

111TH CONGRESS  
1ST SESSION

# H. R. 2034

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IN THE SENATE OF THE UNITED STATES

JULY 30, 2009

Received; read twice and referred to the Committee on Banking, Housing, and  
Urban Affairs

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## AN ACT

To permit refinancing of certain loans under the Rural Housing Service program for guaranteed loans for rural housing, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Rural Homeowners  
3 Protection Act of 2009”.

4 **SEC. 2. SINGLE FAMILY HOUSING LOAN GUARANTEE PRO-**  
5 **GRAM.**

6 Subsection (h) of section 502 of the Housing Act of  
7 1949 (42 U.S.C. 1472(h)) is amended—

8 (1) in paragraph (5)(A), by striking “paragraph  
9 (13)” and inserting “paragraph (15)”;

10 (2) in paragraph (8), by striking “1 percent”  
11 and inserting “2 percent”;

12 (3) in paragraph (9), by striking “REFI-  
13 NANCING” and inserting “MODIFICATION OF GUAR-  
14 ANTEED LOANS”;

15 (4) in paragraph (14)—

16 (A) by striking “GUARANTEES FOR REFI-  
17 NANCING LOANS” and inserting “REFINANCING  
18 OF LOANS MADE OR GUARANTEED BY SEC-  
19 RETARY”; and

20 (B) in subparagraph (E)—

21 (i) by striking “(10)” and inserting  
22 “(12)”; and

23 (ii) by striking “(13)” and inserting  
24 “(9) or of paragraphs (11) through (14)”;

1           (5) by redesignating paragraphs (10), (11),  
2           (12), (13), and (14) as paragraphs (12), (13), (14),  
3           (15), and (10), respectively;

4           (6) by transferring and inserting paragraph  
5           (10), as so redesignated by paragraph (5) of this  
6           subsection, after paragraph (9); and

7           (7) by inserting after paragraph (10), as so re-  
8           designated and transferred by paragraphs (5) and  
9           (6) of this subsection, the following new paragraph:

10           “(11) REFINANCING OF LOANS MADE BY PRI-  
11           VATE SECTOR LENDERS.—

12                   “(A) AUTHORITY.—The Secretary may, in  
13                   accordance with this paragraph, guarantee a  
14                   loan made to refinance a loan made by a pri-  
15                   vate lender to an individual to acquire or con-  
16                   struct a single-family residence.

17                   “(B) ELIGIBILITY.—Except as provided in  
18                   subparagraph (C), all requirements of this sub-  
19                   section shall apply to loans guaranteed and loan  
20                   guarantees made under this paragraph.

21                   “(C) GUARANTEE FEE.—Notwithstanding  
22                   paragraph (8), the Secretary shall charge a  
23                   guarantee fee with respect to loans guaranteed  
24                   under this paragraph at levels necessary, but no  
25                   higher than needed, to allow such class of loans

