).	May 25, 2006
109–98	OFHEO's Final Report on Fannie Mae (Capital Markets)	June 6, 2006
109–99	Home Mortgage Disclosure Act: Newly Collected Data and What It Means (Financial Institutions).	June 13, 2006
109–100	Bank Secrecy Act's Impact on Money Services Businesses (Financial Institutions).	June 21, 2006
109–101	Commercial Insurance Modernization (Capital Markets)	June 21, 2006
109–102	Investor Protection: A Review of Plaintiffs' Attorney Abuses in Securities Litigation and Legislative Remedies (Capital Markets).	June 28, 2006
109–103	Is America's Housing Market Prepared for the Next Natural Catastrophe? (Housing).	June 28, 2006
109–104	Pandemic Influenza Preparedness in the Financial Services Sector (Oversight)	June 29, 2006
109–105	The Terror Finance Tracking Program (Oversight)	July 11, 2006
109–106	ILCs—A Review of Charter, Ownership, and Supervision Issues (Financial Institutions).	July 12, 2006
109–107	Diversity: the GAO Perspective (Oversight)	July 12, 2006
109–108	ICANN and the Whois Database: Providing Access to Protect Consumers from Phishing (Financial Institutions).	July 18, 2006
109–109	Coin and Currency Issues Facing Congress: Can We Still Afford Money? (Domestic & International).	July 19, 2006
109–110	Monetary Policy and the State of the Economy (Full)	July 20, 2006
109–111	Joint Hearing with the Committee on Homeland Security Subcommittee on Intelligence, Information Sharing, and Terrorism Risk Assessment—Terrorism Threats and the Insurance Market (Oversight).	July 25, 2006
109–112	The Changing Real Estate Market (Housing)	July 25, 2006
109–113	Review of the Repatriation of Holocaust Art Assets in the United States (Domestic & International).	July 27, 2006
109–114	Field hearing entitled Removing Barriers to Homeownership for Native Americans (Housing).	July 31, 2006
109–115	Field Hearing entitled A Look at the National Flood Insurance Program and Flood Mitigation Efforts: Is Bucks County, Pennsylvania Ready for Another Flood? (Full).	August 15, 2006
109–116	Field Hearing entitled Community Solutions for the Prevention of and Management of Foreclosures (Full).	August 23, 2006

Serial No.	Title & Subcommittee	Date(s)
109–117	A Review of the Federal Home Loan Bank System (Capital Markets)	September 7, 2006
109–118	The International Fund for Agricultural Development (IFAD) and the Importance of Agricultural Development in Sustainable Global Poverty Reduction (Domestic & International).	September 12, 2006
109–119	Stabilizing Insurance Markets for Coastal Consumers (Capital Markets)	September 13, 2006
109–120	A Review of Regulatory Proposals on Basel Capital and Commercial Real Estate (Financial Institutions).	September 14, 2006
109–121	Sarbanes-Oxley at Four: Protecting Investors and Strengthening the Markets (Full).	September 19, 2006
109–122	Improving Transparency in State Regulation of Insurer Investments (Capital Markets).	September 20, 2006
109–123	Protecting Americans from Catastrophic Terrorism Risk (Capital Markets/Oversight).	September 27, 2006
109–124	Improving Financial Literacy: Working Together to Develop Private Sector Coordination and Solutions (Financial Institutions).	September 28, 2006

PART B—COMMITTEE PRINTS

Serial No.	Title	Date
109–A	Rules of the Committee on Financial Services for the 109th Congress	February 2005

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