

fund within the \$1.6 billion Oil Liability Trust Fund, I understand that there has been identified a minor technical glitch in the legislation as it came from the other body.

As a great American, former United States Senator Bob Dole, he used to say that his body, the U.S. Senate, is a great place if you like to see paint dry and grass grow, as far as the speed in which things are done.

However, here they have acted with due diligence and great speed and, in that speed, have made a minor technical error. And I am not going to tell anyone about it. And because this is a situation in which we must proceed on an emergency basis, I am going to overlook it, in fairness.

I would also like to yield to the gentleman, our honorable chairman of the T&I Committee, my partner, Mr. OBERSTAR.

Mr. OBERSTAR. Madam Speaker, I thank the distinguished gentleman for yielding.

We have agreed that the technical issue raised by representatives of the other body is of a nature that can be resolved by the administration upon passage of this bill. It is better for us to pass this bill now to address the substantive issue, release of funds from the Oil Spill Liability Trust Fund, and not delay progress in cleanup.

For that reason, we will pass the bill intact and let the administration deal with whatever issue comes up. Should any additional change be necessary of a technical nature, it can be dealt with at a later time.

I thank the gentleman for his understanding, for his patience, and for yielding me the time.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT
AND BUDGET,

Washington, DC, June 7, 2010.

Hon. NANCY PELOSI,
Speaker, House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: I am writing to urge the Congress to move quickly in enacting the FY 2010 Supplemental request. On June 4, 2010, Secretary Napolitano announced that the Coast Guard believes that within the next two weeks funding levels in the Oil Spill Liability Trust Fund's expenditure account will drop to levels that will force the Federal On-Scene Coordinator to begin to cut back Federal Deepwater Horizon response activities. We cannot allow the lack of funding to hamstring our Federal response to this national catastrophe.

On May 12, the Administration proposed legislation to support the BP/Deepwater Horizon response and speed assistance to people in need. Included in this package was a provision that would permit the Coast Guard and its National Pollution Funds Center to move funds from the Oil Spill Liability Trust Fund to the Emergency Fund so that the Federal response effort can continue without interruption. Specifically, the legislative changes would permit the Coast Guard to obtain additional advances in tranches of \$100 million up to the incident cap for the Oil Spill Liability Trust Fund. All of these costs are being billed to the responsible parties and the receipts will be deposited in the Trust Fund.

The President has ordered Federal agencies to bring all available and appropriate re-

sources to bear in response to this disaster. Without legislative authorization, however, the Coast Guard cannot access the additional emergency fund resources necessary to pay for the Federal agencies' response to this tragic oil spill.

We appreciate your support in moving this critical legislation forward in the coming days.

Sincerely,

PETER R. ORSZAG,
Director.

TIMELINE FOR APPROVALS OF DEEPWATER
HORIZON LEASE

1986: MMS issues a list of categories of activities excluded from further review under NEPA within the Department of the Interior's "Department Manual."

May 27, 2004: The Bush Administration extends process by which MMS manages the NEPA process for offshore lease sales, including issuance of "categorical exclusions."

April 2007: MMS issues a Multistate environmental impact statement (EIS) for a proposed 5-year lease on the Outer Continental Shelf (OCS) that estimated a likelihood of 3 spills from platform drilling in deepwater that would produce approximately 1,500 barrels for each spill. As a result, the assessed impacts from oil spills under the 5-year lease were described as minimal. No extrapolation or hypothesis for what would happen if the spill were larger.

October 22, 2007: MMS issues its Environmental Assessment of the Proposed Gulf of Mexico OCS Oil and Gas Lease Sale 206, Central Planning Area. MMS estimated, based on historical data, that the probability of an offshore oil spill greater than 1,000 barrels reaching an environmentally sensitive resource was small. Accordingly, MMS finds that a supplemental EIS is not required and issues a FONNSI (Finding of No New Significant Impact)—over that assessed in the Multistate EIS for the 5-year lease on the OCS.

March 2008: BP purchased rights to drill for oil at MMS lease sale 206.

May 2008: MMS issues an exemption from a "blowout scenario requirement": for OCS actions in the Gulf (Notice to Lessee 2008). Accordingly, BP's exploration plan for the Deepwater Horizon site did not include an analysis or response plan for a blowout of the wellhead.

March 10, 2009: BP filed a 52-page exploration and environmental impact plan for the Macondo well, located in the Mississippi Canyon Block 252 of the Gulf, with MMS. This plan stated that it was "unlikely that an accidental surface or subsurface oil spill would occur from the proposed activities." In the plan, the company further asserted that if there was a spill, "due to the distance to shore (48 miles) and the response capabilities that would be implemented, no significant adverse impacts are expected." Pursuant to 43 U.S.C. § 1340, MMS is required to approve the BP exploration plan within 30 days of submission.

April 6, 2009: MMS approves BP exploration plan, with a categorical exclusion from NEPA, because the falls within the 2004 list of potential "categorical exclusions." Because of the categorical exclusion, the additional environmental impacts for a worst case scenario were not evaluated.

Mr. MICA. Reclaiming the time, also keep in mind the time that I yielded to the other side when they ran out of time, Madam Speaker.

The SPEAKER pro tempore. The gentleman has 2 minutes remaining.

Mr. MICA. But to conclude debate, again, I thank everyone for this bipar-

tisan effort. Even though, again, we have a minor technical glitch, we want to move the legislation forward; so I urge my colleagues to pass the measure.

Mr. McMAHON. I rise today in strong support of S. 3473. Since Day 1 of this disaster the Administration has brought all resources to bear to address ensure that damage to the environment, wildlife, and public health of the Gulf Region was as limited as possible.

In particular the United States Coast Guard has done outstanding work. As Vice Chair of the Coast Guard Subcommittee I know how hard the men and women of the Coast Guard have been working to contain this disaster. Led by Admiral Thad Allen, who has taken charge of federal on-the-ground response as National Incident Commander, the men and women of the Coast Guard are on the frontlines and deserve our gratitude and support.

This legislation is critical to maintaining continuity in the federal government's response. It amends current law to allow the administration to take multiple advances of up to \$100 million from the Oil Spill Liability Trust Fund. Without passage of S. 3473, the Coast Guard could run out of funding for cleanup and prevention as early as next week. This cannot be allowed to happen. I urge all of my colleagues to support this straightforward, common-sense legislation. It is the least we can do at the moment to help ongoing efforts to help the people of the Gulf region.

Mr. MICA. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota (Mr. OBERSTAR) that the House suspend the rules and pass the bill, S. 3473.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. CUMMINGS. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

FHA REFORM ACT OF 2010

The SPEAKER pro tempore. Pursuant to House Resolution 1424 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for further consideration of the bill, H.R. 5072.

□ 1125

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5072) to improve the financial safety and soundness of the FHA mortgage insurance program, with Mr. PASTOR of Arizona in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose on Wednesday June 9, 2010, all time for general debate had expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 5072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “FHA Reform Act of 2010”.

SEC. 2. MORTGAGE INSURANCE PREMIUMS.

Subparagraph (B) of section 203(c)(2) of the National Housing Act (12 U.S.C. 1709(c)(2)(B)) is amended—

(1) in the matter preceding clause (i)—

(A) by striking “shall” and inserting “may”; and

(B) by striking “0.50 percent” and inserting “1.5 percent”; and

(2) in clause (ii), by striking “shall be in an amount not exceeding 0.55 percent” and inserting “may be in an amount not exceeding 1.55 percent”.

SEC. 3. INDEMNIFICATION BY MORTGAGEES.

Section 202 of the National Housing Act (12 U.S.C. 1708) is amended by adding at the end the following new subsection:

“(i) INDEMNIFICATION BY MORTGAGEES.—

“(1) IN GENERAL.—If the Secretary determines that a mortgage executed by a mortgagee approved by the Secretary under the direct endorsement program or insured by a mortgagee pursuant to the delegation of authority under section 256 was not originated or underwritten in accordance with the requirements established by the Secretary, and the Secretary pays an insurance claim with respect to the mortgage within a reasonable period specified by the Secretary, the Secretary may require the mortgagee approved by the Secretary under the direct endorsement program or the mortgagee delegated authority under section 256 to indemnify the Secretary for the loss.

“(2) FRAUD OR MISREPRESENTATION.—If fraud or misrepresentation was involved in connection with the origination or underwriting, the Secretary may require the mortgagee approved by the Secretary under the direct endorsement program or the mortgagee delegated authority under section 256 to indemnify the Secretary for the loss regardless of when an insurance claim is paid.

“(3) REQUIREMENTS AND PROCEDURES.—The Secretary shall issue regulations establishing appropriate requirements and procedures governing the indemnification of the Secretary by the mortgagee.”

SEC. 4. DELEGATION OF INSURING AUTHORITY.

Section 256 of the National Housing Act (12 U.S.C. 1715e–21) is amended—

(1) by striking subsection (c);

(2) in subsection (e), by striking “, including” and all that follows through “by the mortgagee”; and

(3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 5. AUTHORITY TO TERMINATE MORTGAGEE ORIGINATOR AND UNDERWRITING APPROVAL.

Section 533 of the National Housing Act (12 U.S.C. 1735f–11) is amended—

(1) in the first sentence of subsection (b), by inserting “or areas or on a nationwide basis” after “area” each place such term appears; and

(2) in subsection (c), by striking “(c)” and all that follows through “The Secretary” in the first sentence of paragraph (2) and inserting the following:

“(c) TERMINATION OF MORTGAGEE ORIGINATOR AND UNDERWRITING APPROVAL.—

“(1) TERMINATION AUTHORITY.—If the Secretary determines, under the comparison provided in subsection (b), that a mortgagee has a rate of early defaults and claims that is excessive, the Secretary may terminate the approval of the mortgagee to originate or underwrite single family mortgages for any area, or areas, or on a nationwide basis, notwithstanding section 202(c) of this Act.

“(2) PROCEDURE.—The Secretary”.

SEC. 6. DEPUTY ASSISTANT SECRETARY OF FHA FOR RISK MANAGEMENT AND REGULATORY AFFAIRS.

(a) ESTABLISHMENT OF POSITION.—Subsection (b) of section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533(b)) is amended—

(1) by inserting “(1)” after “(b)”; and

(2) by adding at the end the following new paragraph:

“(2) There shall be in the Department, within the Federal Housing Administration, a Deputy Assistant Secretary for Risk Management and Regulatory Affairs, who shall be appointed by the Secretary and shall be responsible to the Federal Housing Commissioner for all matters relating to managing and mitigating risk to the mortgage insurance funds of the Department and ensuring the performance of mortgages insured by the Department.”

(b) TERMINATION.—Upon the appointment and confirmation of the initial Deputy Assistant Secretary for Risk Management and Regulatory Affairs pursuant to section 4(b)(2) of the Department of Housing and Urban Development Act, as amended by subsection (a) of this section, the position of chief risk officer within the Federal Housing Administration, filled by appointment by the Federal Housing Commissioner, is abolished.

SEC. 7. USE OF OUTSIDE CREDIT RISK ANALYSIS SOURCES.

Section 202 of the National Housing Act (12 U.S.C. 1708), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(j) USE OF OUTSIDE CREDIT RISK ANALYSIS SOURCES.—The Secretary may obtain the services of, and enter into contracts with, private and other entities outside of the Department in—

“(1) analyzing credit risk models and practices employed by the Department in connection with such mortgages;

“(2) evaluating underwriting standards applicable to such mortgages insured by the Department; and

“(3) analyzing the performance of lenders in complying with, and the Department in enforcing, such underwriting standards.”

SEC. 8. REVIEW OF MORTGAGEE PERFORMANCE.

Section 533 of the National Housing Act (12 U.S.C. 1735f–11) is amended—

(1) in subsection (a), by inserting after the period at the end the following: “For purposes of this subsection, the term ‘early default’ means a default that occurs within 24 months after a mortgage is originated or such alternative appropriate period as the Secretary shall establish.”;

(2) in subsection (b), by inserting after the period at the end of the first sentence the following: “The Secretary shall also identify which mortgagees have had a significant or rapid increase, as determined by the Secretary, in the number or percentage of early defaults and claims on such mortgages, with respect to all mortgages originated by the mortgagee or mortgages on housing located in any particular geographic area or areas.”; and

(3) by adding at the end the following new subsections:

“(d) SUFFICIENT RESOURCES.—There is authorized to be appropriated to the Secretary for each of fiscal years 2010 through 2014 the amount necessary to provide additional full-time equivalent positions for the Department, or for

entering into such contracts as are necessary, to conduct reviews in accordance with the requirements of this section and to carry out other responsibilities relating to ensuring the safety and soundness of the Mutual Mortgage Insurance Fund.

“(e) REPORTING TO CONGRESS.—Not later than 90 days after the date of enactment of the FHA Reform Act of 2010 and not less often than annually thereafter, the Secretary shall make available to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate any information and conclusions pursuant to the reviews required under subsection (a). Such report shall not include detailed information on the performance of individual mortgagees.”

SEC. 9. USE OF NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY.

(a) USE BY MORTGAGEES, OFFICERS, AND OWNERS; USE FOR INSURED MORTGAGES.—

(1) MORTGAGEES, OFFICERS, AND OWNERS.—Section 202 of the National Housing Act (12 U.S.C. 1708), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsections:

“(k) USE OF NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY FOR MORTGAGEES, OFFICERS, AND OWNERS.—The Secretary may require, as a condition for approval of a mortgage by the Secretary to originate or underwrite mortgages on single family that are insured by the Secretary, that the mortgagee—

“(1) obtain and maintain a unique company identifier assigned by the Nationwide Mortgage Licensing System and Registry, as established by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators; and

“(2) obtain and maintain, as relates to any and all officers or owners of the mortgagee who are subject to the requirements of the S.A.F.E. Mortgage Licensing Act of 2008, or are otherwise required to register with the Nationwide Mortgage Licensing System and Registry, the unique identifier assigned by the Nationwide Mortgage Licensing System and Registry, as established by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators.”

(2) INSURED MORTGAGES.—Section 203 of the National Housing Act (12 U.S.C. 1709) is amended by adding at the end the following new subsection:

“(y) USE OF NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY FOR INSURED LOANS.—The Secretary may require each mortgage insured under this section to include the unique identifier (as such term is defined in section 1503 of the S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C. 5102)) and any unique company identifier assigned by the Nationwide Mortgage Licensing System and Registry, as established by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators.”

(b) COORDINATION WITH STATE REGULATORY AGENCIES.—Section 202 of the National Housing Act (12 U.S.C. 1708), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(1) INFORMATION SHARING WITH STATE REGULATORY AGENCIES.—

“(1) JOINT PROTOCOL ON INFORMATION SHARING.—The Secretary shall, through consultation with State regulatory agencies, pursue protocols for information sharing, including the appropriate treatment of confidential or otherwise restricted information, regarding either actions described in subsection (c)(3) of this section or disciplinary or enforcement actions by a State regulatory agency or agencies against a mortgagee (as such term is defined in subsection (c)(7)).

“(2) COORDINATION.—To the greatest extent possible, the Secretary and appropriate State

regulatory agencies shall coordinate disciplinary and enforcement actions involving mortgagees (as such term is defined in subsection (c)(7)).”.

SEC. 10. REPORTING OF MORTGAGEE ACTIONS TAKEN AGAINST OTHER MORTGAGEES.

Section 202 of the National Housing Act (12 U.S.C. 1708(e)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(m) NOTIFICATION OF MORTGAGEE ACTIONS.—The Secretary shall require each mortgagee, as a condition for approval by the Secretary to originate or underwrite mortgages on single family or multifamily housing that are insured by the Secretary, if such mortgagee engages in the purchase of mortgages insured by the Secretary and originated by other mortgagees or in the purchase of the servicing rights to such mortgages, and such mortgagee at any time takes action to terminate or discontinue such purchases from another mortgagee based on any determination, evidence, or report of fraud or material misrepresentation in connection with the origination of such mortgages, the mortgagee shall, not later than 15 days after taking such action, shall notify the Secretary of the action taken and the reasons for such action.”.

SEC. 11. ANNUAL ACTUARIAL STUDY AND QUARTERLY REPORTS ON MUTUAL MORTGAGE INSURANCE FUND.

Subsection (a) of section 202 of the National Housing Act (12 U.S.C. 1708(a)) is amended—

(1) in the second sentence of paragraph (4), by inserting before the period at the end the following: “, any changes to the current or projected safety and soundness of the Fund since the most recent report under this paragraph or paragraph (5), and any risks to the Fund”; and (2) in paragraph (5)—

(A) in subparagraph (D), by striking “and” at the end;

(B) in subparagraph (E), by striking the period at the end and inserting “; and”;

(C) by adding at the end the following:

“(F) any other factors that are likely to have an impact on the financial status of the Fund or cause any material changes to the current or projected safety and soundness of the Fund since the most recent report under paragraph (4).

The Secretary may include in the report under this paragraph any recommendations not made in the most recent report under paragraph (4) that may be needed to ensure that the Fund remains financially sound.”.

SEC. 12. REVIEW OF DOWNPAYMENT REQUIREMENTS.

Section 205 of the National Housing Act (12 U.S.C. 1711) is amended by adding at the end the following new subsection:

“(g) REVIEW OF DOWNPAYMENT REQUIREMENTS.—If, at any time when the capital ratio (as such term is defined in subsection (f)) of the Mutual Mortgage Insurance Fund does not comply with the requirement under subsection (f)(1), the Secretary establishes a cash investment requirement, for all mortgages or mortgagors or with respect to any group of mortgages or mortgagors, that exceeds the minimum percentage or amount required under section 203(b)(9), thereafter upon the capital ratio first complying with the requirement under subsection (f)(1) the Secretary shall review such cash investment requirement and, if the Secretary determines that such percentage or amount may be reduced while maintaining such compliance, the Secretary shall subsequently reduce such requirement by such percentage or amount as the Secretary considers appropriate.”.

SEC. 13. DEFAULT AND ORIGINATING INFORMATION BY LOAN SERVICER AND ORIGINATING DIRECT ENDORSEMENT LENDER.

(a) COLLECTION OF INFORMATION.—Paragraph (2) of section 540(b) of the National Housing Act

(12 U.S.C. 1712 U.S.C. 1735f–18(b)(2)) is amended by adding at the end the following new subparagraph:

“(C) For each entity that services insured mortgages, data on the performance of mortgages originated during each calendar quarter occurring during the applicable collection period, disaggregated by the direct endorsement mortgagee from whom such entity acquired such servicing.”.

(b) APPLICABILITY.—Information described in subparagraph (C) of section 540(b)(2) of the National Housing Act, as added by subsection (a) of this section, shall first be made available under such section 540 for the applicable collection period (as such term is defined in such section) relating to the first calendar quarter ending after the expiration of the 12-month period that begins on the date of the enactment of this Act.

SEC. 14. THIRD PARTY SERVICER OUTREACH.

(a) AUTHORITY.—The Secretary of Housing and Urban Development may, to the extent any amounts for fiscal year 2010 or 2011 are made available in advance in appropriation Acts for reimbursements under this section, provide reimbursement to servicers of covered mortgages (as such term is defined in subsection (e)) for costs of obtaining the services of independent third parties meeting the requirements under subsection (b) of this section to make in-person contact with mortgagors under covered mortgages whose payments under such mortgages are 60 or more days past due, solely for the purposes of providing information to such mortgagors regarding—

(1) available counseling by housing counseling agencies approved by the Secretary; and

(2) available mortgage loan modification, refinancing, and assistance programs.

(b) QUALIFIED INDEPENDENT THIRD PARTIES.—An independent third party meets the requirements of this subsection if the third party—

(1) is an entity, including a housing counseling agency approved by the Secretary, that meets standards, qualifications, and requirements (including regarding foreclosure prevention training, quality monitoring, safeguarding of non-public information) established by the Secretary for purposes of this section for in-person contact about available mortgage loan modification, refinancing, and assistance programs; and

(2) does not charge any fees or require other payments, directly or indirectly, from any mortgagor for making in-person contact and providing information and documents under this section.

(c) TREATMENT OF PERSONAL, NON-PUBLIC, AND CONFIDENTIAL INFORMATION.—An independent third party whose services are obtained using amounts made available for use under this section and the mortgage servicer obtaining such services shall not use, disclose, or distribute any personal, non-public, or confidential information about a mortgagor obtained during an in-person contact with the mortgagor, except for purposes of engaging in the process of modification or refinancing of the covered mortgage.

(d) DATE OF CONTACT AND DISCLOSURES.—Each independent third party whose services are obtained by a mortgage servicer using amounts made available for use under this section shall—

(1) initiate in-person contact with a mortgagor not later than 10 days after the date upon which payments under the covered mortgage of the mortgagor become 60 days past due; and

(2) upon making in-person contact with a mortgagor, provide the mortgagor with a written document that discloses—

(A) the name of, and contact information for, the independent third party and the mortgage servicer;

(B) that the independent third party has contracted with the mortgage servicer to provide the in-person contact at no charge to the mortgagor;

(C) that the independent third party is an agent of the mortgage servicer;

(D) that the in-person contact with the mortgagor consists of providing information about available counseling by a housing counseling agency approved by the Secretary and available mortgage loan modification, refinancing, and assistance programs;

(E) that the independent third party and the mortgage servicer are prohibited from the use, disclosure, or distribution of personal, non-public, and confidential information about the mortgagor, obtained during the in-person contact, except for purposes of engaging in the process of modification or refinancing of the covered mortgage;

(F) any other information that the Secretary determines should be disclosed.

(e) DEFINITION OF COVERED MORTGAGE.—For purposes of this section, the term “covered mortgage” means a mortgage on a 1- to 4-family residence insured under the provisions of subsection (b) or (k) of section 203, section 234(c), or 251 of the National Housing Act (12 U.S.C. 1709, 1715y, 1715z–16).

SEC. 15. GAO REPORTS ON FHA AND GINNIE MAE.

Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Congress the following reports:

(1) FHA REPORT.—A report on the single family mortgage insurance programs of the Secretary of Housing and Urban Development and the Mutual Mortgage Insurance Fund established under section 202(a) of the National Housing Act (12 U.S.C. 1708(a)) that—

(A) analyzes such Fund, the economic net worth, capital ratio, and unamortized insurance-in-force (as such terms are defined in section 205(f)(4) of such Act (12 U.S.C. 1711(f)(4))) of such Fund, the risks to the Fund, how the capital ratio of the Fund affects the mortgage insurance programs under the Fund and the broader housing market, the extent to which the housing markets are more dependent on mortgage insurance provided through the Fund since the financial crisis began in 2008, and the exposure of the taxpayers for obligations of the Fund;

(B) analyzes the methodology of the capital ratio for the Fund under section 205(f) of such Act and examines other alternative methodologies with respect to which methodology is most appropriate to meet the operational goals of the Fund under section 202(a)(7);

(C) analyzes the effects of the increases in the limits on the maximum principal obligation of mortgages made by the FHA Modernization Act of 2008 (title I of division B of Public Law 110–289), section 202 of the Economic Stimulus Act of 2008 (Public Law 110–185; 122 Stat. 620), section 1202 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 225), and section 166 of the Continuing Appropriations Resolution, 2010 (as added by section 104 of division B of Public Law 111–88; 123 Stat. 29723) on—

(i) the risks to and safety and soundness of the Fund;

(ii) the impact on the affordability and availability of mortgage credit for borrowers for loans authorized under such higher loan limits;

(iii) the private market for residential mortgage loans that are not insured by the Secretary of Housing and Urban Development; and

(iv) the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation; and

(D) analyzes the impact on affordability to FHA borrowers, and the impact to the Fund, of seller concessions or contributions to a borrower purchasing a residence using a mortgage that is insured by the Secretary.

(2) GINNIE MAE.—A report on the Government National Mortgage Association that identifies—

(A) the volume and share of the residential mortgage market that consists of mortgages that

back securities for which the payment for principal and interest is guaranteed by such Association and how the Association has been affected by the economic recession, credit crisis, and downturn in the housing markets occurring during 2008, 2009, and 2010;

(B) the capacity of the Association to manage the volume of business it conducts and securities it guarantees, particularly with regard to the recent dramatic increase in such volume, including the ability of the Association to conduct appropriate oversight of contractors and issuers of securities for which the payment of principal and interest is guaranteed by the Association and to determine whether the characteristics of various mortgage products constitute appropriate collateral for the federally guaranteed securities for which payment of principal and interest is guaranteed by such Association;

(C) the impacts, if any, resulting from such increased volume of business conducted by the Association and securities it guarantees and the challenges such increased volume poses to the internal controls of the Association; and

(D) the existing capital net worth requirements for aggregators of mortgages that issue securities that are based on or backed by such mortgages and payment of principal and interest on which is guaranteed by such Association and recommends an appropriate required level of net worth for such aggregators and issuers to protect the financial interests of the Federal Government and the taxpayers.

The Acting CHAIR. No amendment to the committee amendment is in order except those printed in House Report 111-503. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MS. WATERS

The Acting CHAIR. It is now in order to consider amendment No. 1 printed in House Report 111-503.

Ms. WATERS. Mr. Chairman, I have an amendment at the desk made in order under the rule.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Ms. WATERS:

Page 9, line 19, after "single family" insert "residences".

Page 18, line 24, strike "12-month" and insert "18-month".

Page 14, after line 16, insert the following new section:

SEC. 13. AUTHORIZATION TO PARTICIPATE IN THE ORIGINATION OF FHA-INSURED LOANS.

(a) SINGLE FAMILY MORTGAGES.—Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) is amended by striking paragraph (1) and inserting the following new paragraph:

"(1) Have been made to a mortgagee approved by the Secretary or to a person or entity authorized by the Secretary under section 202(d)(1) to participate in the origination of the mortgage, and be held by a mortgagee approved by the Secretary as responsible and able to service the mortgage properly."

(b) HOME EQUITY CONVERSION MORTGAGES.—Section 255(d) of the National Housing Act (12 U.S.C. 1715z-20(d)) is amended by striking paragraph (1) and inserting the following new paragraph:

"(1) have been originated by a mortgagee approved by, or by a person or entity authorized under section 202(d)(1) to participate in the origination by, the Secretary;"

Page 14, line 17, strike "13" and insert "14".

Page 15, line 14, strike "14" and insert "15".

Strike line 23 on page 18 and all that follows through page 22, line 20, and insert the following:

SEC. 16. GAO REPORT ON FHA.

Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Congress a report on the single family mortgage insurance programs of the Secretary of Housing and Urban Development and the Mutual Mortgage Insurance Fund established under section 202(a) of the National Housing Act (12 U.S.C. 1708(a)) that—

(1) analyzes such Fund, the economic net worth, capital ratio, and unamortized insurance-in-force (as such terms are defined in section 205(f)(4) of such Act (12 U.S.C. 1711(f)(4))) of such Fund, the risks to the Fund, how the capital ratio of the Fund affects the mortgage insurance programs under the Fund and the broader housing market, the extent to which the housing markets are more dependent on mortgage insurance provided through the Fund since the financial crisis began in 2008, and the exposure of the taxpayers for obligations of the Fund;

(2) analyzes the methodology for determining the Fund's capital ratio under section 205(f) of such Act and examines alternative methods for assessing the Fund's financial condition and their potential impacts on the Fund's ability to meet the operational goals under section 202(a)(7) of such Act;

(3) analyzes the potential effects of the increases in the limits on the maximum principal obligation of mortgages made by the FHA Modernization Act of 2008 (title I of division B of Public Law 110-289), section 202 of the Economic Stimulus Act of 2008 (Public Law 110-185; 122 Stat. 620), section 1202 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 225), and section 166 of the Continuing Appropriations Resolution, 2010 (as added by section 104 of division B of Public Law 111-88; 123 Stat. 29723) on—

(A) the risks to and safety and soundness of the Fund;

(B) the impact on the affordability and availability of mortgage credit for borrowers for loans authorized under such higher loan limits;

(C) the private market for residential mortgage loans that are not insured by the Secretary of Housing and Urban Development; and

(D) the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation; and

(4) analyzes the impact on affordability to FHA borrowers, and the impact to the Fund, of seller concessions or contributions to a borrower purchasing a residence using a mortgage that is insured by the Secretary.

At the end of the bill, add the following new sections:

SEC. 17. INCREASED LOAN LIMITS FOR DESIGNATED COUNTIES.

(a) AUTHORITY.—Notwithstanding any other provision of law, the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") may increase the dollar amount limitations on the principal obligation of mortgages otherwise determined under section 203(b)(2) of the National Housing Act for any county that is designated under this section.

(b) PROCEDURE.—

(1) FEDERAL REGISTER NOTICE.—Any designation of a county under this section shall be made only pursuant to application by the county for such designation, in accordance with procedures that the Secretary may establish. The Secretary may establish such procedures only by publication in the Federal Register not later than 60 days after the date of the enactment of this Act.

(2) FINAL DETERMINATION.—If the Secretary establishes procedures for applications under paragraph (1) and receives a completed application for designation under this section of a county in accordance with such procedures, the Secretary shall issue a final determination regarding such application for designation, based on the criteria under subsection (c), not later than 60 days after such receipt.

(c) DETERMINATION CRITERIA.—The Secretary may designate an applicant county under this section only if the county is located within a micropolitan area (as such term is defined by the Director of the Office of Management and Budget) and meets the following criteria:

(1) More than 70 percent of the border of the applicant county abuts two or more metropolitan statistical areas (as such term is defined by the Director of the Office of Management and Budget) for which each dollar amount limitation on the principal obligation of a mortgage that may be insured under section 203 of the National Housing Act, in effect at the time of such determination, is at least 40 percent greater than the dollar amount limitation for the same size residence for the applicant county. For purposes of such calculation, the dollar amount limitations of such abutting counties shall not include any increase attributable to the authority under this section.

(2) The applicant county has experienced significant population growth, as evidenced by an increase of 15 percent or more during the 10 years preceding the application, according to statistics of the United States Census Bureau or such other appropriate criteria as the Secretary shall establish.

(3) The dollar amount limitation on the principal obligation of a mortgage on housing in the applicant county that may be insured under section 203 of the National Housing Act, in effect at the time of such application, is the minimum such dollar amount limitation allowable under the matter that follows clause (i) in section 203(b)(2)(A) of the National Housing Act.

(d) ESTABLISHMENT OF LOAN LIMITS.—For a county designated under this section, the Secretary may increase the maximum dollar amount limitations on the principal obligation of mortgages otherwise determined under section 203(b)(2) of the National Housing Act to such levels as are appropriate, taking into consideration the criteria established for such designation, but not to exceed the dollar amount limitations for the abutting metropolitan statistical area meeting the requirements of subsection (c)(1) that has the lowest such dollar amount limitations.

(e) EFFECTIVE DATE AND TERM OF DESIGNATION OF NEW COUNTYWIDE LOAN LIMITS.—A designation of a county under this section, and the maximum dollar amount limitations for such county pursuant to subsection (d), shall—

(1) take effect upon the expiration of the 60-day period that begins upon the final determination for the county referred to in subsection (b)(2); and

(2) remain in effect until the end of the calendar year in which such designation takes effect.

(f) LOAN LIMITS FOR SUCCEEDING YEARS.—With respect to each calendar year immediately following the calendar year in which

a county is designated under this subsection, the Secretary may, notwithstanding any other provision of law, continue or adjust the dollar amount limitations in effect pursuant to this section for such designated county for such preceding year, as appropriate, consistent with the criteria under this section.

SEC. 18. IDENTIFICATION REQUIREMENTS FOR BORROWERS.

Section 203 of the National Housing Act (12 U.S.C. 1709), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(z) IDENTIFICATION REQUIREMENTS FOR BORROWERS.—No mortgage on a 1- to 4-family dwelling may be insured under this title unless the mortgagor under such mortgage—

“(1) provides a valid Social Security Number; and

“(2) is (A) a United States citizen, (B) a lawful permanent resident alien, or (C) a non-permanent resident alien who legally resides in and is authorized to work in the United States.

The Secretary shall establish policies under which mortgagees verify compliance with the requirements under this subsection.”.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentlewoman from California (Ms. WATERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the manager's amendment would make technical corrections to the underlying FHA Reform Act of 2010 and would respond to a GAO request for more time to complete the mandated study on FHA.

This amendment would also facilitate HUD's implementation of a recently finalized rule whereby FHA will no longer directly approve loan correspondents or mortgage brokers but will require lenders to approve brokers.

Under the language proposed in this amendment, loan correspondents would be permitted to continue closing loans in their own name, a critical business function, and continue to utilize table funding arrangements.

This amendment also addresses eligibility for FHA loans by requiring FHA borrowers to have a valid Social Security number and limiting FHA loans to only U.S. citizens and legal immigrants. This language ensures that undocumented immigrants or other individuals who are in the country unlawfully cannot get FHA mortgages, while still providing that lawful immigrants can continue to stimulate demand in the U.S. housing market through the purchase of homes.

Finally, this amendment provides that the Secretary may increase loan limits for micropolitan counties surrounded by higher-cost areas that are experiencing significant growth.

Again, this amendment strengthens an already strong bill, and I urge my colleagues to support it.

Mr. Chairman, I reserve the balance of my time.

□ 1130

Mrs. CAPITO. Mr. Chairman, I claim the time in opposition, but I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. I would like to thank the chairwoman of the Housing Subcommittee for her good work on this bill and for this manager's amendment. We have worked together on this amendment, as we have with the rest of the bill.

As she summarized in her statement, this provides provisions that drops out a few provisions that were problematic, but it also increases the requirements for identification, for a valid Social Security number and to be a U.S. citizen to be able to have access to FHA programs. I think it goes to the core of a lot of discussion that we've had on this floor, and certainly we want to make certain that those who are eligible for programs are able to access them and those that are ineligible are unable to access them.

So as I said, we've worked together on this amendment, and I plan to support the manager's amendment.

With that, I yield back the balance of my time.

Ms. WATERS. Mr. Chairman, I have no further requests for time on this amendment, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Ms. WATERS).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Ms. WATERS. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California will be postponed.

AMENDMENT NO. 2 OFFERED BY MR. CARDOZA

The Acting CHAIR. It is now in order to consider amendment No. 2 printed in House Report 111-503.

Mr. CARDOZA. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. CARDOZA: Page 15, line 20, strike “(e)” and insert “(f)”.

Page 18, after line 16, insert the following new subsection:

(e) PRIORITY.—In providing reimbursements under this section, the Secretary of Housing and Urban Development shall provide priority to independent third parties serving mortgagors under covered mortgages in areas experiencing a mortgage foreclosure rate and unemployment rate higher than the national average for the most recent 12-month period for which satisfactory data are available.

Page 18, line 17, strike “(e)” and insert “(f)”.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from California (Mr. CARDOZA) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

Mr. CARDOZA. I yield myself such time as I may consume.

In recent weeks we have seen a small but slow and steady improvement in the national housing market while other parts of the country, like my congressional district in the San Joaquin Valley, have continued to deteriorate. I have repeatedly explained to the administration that their programs are not doing enough to stem the problems of the rising tide of foreclosures in areas like the Central Valley in California.

As this economic devastation continues, we must redouble our efforts to help our constituents as we work to improve the fundamentals of the economy and hopefully eventually pull ourselves out of this situation. We must ensure that we are doing everything that we can to help those who are suffering the most.

Counseling services are just one component of this comprehensive approach that we need to deal with this ongoing crisis. People must know their options when faced with foreclosure so that they can make informed decisions based on their own personal circumstances. Navigating these options is often difficult, stressful, and confusing to those who have never had to deal with such issues. Counseling can help some people find ways to stay in their homes while it offers others a path to resolve an impending foreclosure and get back on their feet.

If we are going to incentivize mortgage servicers to provide third-party counselors to borrowers who are behind on their mortgage payments, then we ought to make sure we give priority to those areas who are hurting the most. My amendment would prioritize foreclosure counseling services to areas of the country that have been the hardest hit by the housing crisis.

I urge my colleagues on both sides of the aisle to support this amendment and to refocus our efforts on those who need the help the most.

I reserve the balance of my time.

Mrs. CAPITO. I would like to claim the time in opposition, although I am unopposed to the amendment.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. I rise in support of the amendment offered by the gentleman from California.

As my colleague from California knows all too well, rising foreclosure and delinquency rates continue to affect all areas of the mortgage market. Secondary markets for mortgages have seen a significant drawback that has led to a reduction in the availability of credit. Lenders have tightened credit

standards making it more difficult for delinquent borrowers to refinance.

At the same time, because of falling home prices and certainly in many parts of the country, like the gentleman's home district, borrowers are finding themselves unable to refinance into more affordable or fixed-rate products because their outstanding mortgage loan balances exceed their homes' values.

States such as California, Florida, Arizona, and Nevada continue to dominate the national delinquency and foreclosure markets. The Cardoza amendment prioritizes assistance to the areas that have been hardest hit by foreclosure and unemployment compared to the rest of the country.

I am prepared to support the gentleman's amendment, and I would like to say that one area of the gentleman's amendment that I particularly am in favor of—because we kind of go through this discussion on a lot of different bills, where to put the greater emphasis, and I think the greater emphasis and the greater dollar assistance need to go to the places that are the hardest hit and do have the most difficult problems. And so I think this is well-intentioned, and I would support the amendment.

I reserve the balance of my time.

Mr. CARDOZA. Mr. Chairman, I thank the gentlelady for her comments and her support of my amendment. It is very important that we do move in this direction.

At this time, I yield 1 minute to the chairwoman of the subcommittee, a true champion for those who are trying to remain in their homes, and she's done so much to try to help us alleviate the challenges that we face in my district and throughout our State, the gentlewoman from California (Ms. WATERS).

Ms. WATERS. I would like to thank my colleague from California. I certainly support this amendment.

The gentleman from California has been one of the most active Members of this Congress in bringing attention to the economic fallout of the foreclosure crisis. I am well aware that his district located in my home State of California has one of the highest foreclosure rates in the country. California has the Nation's fourth highest foreclosure rate with one in every 192 housing units receiving a foreclosure filing last April.

Unfortunately, due to the economic impacts of foreclosures on communities, high foreclosure rates are sometimes accompanied by high unemployment rates. At 13 percent, California's unemployment rate is higher than the national unemployment rate of 9.5 percent. By prioritizing foreclosure counseling services to the hardest hit areas, this amendment would ensure that the homeowners most in need of these services would receive them, helping to stabilize communities that are already facing economic troubles.

I support this amendment, and I certainly thank the gentleman for offer-

ing it. I hope my colleagues will vote "yes."

Mrs. CAPITO. Again, I voice my support for the amendment, and I yield back the balance of my time.

Mr. CARDOZA. This amendment is straightforward and common sense. I believe that Congress must ensure that all efforts to provide assistance during these difficult times actually help those that need it the most.

I urge adoption of the amendment, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from California (Mr. CARDOZA). The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. CAO

The Acting CHAIR. It is now in order to consider amendment No. 3 printed in House Report 111-503.

Mr. CAO. Mr. Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. CAO:

Page 16, line 4, strike "and".

Page 16, line 6, strike the period and insert "; and".

Page 16, after line 6, insert the following:

(3) available counseling regarding financial management and credit risk.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from Louisiana (Mr. CAO) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Louisiana.

Mr. CAO. Mr. Chairman, I rise today in support of my amendment to H.R. 5072, the FHA Reform Act of 2010. The bill we are considering today is a much-needed piece of legislation to help bolster the Federal Housing Administration and help prevent another housing crisis.

As someone from a district that is both in recovery and one with incredible housing needs, I especially appreciate this bill. I congratulate Chairman FRANK and Ranking Member BACHUS for bringing this important legislation to the floor.

I think the portion of the bill which provides information about loan modification and housing counseling to a mortgager at risk of early default is important. The amendment that I propose slightly expands this requirement by including language that includes credit risk and financial management counseling information.

I know that many times, especially in the current economic downturn, people headed for foreclosure have many other debt issues. Low- and middle-income families, those most likely to have FHA loans, often don't know that there is counseling available to help them understand the credit risk associated with foreclosure and loan modification. Many do not have the skills to manage this risk. They don't know that there is often free or low-cost fi-

nancial management information available to them for help. That is why I have drafted the additional language to help these families get information about the full range of services available to them. This is good policy from which any constituent in my district can benefit.

This is about giving people the information they need to be successful. As policymakers, we should not only aim to preserve homeownership but to encourage responsible homeownership. By empowering people, we are taking a proactive stance towards aborting another financial crisis.

I reserve the balance of my time.

Ms. WATERS. I rise to claim the time in opposition, although I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentlewoman from California is recognized for 5 minutes.

There was no objection.

Ms. WATERS. I thank the gentleman for this amendment which would ensure that FHA borrowers who are having difficulty paying their loans would receive counseling about credit risk and financial management in addition to information about loan modification assistance and the availability of housing counseling.

Financial literacy is an important tool for empowering consumers, especially those consumers who are having difficulty making mortgage payments. The gentleman's amendment would enhance the housing counseling resources provided by the bill. By allowing borrowers to learn about how to manage their non-mortgage debt, they could be helpful in ensuring that they are able to remain current in their mortgages after modification.

I support this amendment, and I urge an "aye" vote.

I yield back the balance of my time.

Mr. CAO. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Louisiana (Mr. CAO).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MS. BEAN

The Acting CHAIR. It is now in order to consider amendment No. 4 printed in House Report 111-503.

Ms. BEAN. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Ms. BEAN:

At the end of the bill, add the following new section:

SEC. 16. AUTHORITY TO ESTABLISH HIGHER MINIMUM CASH INVESTMENT REQUIREMENT.

(a) AUTHORITY.—Paragraph (9) of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(9)) is amended by adding at the end the following new subparagraph:

“(D) AUTHORITY TO ESTABLISH HIGHER MINIMUM REQUIREMENT.—The Secretary may establish a higher minimum cash investment requirement than the minimum requirement under subsection (a), for all mortgagors or a

certain class or classes of mortgagors, which may be based on criteria related to borrowers' credit scores or other industry standards related to borrowers' financial soundness. In establishing such a higher minimum cash investment requirement, the Secretary shall take into consideration the findings of the most recent annual report to the Congress on minimum cash investments pursuant to section 16(b) of the FHA Reform Act of 2010."

(b) REPORT.—Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act and annually thereafter, the Secretary of Housing and Urban Development shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report detailing the implementation of the minimum cash investment requirements under section 203(b)(9) of the National Housing Act (12 U.S.C. 1709(b)(9)) and discussing and analyzing options for proposed changes to such requirements, including changes that would take into account borrowers' credit scores or other industry standards related to borrowers' financial soundness. Such report shall—

(1) analyze the impacts that any actual or proposed such changes are projected to have on—

(A) the financial soundness of the Mutual Mortgage Insurance Fund;

(B) the housing finance market of the United States; and

(C) the number of borrowers served by the Federal Housing Administration;

(2) explain the reasons for any actual or proposed such changes in the such requirements made since the last report under this subsection;

(3) evaluate the impact of any actual or proposed such changes in such requirements on the Mutual Mortgage Insurance Fund;

(4) evaluate the impacts of any actual or proposed such changes on potential mortgagors under mortgages on one- to four-family dwellings insured by the Secretary under the National Housing Act; and

(5) evaluate the impact of any actual or proposed such changes on the soundness of the housing market in the United States.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentlewoman from Illinois (Ms. BEAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Illinois.

Ms. BEAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment I am here to talk to my colleagues about today protects taxpayers and increases government accountability while preserving a critical program that has helped 37 million Americans become homeowners since 1934.

My amendment requires HUD and the FHA to conduct annual comprehensive assessments and considerations for increased minimum down payment requirements in the FHA mortgage guarantee program and grants the FHA greater authority to do so.

Currently, the minimum cash investment requirement, commonly referred to as the "down payment requirement," is set at 3.5 percent. HUD has used its existing authority to propose a 10 percent down payment requirement for borrowers with credit scores below 580, and I applaud FHA Commissioner

Stevens and HUD for this important step to protect taxpayer dollars.

However, it's important for HUD to be given clear direction on evaluating future down payment increases as data suggests that the foreclosure crisis is not yet over.

According to core logic, approximately one in four borrowers are underwater in their mortgages, which means they owe more than their house is currently worth. As borrowers become increasingly underwater, they lose incentive to continue to pay their mortgage, which can lead to delinquency and further foreclosures.

While it is difficult for individual homeowners to guard against large swings in the housing market, one important tool for preventing negative equity is to require a meaningful down payment. To make sure HUD is setting down payment requirements for the FHA program that will sufficiently protect the Federal Government from excessive defaults, my amendment requires HUD to submit an annual report to Congress regarding proposed or actual increases. The report would require HUD to analyze the impacts that they would have on the financial soundness of the Mutual Mortgage Insurance Fund—which is the reserve fund referenced frequently in today's debate—also the effect on the housing finance market of the United States and the number of borrowers served by the FHA program.

□ 1145

The amendment requires HUD to consider the findings of these annual reports in determining whether higher down payment requirements are warranted. In addition, it grants authority to HUD to establish requirements for all borrowers or a class or classes of borrowers, and it directs HUD to consider a borrower's credit score when making these decisions.

Combined, this amendment will mandate HUD to evaluate resetting down payment requirements every year, and it will ensure the Federal Government is effectively protected from unnecessary risk. This amendment allows Congress to protect taxpayers without being overly prescriptive or handcuffing the FHA with specific terms. Instead, it provides the FHA the authority to make fact-based decisions based on the level of defaults and market conditions.

We learned from the current mortgage crisis that the FHA needs the data and the flexibility to address changes in today's more dynamic and diverse mortgage market and to protect taxpayers. We also recognize the importance of preserving access to affordable mortgages for millions of American families. FHA has helped Americans attain home ownership and has provided crucial mortgage insurance at times when the private market has pulled back from the mortgage market.

This legislation well-complements the consumer and taxpayer protections

in the Wall Street reforms Congress is moving towards final passage.

I urge my colleagues to support the Bean amendment and the underlying bill.

I reserve the balance of my time.

Mrs. CAPITO. I rise to claim time in opposition, although I'm not opposed to the amendment.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. As the gentlewoman from Illinois stated, this gives HUD the authority to increase FHA down payments and would require an annual report. I'd like to ask the gentlewoman, if I could, a question about her amendment, if she would be willing to help me out with some clarification.

You mentioned in your statement that HUD had already raised the down payment requirements with those of credit scores of 580 and below up to 10 percent. So my question is, it seems apparent to me that HUD already has the authority that you are granting in this amendment. HUD can already now go in and raise down payments. I would like to know what the distinction is or what the difference of the authority is that you're granting in your amendment from the authority that HUD already has.

I yield to the gentlewoman from Illinois.

Ms. BEAN. Well, first of all, it's mandating it. They have to evaluate the facts every year and then propose to Congress why they are or aren't making changes. So that's different than what they've been required to do in the past.

Mrs. CAPITO. But still, the authority they have to raise down payment requirements is already existing in current law.

Ms. BEAN. They do have the authority to make changes.

Mrs. CAPITO. Basically, the change is more in the annual report and the requirement that HUD has to look at those reports and make a statement to the committee and to Congress?

Ms. BEAN. That's correct.

Mrs. CAPITO. I thank the gentlewoman for clarification, and as I said previously, I am prepared to support this amendment.

I don't believe I have any further requests for time; so I yield back the balance of my time.

Ms. BEAN. I yield such time as she may consume to Congresswoman WATERS.

Ms. WATERS. Mr. Chairman, this amendment reiterates the existing authority of the Secretary of Housing and Urban Development to raise down payment standards if he deems it necessary to ensure the financial health of FHA, and that is exactly what Secretary Donovan, with the help of Commissioner Stevens is doing because data indicates it is the best thing to do for the current economic environment. In addition, the Secretary has the authority to reduce this down payment

should economic conditions change and data indicates that it can be done while preserving the health of the capital reserves.

This amendment also calls for the Secretary to provide an annual report on the implementation of the minimum down payment requirement, the impact on FHA's capital reserves, the housing market generally, all the number of FHA borrowers, and the impact of any proposed changes on borrowers on the fund.

I believe this is a sensible amendment that increases transparency and accountability and should receive strong, bipartisan support, and I thank Congresswoman BEAN for all of the work that she's done on this committee and for this amendment.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Illinois (Ms. BEAN).

The amendment was agreed to.

AMENDMENT NO. 5 OFFERED BY MR. GARRETT OF NEW JERSEY

The Acting CHAIR. It is now in order to consider amendment No. 5 printed in House Report 111-503.

Mr. GARRETT of New Jersey. Mr. Chairman, I have an amendment.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. GARRETT of New Jersey:

Page 3, after line 16, insert the following new section:

SEC. 3. DOWNPAYMENT REQUIREMENT OF 5 PERCENT AND PROHIBITION OF FINANCING OF CLOSING COSTS.

Section 203 of the National Housing Act (12 U.S.C. 1709) is amended—

(1) in subsection (b)(9)(A), by striking “3.5 percent” and inserting “5.0 percent”; and

(2) in subsections (b)(2) and (k)(3)(A), by striking “(including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve)” each place such term appears and inserting “(which may not include any initial service charges, appraisal, inspection, or other fees or closing costs as the Secretary shall prohibit)”.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from New Jersey (Mr. GARRETT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. GARRETT of New Jersey. I yield myself 3 minutes.

I want to begin by restating the obvious, and that is, the FHA right now is in serious financial trouble. Their book of business during 2005 and 2006 and 2007 was really pretty small back then, and in 2008, FHA's lending took off to really high levels and currently is around 30 percent of the market. Typically, the default from mortgages occurs not in the first couple of years but in three, four, five, six, and seven years.

So we've already seen a sharp increase in delinquency and defaults with the FHA book, and we've not even gotten into the typically bad areas, the problem years for 2008 and 2009 so we're probably going to see those numbers go off the track.

Some of my colleagues on the other side of the aisle may say that there isn't going to be a problem because underwriting standards have tightened up some and the average FICO score has gone up. If you think about it, that really misses the point. In the mortgage business, you make pennies and you lose dollars. Because of the tremendous increase in volume, the FHA has insured thousands of more loans from higher credit borrowers but they insured thousands of more loans from more credit risky borrowers, too. Those numbers just aren't going to balance out. So, when the FHA has to pay a claim on default, it costs significantly more than the proceeds, than the few extra pennies they get by issuing more loans. For example, the premiums from 10 additional good loans would not cover the losses from 10 additional riskier loans in default. In fact, I doubt it would cover even one.

This point also debunks the claim that if you raise the down payment you will hurt the FHA because the accompanying reduction in volume will not allow them to collect as many fees. Why is that? The more loans you insure, the more defaults you will experience and you will not be able to recoup the losses with those additional premiums.

A second point. Another argument they will make is that the FHA's LTV ratio, the loan-to-value ratio, above 95 percent are a lower percentage of the books today than they were just a few years ago, but this fails to acknowledge that it's because their book has grown so much over the last few years. So I would argue this, that of the total numbers, there are significantly more loans over there that are above 95 percent LTV and over 96.5 which is a critical number simply because of their ability to finance the up-front premiums now. And with more loans with higher LTVs means what? More riskier loans.

FHA's own actuarial report says this: “Based on previous econometric studies of mortgage behavior, a borrower's equity position in the mortgaged house is one of the most important drivers of default behavior. The larger the equity position a borrower has, the greater the incentive to avoid default on the loan.”

So that's why I've come up with this amendment. It's not a 20 percent down payment or 15 percent or even a 10 percent, which many private lenders right now require, but we go for the reasonable one, the compromise, 5 percent down payment. I support home owners as much as the next guy, and I want everybody to be able to afford their own home if they could. But we have to learn something from our past history, and we have to be responsible here in this House.

I find the debate over the problems with the FHA eerily similar to the debates we've had leading up to Fannie Mae and Freddie Mac. As taxpayers

now are pumping hundreds of billions of dollars into Fannie and Freddie now, history has shown that we were on the right side of the debate then with Fannie and Freddie then, and I want to make sure that when this FHA bill goes through this House now, and at the conclusion of this debate as well, I want to make sure that myself and all of my colleagues are on the right side of this debate as well.

So I urge my colleagues to be all on the right side of this, this debate in history and to support my amendment. I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I rise to claim the time in opposition.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. FRANK of Massachusetts. I yield myself 3 minutes.

Mr. Chairman, there were several aspects of the debate over housing during the period that led up to the crisis. Part of it was over Fannie Mae and Freddie Mac, but an even bigger part—because it involved Fannie Mae and Freddie Mac—was over sub-prime loans being made largely, although not entirely, on the unregulated banking system, and there were those who defended that. There were those who opposed efforts to rein it in.

In fact, with regard to Fannie Mae and Freddie Mac, I changed my own position with regard to them when in 2004 the administration, without congressional input, ordered Fannie Mae and Freddie Mac to buy more loans from people below the median income. We tried, many of us, during the period of 2004, 2005, and 2006 to get legislation adopted to ban sub-prime loans being granted imprudently. We had, the Congress, given the Federal Reserve the authority to do that in 1994, but Mr. Greenspan refused to do that. He since has apologized for that error.

So the question was not whether or not there was a general lack of discipline but whether there was a particular lack of discipline in containing sub-prime mortgages. The relevance of that is that the FHA doesn't do that. In fact, at a time of general ideological opposition of regulation of the mortgage market outside the banking system, there was very little regulation of sub-prime mortgages being granted to people who couldn't afford them, who made no down payment, who didn't have to document their income. Because of all that, we ran into these problems, and the FHA's percentage went down. That's a major reason why the FHA went down. The FHA has never been guilty of that laxity of practice.

So, part of the reason for the increase in the FHA share is that we have been able finally to cut back on the sub-prime mortgages being granted imprudently, and the FHA has much stricter standards. Yet, I want to stress—and this is a major cause of the Fannie and Freddie problem is that they were pushed into buying sub-

prime mortgages that never should have been given in the first place. That's not the FHA.

It's also the case that the FHA has stepped up in recent years, probably at congressional urging. The down payment has gone up. The up-front fee has gone up. The FHA has power now to go up to a 10 percent and has done this, a 10 percent down payment for people with a weak credit score. That's already part of the FHA's proposal.

The gentleman from Illinois' amendment just adopted makes it clear they can do even more, but to go beyond that, to the degree the gentleman from New Jersey wants to do, would undercut the ability of people who are capable of paying their mortgages from getting mortgage loans. That's why we have an unusual coalition opposing this amendment. It actually included a majority of the Republicans on the Committee on Financial Services who voted against this amendment, but it includes people on all sides of the housing market.

The Acting CHAIR. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield myself an additional 30 seconds.

We have the Consumer Federation, the Center for Responsible Lending, the people who have distinguished themselves by being opposed to subprime lending when others in this Chamber didn't want any restriction, and the Realtors and the home builders, those who are in the business of providing housing, those who are advocates for consumers come together to say this goes too far and would go beyond what is needed for responsible lending.

I reserve the balance of my time.

Mr. GARRETT of New Jersey. I yield 1 minute to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. I thank the gentleman for yielding.

I rise in support of the amendment.

We can learn from history but we really can't revise it as much as we want to try. We're hearing the same arguments now that we heard about Fannie and Freddie, that there's no trouble, they're solvent, everything's fine. We're hearing the same thing with FHA now, but I can tell you, when FHA insured simply, what was it one in fifty homes, now it's one in four, or guarantees the loan on that amount, we're going to face trouble here unless we make additional changes to the ones that are being proposed to this bill. This is a prudent amendment.

It would raise from 3.5 to 5 percent the minimum down payment. It gives more individuals more skin in the game for their home and fewer individuals will walk away. They will try to work it out and try to make their mortgages go on.

□ 1200

We cannot afford to ignore history, and if we reject this amendment, we are ignoring history.

Mr. FRANK of Massachusetts. Mr. Speaker, I have the right to close.

I reserve the balance of my time.

Mr. GARRETT of New Jersey. Mr. Speaker, to close, I take, to begin with, the words of the gentlewoman from Illinois who really makes my case in her amendment which, really, unfortunately, does not go far enough. She says, on the floor, that the FHA does need clear direction what to do in this area of downpayments. Unfortunately, they have not done the job up to this point in time, and now she says we have to give them that clear direction. That is what my amendment would do.

In no uncertain terms, we would say that those people who are not the best risks out there should have a minimum of 5 percent down. I also take from her very own words, she points out the fact that one out of four homes right now are under water. Well, do we want to find ourselves in this situation again 4 or 5 years from now from those very same people when one out of four homeowners are under water when they only have a few couple of percentage points down on their house that they are going to say, I can simply walk away from this house because there is really not much of an investment in it.

I don't think we want to rehash this argument again. I don't think we want to be in this situation again where the American taxpayer is put on the hook, just as it is now, to the tune of \$400 billion over the life of the GSAs. We don't want to have to come out and bail out FHAs.

Let's do the prudent thing right now. Let's be on the right side of history and make sure we have a prudent downpayment for FHA loans.

I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, may I inquire how much time remains?

The Acting CHAIR. The gentleman from Massachusetts has 1½ minutes.

Mr. FRANK of Massachusetts. First, Mr. Chairman, let me be clear, the FHA has gone beyond the gentleman from New Jersey with regard to borrowers who are risky. For borrowers with a 580 or below credit score, the FHA has already used the authority we have given them to raise the downpayment to 10 percent, so we are talking about people above the 580 credit score.

Secondly, there was a total misreading of history with Fannie Mae and Freddie Mac. Yes, some of us thought earlier there wasn't a problem. After it was in order by the Bush administration in 2004 for them to get to more than 50 percent of purchases or mortgages for people below the median income, many of us changed our position and pushed for reform of Fannie Mae and Freddie Mac.

Unfortunately, that didn't happen, because of a dispute between the Republican House and the Republican Senate, until 2007, when this House took the lead and finally got it done in 2008. But the problem was that

throughout that, we had ideological opposition from the deregulators against restricting subprime loans of the sort that led to trouble, and the FHA doesn't do that.

Mr. Speaker, I would submit for the RECORD letters from the Mortgage Bankers Association, National Association of Home Builders, National Association of REALTORS, Centers for Responsible Lending, the National Association of Consumer Advocates, the National Council of La Raza, Consumer Federation of America who point out not that we don't need restriction but that the FHA already has them. Again, to confuse this with the situation in which ideological opposition to sensible regulation allowed subprime loans to predominate outside the FHA is a confusion of the reality.

JUNE 9, 2010.

Hon. BARNEY FRANK,
Chair, House Committee on Financial Services,
Rayburn House Office Building, Wash-
ington, DC.

DEAR CONGRESSMAN FRANK: The Federal Housing Administration's mortgage insurance program has never been more important to our housing markets than it is today. During this period of prolonged stress in our markets, Congress should avoid making any program changes that would further harm consumers and stall our economic recovery. The organizations listed below strongly oppose amendments to H.R. 5072, the FHA Reform Act, which would increase FHA's downpayment requirement, decrease FHA's loan limits, or otherwise limit FHA's ability to insure loans.

Raising FHA's downpayment requirement will do little to strengthen FHA's capital reserve ratio. Rather, it will put homeownership out of reach for many families and for others could deplete their cash reserves for home and other emergencies. Increasing FHA's downpayment could disenfranchise more than 300,000 responsible homeowners. We strongly oppose this amendment offered by Rep. Garrett (R-NJ).

We also oppose an amendment offered by Rep. Price (R-GA) that would limit FHA's market share to 10 percent of the housing finance market. We all welcome the return of private lending and corresponding reduction in FHA's market share, as that will indicate a return to a healthy housing market. But today, FHA is appropriately serving its countercyclical role of providing credit and needed liquidity when the private market is not available to many homebuyers. Legislating an arbitrary reduction in market share in the midst of a housing downturn will have a negative impact on homeownership. We strongly oppose this amendment which will dramatically harm our nation's economic recovery.

Lastly, we ask you to oppose an amendment by Rep. Turner (R-OH) that would reduce the FHA loan limits. FHA's loan limits were temporarily increased in the Economic Stimulus Act of 2008. These higher limits allow American families in communities nationwide to obtain safe, affordable mortgage financing. Decreasing these limits would have a significant impact on the recovery of many housing markets and the overall liquidity of the mortgage industry. Today the private market for loans above the existing limits is small. Reducing the FHA limits will paralyze home sales above the cap, and hurt our housing recovery.

FHA is a critical part of our housing economy. Its programs offer borrowers access to prime-rate mortgages, require stringent underwriting, and will not insure a loan with a

loan-to-value greater than 96.5 percent. We urge you to oppose these amendments that will only hamper this important program.

Sincerely,

MORTGAGE BANKERS
ASSOCIATION.
NATIONAL ASSOCIATION OF
HOME BUILDERS.
NATIONAL ASSOCIATION OF
REALTORS®.

JUNE 7, 2010.

DEAR REPRESENTATIVE: We write in strong support of H.R. 5072, FHA Reform Act of 2010, scheduled for consideration by the House this week. The Federal Housing Administration (FHA) is playing its intended countercyclical role, providing borrowers with access to prime credit. Moreover, the FHA has already taken aggressive steps to manage credit risk and it has appropriate discretion to take additional action as necessary. H.R. 5072 provides the necessary tools to insure the financial stability of FHA and to protect taxpayers from risk.

We strongly oppose any amendments to further raise the FHA-required downpayment. Congress addressed this issue in 2008 with the passage of the Housing and Economic Recovery Act, which increased FHA's downpayment requirement from 3 percent to 3.5 percent. The current downpayment requirement represents a significant financial commitment and sufficient investment to insure a borrower's seriousness about homeownership. Increasing FHA's downpayment to 5 percent would, according to the U.S. Department of Housing and Urban Development, reduce the volume of loans endorsed by FHA by more than 40 percent, while only contributing \$500 million in additional budget receipts (as opposed to the expected \$4.1 billion from the other announced changes to the program).

The proposed change could have an especially harsh impact on African-American and Hispanic borrowers, who traditionally have much lower accumulated wealth and have benefited from the opportunities that fully documented, standard FHA loans with low down payments offer.

FHA is a critical part of our nation's economic recovery. Increasing the downpayment requirement will make homeownership more difficult for American families and disenfranchise more than 300,000 responsible homebuyers. This is not the time to make unnecessary steps to a program that is serving such a vital function in our housing finance system. We urge you to oppose any amendments to increase FHA's downpayment requirement.

Sincerely,

CENTER FOR RESPONSIBLE
LENDING.
CONSUMER FEDERATION OF
AMERICA.
NATIONAL ASSOCIATION OF
CONSUMER ADVOCATES.
NATIONAL ASSOCIATION OF
REALTORS®.
NATIONAL COUNCIL OF LA
RAZA.
NATIONAL FAIR HOUSING
ALLIANCE.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from New Jersey (Mr. GARRETT).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. GARRETT of New Jersey. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further pro-

ceedings on the amendment offered by the gentleman from New Jersey will be postponed.

AMENDMENT NO. 6 OFFERED BY MR. TIERNEY
The Acting CHAIR (Mr. CUELLAR). It is now in order to consider amendment No. 6 printed in House Report 111-503.

Mr. TIERNEY. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill, add the following new section:

SEC. 16. MORTGAGE INSURANCE PREMIUM REFUNDS.

(a) AUTHORITY.—The Secretary of Housing and Urban Development shall, to the extent that amounts are made available pursuant to subsection (c), provide refunds of unearned premium charges paid at the time of insurance for mortgage insurance under title II of the National Housing Act (12 U.S.C. 1707 et seq.) to or on behalf of mortgagors under mortgages described in subsection (b).

(b) ELIGIBLE MORTGAGES.—A mortgage described in this section is a mortgage on a one- to four-family dwelling that—

(1) was insured under title II of the National Housing Act (12 U.S.C. 1707 et seq.);

(2) is otherwise eligible, under the last sentence of subparagraph (A) of section 203(c)(2) of such Act (12 U.S.C. 1709(c)(2)(A)), for a refund of all unearned premium charges paid on the mortgage pursuant to such subparagraph, except that the mortgage—

(A) was closed before December 8, 2004; and

(B) was endorsed on or after such date.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each fiscal year such sums as may be necessary to provide refunds of unearned mortgage insurance premiums pursuant to this section.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from Massachusetts (Mr. TIERNEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. TIERNEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there are instances when, after we have done all the research and completed all other options and exhausted them, a legislative remedy may still be required in order to help our constituents in our district offices with a particular problem. Those occasions give us the opportunity to evidence how Congress can work on their behalf, how Congress can help solve problems, and how Congress could have a direct and positive effect on people's lives. This is one of those times, and I appreciate the fact that the Rules Committee has made this amendment in order.

This amendment seeks to assist those people who, while they were in the process of pursuing their dream of homeownership, were unfairly impacted by a statutory change to HUD's upfront mortgage insurance premium refund policy. Now, under HUD's Upfront Mortgage Insurance Premium Refund policy, borrowers paid an upfront mortgage insurance of 1½ percent of their FHA loan amount, and if they

prepaid their loans, the borrowers could be due refunds on that prepaid insurance amount.

However, in 2005, with the Consolidated Appropriations Act, Congress included language directing that the mortgages after the time of that date of enactment, which was December 8, 2004, that would no longer be true. Borrowers would no longer be eligible for refunds of their prepaid insurance.

So now there are about 15,000 people in this country who tried to do the right thing and play by the rules. They are constituents of all of ours who closed on their mortgage before that December 8, 2004, date in order to be able to get their refund. But, regrettably, they were prevented from receiving their refund because HUD didn't endorse their loan until after December 8, 2004. Now the constituents tell us they were never adequately informed by the lender of those potential provisions, and the lenders tell us they didn't do it because they weren't told by HUD until after the effective date, in fact, not until January of 2005.

I know of one particular family in my district from Gloucester, Massachusetts, who were harmed by that new provision in the law. They did everything right. They played by the rules. They closed their loan in November of 2004 without notice of the change of law, but they have been prevented from receiving their refund of some \$4,200 because HUD didn't do their mortgage until after December 10 of 2004. Certainly, that's an unintended consequence of the provisions in the Consolidated Appropriations Act of 2005.

This amendment makes a meaningful first step toward helping certain eligible homeowners and borrowers, many of whom are low-income families, as I say, who played by the rules. I say this is a first step because we later have to go to Appropriations to get money to fulfill this policy. But this clearly is the right policy. It is the fair thing to do. It is the right thing to do, and we have to discuss and argue about the money to appropriate in order to make whole these people at a later date.

But I suggest that if we all want to do the right thing by policy, I urge my colleagues to support this amendment.

I reserve the balance of my time.

Mrs. CAPITO. Mr. Chairman, I rise to claim time in opposition to the amendment.

The Acting CHAIR. The gentlewoman from West Virginia is recognized for 5 minutes.

Mrs. CAPITO. I think the gentleman from Massachusetts brings forward an issue, and I have great sympathy for those who are caught basically, it sounds like, in a bureaucratic maze here, missed a date not really by their own doing but by maybe just because of the process they were involved in.

The question I have, and the reason I have skepticism on the gentleman's amendment, he began with, I think the number that the gentleman said, this may influence 15,000 folks.

Was that the number that you said in your statement?

I yield to the gentleman from Massachusetts.

Mr. TIERNEY. Yes, 15,593, according to the Department.

Mrs. CAPITO. The other question I would ask the gentleman, and I know we would have to go to Appropriations to get the money allotted for this particular amendment: What would be the approximate cost of something like this? This is something where we are in this time of debt and deficit, and we need to cut our spending here. I think we need to be very vigilant on the bottom line. What is the bottom line of this amendment?

Mr. TIERNEY. I thank you for raising that point that this is a two-step process. This part of the process, in fact, talks about whether we will have a policy that will enable us at some appropriate time to appropriate the money.

Mrs. CAPITO. Right.

Mr. TIERNEY. We are not appropriating the money now, and I think that's a debate for another day and another time if we decide whether we want to be fair to these people or put it off for some other time, but the total for that 15,593 people, according to the Department, would be \$10,372,661.61, more or less.

Mrs. CAPITO. Thank you. Very precise. I appreciate that.

I still have skepticism even about 10 million, which in everyday dollars is still quite a bit of money. And, as I said, we need to look at what we are doing on the bottom line here.

So, while I am very sympathetic and I think that the amendment has some merit, I would stand in opposition to the amendment.

I yield back the balance of my time.

Mr. TIERNEY. Mr. Chairman, I understand that \$10 million is \$10 million, and that's a lot of money to each one of us individually and, of course, we should be concerned. It's not proportionately a lot in our \$1.7 trillion budget.

But I think the real number to look at here is what does it mean to these individuals who are harmed by government policy on no doing of their own. So if it's \$4,200 to a family in my district or \$4,200 to a family in the gentleman's district, that's what's driving our economy right now.

For people to have every expectation of getting the return of that money and to play by the rules only to have the bureaucracy undercut them, I think that's the issue of fairness that we are dealing with here.

Now, we will have an issue later on about whether or not we think now is the appropriate time to put \$10 million on the floor to help people out, and that will be a day for them. But I think we should deal with the policy now and authorize that to be done at some date either this year or next year, or whenever we can make the argument in Congress that it's time to be fair.

I think we can all say in this amount, given the huge meaning this is to individuals, now is the time to be fair; 15,000 people wronged by government bureaucracy in amounts that are every bit as significant to them individually, the \$4,200, as \$10 million may be to all of us in the aggregate. It's an impact on their lives. It's whether or not their families are going to be able to make it through this crisis, whether or not they are going to be able to meet the everyday needs of food, health care, education, clothing and those things that are important to their family.

Again, in closing, I just reiterate, this is the authorization process. Let's set the policy of fairness. We can debate the other later. And let's keep in mind these people played by the rules, did what was right, and deserve to know, at least as a policy matter, Congress will stand with them.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Massachusetts (Mr. TIERNEY).

The amendment was agreed to.

AMENDMENT NO. 7 OFFERED BY MR. PRICE OF GEORGIA

The Acting CHAIR. It is now in order to consider amendment No. 7 printed in House Report 111-503.

Mr. PRICE of Georgia. Mr. Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill, add the following new section:

SEC. 16. LIMITING ON FHA SHARE OF MORTGAGE MARKET.

(a) 10 PERCENT LIMITATION.—Section 203 of the National Housing Act (12 U.S.C. 1709) is amended by inserting after subsection (h) the following new subsection:

“(i) LIMITATION ON FHA MARKET SHARE.—Notwithstanding any other provision of law, the aggregate number of mortgages secured by one- to four-family dwellings that are insured under this title in fiscal year 2012 or any fiscal year thereafter may not exceed 10 percent of the aggregate number of mortgages on such dwellings originated in the United States (but not including mortgages insured under this title), as determined by the Secretary after consultation with appropriate Federal financial regulatory agencies, during the preceding fiscal year.”

(b) PLAN.—Not later than the expiration of the 90-day period beginning upon the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a plan setting forth a strategy and actions to be taken to ensure compliance with section 203(i) of the National Housing Act, as added by the amendment made by subsection (a) of this section.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from Georgia (Mr. PRICE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia.

Mr. PRICE of Georgia. I want to commend the chairman of the committee and the ranking member for moving this particular piece of legislation. I

particularly want to commend the gentlewoman from West Virginia (Mrs. CAPITO) for her great work in this area. She has been a dynamic and an excellent leader in this area and, indeed, she is to be commended.

Mr. Chairman, this bill incorporates some very positive moves. Clearly, the housing market has had significant challenges, and the question that we ought to be asking ourselves is how best to recover. Most experts would agree that, in order to move forward, we need to move toward less market distortion.

It might be helpful if we focus on the FHA's mission and the focus and the requirements that they have on them. We all support the FHA mission. The mission is to serve first-time homebuyers in underserved communities, but the FHA didn't get to a 30 percent market share, Mr. Chairman, by lending to first-time homebuyers and by serving underserved communities.

In terms of the requirements of the FHA, the requirements of the FHA are 3.5 percent downpayment. The private sector requires at least 10 percent. The FHA is required to hold a 2 percent capital reserve ratio, but its actual ratio is 0.53 percent. A bank is required to hold 10 percent capital reserve ratio.

A recent editorial in the Wall Street Journal said, According to Mortgage Bankers Association data, more than one in eight FHA loans is now delinquent, nearly triple the rate on conventional nonsubprime loan portfolios. Another 7.5 percent agreed that FHA loans are in serious delinquency, which means at least 3 months overdue. The FHA is almost certainly going to need a taxpayer bailout in the months ahead. The only debate will be about how much it will cost.

A former chief credit officer of Fannie and Freddie Mae, Edward Pinto, notes that “FHA's high-risk lending practices negatively impact the housing finance marketplace.” Mr. Chairman, you can translate that into being increasing taxpayer exposure.

□ 1215

So if we are honest with ourselves, when appropriately sized, the FHA does indeed do a wonderful job and is very helpful. But at this point, this is just another government program that is distorting the market. FHA's huge market share is a hindrance to regaining equity in the housing market. In addition, Fannie and Freddie's unlimited government lifeline is also a hindrance to the housing recovery.

My amendment would ensure that the FHA no longer crowds out the private market for home loans. The amendment is a modest first step to cap FHA new origination market share to no more than 10 percent of the private-market home loans each year, beginning in 2010 so there is significant time to adjust, so the American people are not further exposed to the next bailout. Mr. Chairman, that means the taxpayer is not exposed to greater liability.

The American people are sick and tired of bailouts. They see another one on the horizon. It is time for us to act. No more bailouts. What they are telling us across this country is to stop the madness. This amendment begins the process of stopping that madness.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. FRANK of Massachusetts. I yield 2 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. At best, we have a fragile recovery from a massive recession caused by a precipitous decline in home prices. Now, I know the gentleman is well-intentioned, but nothing is more likely to cause a double dip in this recession than the second precipitous drop in home prices that would be caused by pulling FHA and, as the gentleman argues, Fannie and Freddie out of the home lending market.

Right now, FHA is 30 percent of the home purchase finance market, about over half of that market for African Americans, 45 percent for Hispanics. Are we going to tell one-third of American home buyers, almost half or over half Hispanics and African Americans seeking to buy homes, that they are not going to be able to buy those homes? Because, if they can't get FHA financing, the private sector may be there, but at much higher rates. And there is no way that these individuals will be able to afford to buy those homes.

With fewer buyers, you will see a precipitous decline in prices. That devastates communities further, devastates the American economy further.

FHA is actuarially sound. It charges fees for the services and the guarantees that it provides. And to cut its role in the market by a third as part of an overall policy designed to take FHA, Fannie Mae, and Freddie Mac out of the market ignores the fact that, in these troubled times, those three entities—FHA, Fannie, and Freddie—account for almost all of the home mortgages obtained by middle-class and working families.

So we should defeat the gentleman's amendment. And I want to point out it is opposed by the National Association of Realtors, the National Association of Home Builders, and the Mortgage Bankers Association.

Mr. PRICE of Georgia. Mr. Chairman, may I ask how much time remains on each side?

The Acting CHAIR. The gentleman from Georgia has 1½ minutes. The gentleman from Massachusetts has 3 minutes.

Mr. PRICE of Georgia. Mr. Chairman, I appreciate the gentleman from California's comments. There is no doubt we are indeed in a fragile housing market, which is precisely why this policy would not take effect until 2012. It

gives the Secretary significant flexibility in defining what that 10 percent is, but what it tries to do is to right-size the number of mortgages, the percent of the mortgages that the FHA insures.

I want to point out to all that 30 percent is a huge portion, historically, as it relates to what the FHA single-family insurance activity has comprised. From 2001 to 2007, the numbers were under 10 percent every single year for all FHA family insurance activity. So the amount of 10 percent is a responsible, a reasonable number.

What it tries to do, again, is to decrease the effect of intervention into the market that distorts the market. Remember, Mr. Chairman, that when the government distorts the market it makes it much more difficult for the market to recover and for us to make certain that we move in the direction of economic activity that we need.

Again, the taxpayers of this country are sick and tired of bailouts. This is another bailout in the making if we allow the process that is currently in place to continue. We should limit the FHA exposure to 10 percent. We do it in a responsible way, by saying that it would begin in 2012. We provide significant flexibility for the Secretary so that the program will work well.

I urge my colleagues to adopt the amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

First, I do note a certain irony. I am glad to see my colleagues, the gentleman from New Jersey, the gentleman from Georgia, praise the gentleman from West Virginia for a bill which they apparently found severely lacking.

I do note the gentleman from West Virginia voted against the prior amendment from the gentleman from New Jersey. I don't know where she is on this one, but it wasn't in the bill that I think she introduced, and for very good reason: A 10 percent cap is wholly arbitrary.

Now, the gentleman says it's going to crowd out the private market, but the leading participants in the private housing market oppose this amendment, including the Mortgage Bankers, as well as Realtors and Home Builders, as well as all consumer groups.

Beyond that, the reason the FHA went down so far from 2001 to 2007—interesting group of years; guess what was happening during that time?—was that there was a resistance to regulation of the subprime market.

The Federal Reserve was ignoring legislation Congress gave it in 1994 to regulate subprime lending. The Bush administration, in 2004, ordered Fannie Mae and Freddie Mac to increase the subprime loans they bought, which is one reason why I changed my position on the need to be tougher in the regulatory field. And the FHA lost out because these imprudent mortgages were being given without regulation. The

FHA doesn't do the kind of mortgages that led to problems.

Beyond that, in recent years, towards the end of the Bush administration and with even greater force during the Obama administration, the FHA has been improving. The FHA has on its own said, if you've got a 580 credit score or below, it's a 10 percent downpayment. We mandated that they go from 3 to 3.5 percent downpayment and increase the upfront fees.

In this bill—and the gentlewoman from West Virginia deserves a great deal of credit, along with our colleague, the gentlewoman from California—the FHA is given credit to require lenders who get loans placed with the FHA in violation of the guidelines to take back those loans. So it wouldn't be the taxpayer that would be on the hook for those loans that shouldn't have been granted and that violated the good guidelines of the FHA; it will be the lender.

It also gives them the power to debar people who have a bad record, which is something they haven't had before.

So we are not talking about the old FHA; we are talking about an improved one. And we are talking about an FHA that stands in great contrast to the unregulated subprime market.

Finally, the gentleman says, "Well, it doesn't take effect until 2012." Neither he nor I knows what the housing market will look like in 2012. And if there's a reason not to do it now, that might also be there in 2012. No one can predict whether the housing—and maybe in 2015 it will be back again into trouble.

The housing market we don't believe is going to crash like it did before, but the basic point is this: The FHA has been the alternative to the kind of unregulated, irresponsible subprime mortgages that many of my friends on the other side protected, the kind of mortgages which they prevented us from regulating until 2007 when we were able to pass a bill in the House, over the objection of many of those who have spoken already, to regulate subprime mortgages. And because we did that, the Federal Reserve finally used its authority.

I hope the amendment is defeated.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Georgia (Mr. PRICE).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. PRICE of Georgia. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Georgia will be postponed.

AMENDMENT NO. 8 OFFERED BY MR. WEINER

The Acting CHAIR. It is now in order to consider amendment No. 8 printed in House Report 111-503.

Mr. WEINER. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. WEINER:
At the end of the bill, add the following new section:

SEC. 16. MAXIMUM MORTGAGE AMOUNT LIMITS FOR MULTIFAMILY HOUSING.

(a) ELEVATOR-TYPE STRUCTURES.—
(1) AMENDMENTS.—The National Housing Act is amended in each of the provisions specified in paragraph (2)—

(A) by inserting “with sound standards of construction and design” after “elevator-type structures” the first place such term appears; and

(B) by striking “to not to exceed” and all that follows through “sound standards of construction and design” each place such terms appear and inserting “by not more than 50 percent of the amounts specified for each unit size”.

(2) PROVISIONS AMENDED.—The provisions of the National Housing Act specified in this paragraph are as follows:

(A) Subparagraph (A) of section 207(c)(3) (12 U.S.C. 1713(c)(3)(A)).

(B) Subparagraph (A) of section 213(b)(2) (12 U.S.C. 1715e(b)(2)(A)).

(C) Subclause (I) of section 220(d)(3)(B)(iii) (12 U.S.C. 1715k(d)(3)(B)(iii)(I)).

(D) In section 221(d) (12 U.S.C. 1715l(d))—

(i) subclause (I) of paragraph (3)(ii); and
(ii) subclause (I) of paragraph (4)(ii).

(E) Subparagraph (A) of section 231(c)(2) (12 U.S.C. 1715v(c)(2)(A)).

(F) Subparagraph (A) of section 234(e)(3) (12 U.S.C. 1715y(e)(3)(A)).

(b) EXTREMELY HIGH-COST AREAS.—Section 214 of the National Housing Act (12 U.S.C. 1715d) is amended—

(1) in the first sentence—

(A) by inserting “, or with respect to projects consisting of more than four dwelling units located in an extremely high-cost area as determined by the Secretary” after “or the Virgin Islands” the first place such term appears;

(B) by inserting “, or to construct projects consisting of more than four dwelling units on property located in an extremely high-cost area as determined by the Secretary” after “or the Virgin Islands” the second place such term appears; and

(C) by inserting “, or with respect to projects consisting of more than four dwelling units located in an extremely high-cost area as determined by the Secretary” after “or the Virgin Islands” the third place such term appears;

(2) in the second sentence—

(A) by inserting “, or with respect to a project consisting of more than four dwelling units located in an extremely high-cost area as determined by the Secretary,” after “or the Virgin Islands” the first place such term appears; and

(B) by inserting “, or in the case of a project consisting of more than four dwelling units in an extremely high-cost area as determined by the Secretary, in such extremely high-cost area,” after “or the Virgin Islands” the second place such term appears; and

(3) in the section heading, by striking “AND THE VIRGIN ISLANDS” and inserting “THE VIRGIN ISLANDS, AND EXTREMELY HIGH-COST AREAS”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to mortgages insured under title II of the National Housing Act after September 30, 2010.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from New York (Mr. WEINER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. WEINER. Mr. Chairman, I appreciate the opportunity. I also want to thank my colleague, Mr. MILLER, with whom I offer this amendment.

This is a similar amendment—in fact, it is identical to one that was adopted by voice vote. There are problems with some FHA programs, and they are addressed in this bill. And there are some losing programs; there are some programs that simply haven’t worked out very well.

One program that has been a consistent money-maker for the taxpayer and one that has driven the marketplace to do good things is the Multifamily Loan Program. However, in that program, the limits set for how much the loan can be guaranteed for have not risen as fast as the cost in a lot of communities.

So what the Weiner-Miller amendment would do is simply raise the limits to keep up with the cost and create something called an “extreme high-cost area.”

The way the program works is they essentially say, this is the limit to which we will underwrite, guarantee a loan for new construction or to modify a home. But if you have an apartment building—four, five, 10, 50, 100 units—obviously the costs wind up going up as you need things like elevators and HVAC going into big buildings. And what happens is, in places like Los Angeles and New York and Las Vegas and Miami, these costs have simply not been kept up with. The result has been that the loan program has not been very useful there.

What we do is we take a loan limit of \$183,000, almost \$184,000, create a new extreme high-cost area that the Secretary will be able to designate where the limits will be higher, \$377,000.

For those people who are concerned, well, are we going in the wrong direction and giving too much exposure to a program that we should be tightening up, this is a program that, unlike the single-family homes, where the program there has an extreme delinquency rate of about 8 percent, this one only has one of 0.3 percent.

Frankly, this is not a problem program, so we are just increasing the limits on one that really would encourage people to make loans to small businesses for developing.

I urge a “yes” vote.

I reserve the balance of my time.

Mr. GARY G. MILLER of California. Mr. Chairman, I claim time in opposition to the amendment, although I am not in opposition to the amendment.

The Acting CHAIR. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. GARY G. MILLER of California. I yield myself such time as I may consume.

This amendment is exactly the same as the bill that passed this body by a voice vote last year, the FHA Multifamily Loan Limit Adjustment Act.

FHA’s multifamily mortgage insurance programs enable qualified borrowers to obtain long-term, fixed-rate financing for a variety of multifamily properties that are affordable to low- and moderate-income families.

In the most expensive cites, it is very difficult for these workers, particularly those starting out in the workforce, to find affordable rental housing where they work. The FHA multifamily mortgage insurance program can help, but, due to its loan limits, there were only three FHA-insured multifamily loans for high-rise construction or rehabilitation approved in fiscal year 2007 and 2008—understand, just three—and that is a huge problem in this country. The loan limits in high-cost areas are simply too low.

According to the Mortgage Bankers Association, the lack of available loans is creating serious problems concentrated in major cities where high-rise construction is involved. In fact, their data shows that while elevator buildings cost 45 percent more than non-elevator structures, the current limit for these structures are less than 10 percent higher than non-elevator structures.

Developers are simply unable to provide affordable housing units in high-cost areas because the current statutory loan limits for FHA mortgage insurance are basically too low. I don’t think we have ever seen a housing market that has been as impacted as the one we have faced in recent years. Low-income renters and moderate-income renters in these particular areas are really impacted by the loan limits that we have placed on developers.

We need to provide more housing stock, yet do it in a way that does not put taxpayers at risk. And that is what this does. The program makes money for the government, does not lose money for the government. I would absolutely support this amendment and ask all my colleagues to join us.

I reserve the balance of my time.

Mr. WEINER. I think my colleague states it very well, and I urge a “yes” vote as well.

I just want to point out, this is not a zero-sum game. There is nothing about the single-home market that is going to be impacted by this. There is nothing about the higher cost that is going to be impacted. This is just allowing this program to function in all quarters of the housing market and to take into accommodation the things that my colleague says, things like bigger buildings have very often higher costs.

As I said, this has an outstanding delinquency rate of 0.3 percent. If every housing program and every housing guarantee program, despite the very difficult downturn, had such a small delinquency rate as this, then I think we would all be very happy with it. So increasing these limits I don’t believe would have any deleterious effect.

I urge a “yes” vote.

I yield back the balance of my time.

Mr. GARY G. MILLER of California. I agree with what my colleague said.

When we passed this bill out last time, it had unanimous support. There is no impact on the Federal Government. We are taking areas that are high-cost, that have basically been discriminated against in the past from being able to participate in either a GSA loan or an FHA loan.

This is a good amendment. I ask for an "aye" vote.

□ 1230

I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from New York (Mr. WEINER).

The amendment was agreed to.

AMENDMENT NO. 9 OFFERED BY MR. TURNER

The Acting CHAIR. It is now in order to consider amendment No. 9 printed in House Report 111-503.

Mr. TURNER. Mr. Chairman, I have an amendment at the desk, and I ask for its immediate consideration.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. TURNER:

At the end of the bill, add the following new section:

SEC. 16. FHA MAXIMUM LOAN LIMITS FOR 2010.

Section 166 of the Continuing Appropriations Resolution, 2010 (as added by section 104 of Public Law 111-88; 123 Stat. 2972) is amended—

(1) in subsection (a), by striking "For" and inserting "Except as provided in subsection (c), for";

(2) in subsection (b), by inserting "the lesser of the applicable amount under subsection (c) of this section or" after "but in no case to an amount that exceeds"; and

(3) by adding at the end the following new subsection:

"(C) ABSOLUTE CEILING LIMITS.—Notwithstanding any other provision of this section, the maximum dollar amount limitation on the principal obligation of a mortgage determined under this section for any area or sub-area may not exceed, in the case of a one-family residence, \$500,000, and in the case of a 2-, 3-, or 4-family residence, the percentage of such amount that bears the same ratio to such amount as the dollar amount limitation determined under the sixth sentence of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a 2-, 3-, or 4-family residence, respectively, bears to the dollar amount limitation determined under such section for a 1-family residence."

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from Ohio (Mr. TURNER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. TURNER. I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment that caps the temporary authority for the Federal Housing Administration to insure homes in high-cost areas at \$500,000. The current temporary authority has the FHA insuring mortgages as high as \$729,750.

Only in Washington would a government program insure a mortgage on a home worth \$750,000 for a low- and moderate-income program. Permitting FHA loans on a \$750,000 home puts

American taxpayers at additional risk. Allowing FHA-backed loans on these expensive homes contributes to the overinflated housing values that contributed to the foreclosure crisis from the beginning.

The mortgage foreclosure crisis is not over, Mr. Chairman. There are still too many American families who are confronted every day with the risk that they might lose their homes. Washington should not be in the role of enabling this crisis. We need to begin the process of reducing the dependence of these communities from artificial support, and we need to give the private sector the ability to step back into the market.

The best place to facilitate this is to lower the FHA loan limit to homes under \$500,000. The FHA has traditionally focused on low- to moderate-income families who are seeking to purchase homes—and for good reason—as these buyers need the greatest assistance in their home purchases. The FHA should, once again, focus their efforts on these buyers.

Permitting FHA loans to purchase a \$750,000 home also means fewer FHA-insured mortgages for Ohio families and for families across America who truly need them. In most of my congressional district in Ohio, the current FHA loan limit is \$271,000, which is in line with the loan limit for most of the U.S. I understand that there are high-cost urban areas in our Nation where some homes cost more than in Ohio, but the FHA was designed to help low and moderate homebuyers, and it should focus on more moderately priced homes. Permitting FHA loans for these high-priced homes only limits access to true moderately priced FHA loans for American families who need them.

My amendment seeks to start the process of removing higher income buyers off the government program designed for low to moderate buyers. The effect of this amendment is to limit it to the 179 counties in the country, but it does not reduce the assistance to the moderately priced homes that are the majority of the Nation.

The FHA was intended to assist Americans in achieving the American dream of homeownership. We need to work to ensure that their focus continues to be on those who truly need the help. My amendment would work to that purpose, and I urge my colleagues to support it.

Mr. Chairman, I reserve the balance of my time.

Mr. SHERMAN. Mr. Chairman, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from California is recognized for 5 minutes.

Mr. SHERMAN. I yield 1½ minutes to the gentleman from California (Mr. GARY G. MILLER).

Mr. GARY G. MILLER of California. I thank the gentleman for yielding.

I am in strong opposition to this amendment. Over the years, I think in

about 2001, I started arguing to raise conforming loan limits in high-cost areas, and it has had a tremendous benefit across this Nation, but it seems like everybody who comes with amendments to oppose that does so when it does not impact their districts.

Now, my good friend Mr. TURNER—and he is a good friend of mine—if you had introduced an amendment and had said to accept conforming as it should be, if you applied the old principles, it would be \$417,000, but that would have had an impact on many counties in your State. So you introduced an amendment which said, well, let's pick an amount of \$500,000, which means there is zero impact on the State of Ohio. So \$500,000 is a great amount to pull out of the air when it doesn't impact you, personally.

In L.A. County, the loan limits are \$729,750. In Orange County, the limits are \$729,750. These are some of the best-performing loans FHA is making. When you look at GSE and FHA nationwide, they are making over 90 percent of the loans in this country. If they were not there today, people would not be able to sell loans in high-cost areas.

The Acting CHAIR. The time of the gentleman has expired.

Mr. SHERMAN. I yield the gentleman an additional 30 seconds.

Mr. GARY G. MILLER of California. You would not be able to sell a home in a high-cost area, nor would you be able to buy a home in a high-cost area. Now, if this were in some way impacting the Federal Government or taxpayers, I would absolutely agree with my good friend.

I will say again to my good friend, Mr. TURNER, that I would agree with this, but this is not impacting taxpayers. It is not impacting FHA. It has some of the best-performing loans. Why should people who live in high-cost areas be basically penalized just because we want to pick a number of \$500,000 out of the air, which will have no benefit to anybody anywhere?

I absolutely think this is a wrong amendment. I oppose it, and I ask my colleagues to oppose this amendment.

Mr. TURNER. Well, I appreciate my good friend Mr. MILLER's statement.

There is one that I do want to correct, though, which is that all of Ohio would be under his suggested limit of 415. We certainly could have picked a lower number. My community is at 271.

The issue becomes one of, well, we're in a financial crisis, and we're having bailouts and mortgage foreclosures across the country. We look to this issue as one of basic math. The larger the loan amount, the more the risk. When there is fluctuation in the market, a percentage of a larger number is a larger loss, leading to, certainly, an issue of more increased incidences of a likelihood of foreclosure.

Also, the issue of larger loan amounts means fewer loans which could be provided assistance. There is a limited amount here, and with that limited amount, if it is carved up into

\$750,000 home sales versus those that are going to more moderately priced homes, you certainly will have less resources with which to provide that assistance.

This is basic math. When we look across the country during this mortgage foreclosure crisis, we have to be very concerned about how we ensure that we are assisting home buyers, low and moderate buyers. At the same time, we have to ensure we are not overly inflating the market and that we are not putting the taxpayers at greater risk.

I reserve the balance of my time.

Mr. SHERMAN. A quick inquiry: Do I have the right to close, or does the gentleman from Ohio have the right to close?

The Acting CHAIR. The gentleman from California has the right to close.

Mr. SHERMAN. I reserve the balance of my time.

Mr. TURNER. Mr. Chairman, I urge all of my colleagues to support this measure, which makes good financial and fiscal sense. It would lower the amount, providing greater assistance because there would be a greater number of loans which could be provided assistance. At the same time, it would lower the risk to taxpayers, and it would lower the risk of bailouts by making these higher-cost areas, the more risky areas, conform to an amount that really would be more reflective of our goal of low and moderate home buyers who receive assistance from the FHA.

I yield back the balance of my time.

Mr. SHERMAN. I yield myself the remainder of the time.

Mr. Chairman, I think the gentleman's definition of "risk" and his arithmetic are a bit faulty. To say that \$1 billion of smaller loans carries less risk than \$1 billion of larger loans is not something one can determine except by looking at the performance of those loans.

As the gentleman from California (Mr. GARY G. MILLER) pointed out, those larger loans perform better. The FHA, therefore, has less insurance risk and, actually, usually, makes a profit on those loans. So to say that loans in Los Angeles take away from loans in Ohio and expose the Federal Government to more risk than loans in Ohio is simply false.

Mr. GARY G. MILLER of California. Will the gentleman yield?

Mr. SHERMAN. I will yield to the gentleman from California.

Mr. GARY G. MILLER of California. A question for you: there has been a perception created that somehow, by eliminating the high-cost areas, the FHA could insure more loans. Yet that is not real because the FHA can insure all of the loans they want irrespective of the volume of the loans. It does not have any impact on FHA's ability whatsoever. Am I correct on that?

Mr. SHERMAN. The gentleman is correct. This is not an anti-Ohio stance that the two gentlemen from California are taking.

The fact is there is this image that some have from other parts of the country that, if a home sells for more than \$500,000, the people in it must be rich. That is not how things work in the 122 counties that are affected by this amendment. In my area, if a police officer is married to a teacher, they're in a home of over \$500,000. Now, that's very difficult for them to afford. That ends up tying up their retirement money for better or for worse, but that is how expensive it is to live in some parts of this country.

To say that, because people are buying a home of over \$500,000 that they are rich and do not deserve the same kind of help the gentleman from Ohio thinks middle class families in his district deserve, it is the same kind of help that middle class families in my district deserve.

Now, this amendment is opposed by the Mortgage Bankers Association, by the National Association of Home Builders and by the National Association of Realtors, not just the California divisions of those entities but entities that represent the entire country. I don't think that the Ohio Realtors would be here supporting this amendment. I don't think the Nebraska Realtors would be. And I don't think the National Association of Realtors would be here opposing this amendment if the amendment were going to help major swaths of this country.

The fact is that the FHA's current program helps California without hurting those other States. It helps the Washington area, the New York area, much of Virginia, et cetera. The worst thing we could do for this economy is to cause a precipitous decline in the price of homes in the major metropolitan areas of this country. Our recovery is fragile. The program, the way it works now, allows middle class families in both Los Angeles and in Ohio to be able to finance homes, and we ought to vote down this amendment.

So please join with Chairman FRANK, with Chairwoman WATERS, with the National Association of Realtors, Home Builders, and Mortgage Bankers in urging a "no" vote.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Ohio (Mr. TURNER).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. TURNER. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Ohio will be postponed.

AMENDMENT NO. 10 OFFERED BY MS. CLARKE

The Acting CHAIR (Mr. RAHALL). It is now in order to consider amendment No. 10 printed in House Report 111-503.

Ms. CLARKE. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Ms. CLARKE: Page 21, line 3, strike "and".

Page 21, line 8, strike the period and insert "; and".

Page 21, after line 8, insert the following:

(E) analyzes the effectiveness of the loss mitigation home retention options of the Department of Housing and Urban Development in assisting individuals in avoiding home foreclosure for mortgages on 1- to 4-family residences insured under subsection (b) or (k) of section 203, section 234(c), or section 251 of the National Housing Act, particularly for low-income individuals (as such term is defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702)).

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from New York (Ms. CLARKE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Ms. CLARKE. Mr. Chairman, I thank my colleagues, Chair WATERS and Chairman FRANK, for bringing this important bill to the floor today and for supporting my amendment, which is cosponsored by Representative CUELLAR from Texas.

Before I speak about my amendment, I want to quickly recognize the significance of H.R. 5072. This bill will make essential reforms to strengthen the financial footing of the FHA, and it will enhance its authority to go after fraudulent lenders who have preyed on the most vulnerable of borrowers for far too long.

Mr. Chairman, many people have blamed this foreclosure crisis on the borrowers while some individuals, desperate to achieve the American Dream, may have sought to cut corners in the process. Fraudulent and unscrupulous lenders ultimately held the purse strings. These lenders bear a great deal of the burden for the foreclosure crisis, which continues to impact Americans and to devastate communities from coast to coast.

Last year, New York City saw a record 20,000 foreclosure filings. According to data compiled by the Furman Center for Real Estate and Urban Policy at New York University, in the first quarter of 2010, there were 4,226 foreclosures across New York City, up 16.3 percent from 2008. Brooklyn alone experienced 1,546 foreclosures in the first quarter of 2010.

Since the beginning of the FHA, Commissioner Stevens' tenure in 2009, the Commissioner and Deputy Assistant Secretary Bott have taken several steps to assess and to strengthen FHA's foreclosure mitigation capabilities, beginning with a thorough review of FHA and of private lender loss mitigation and foreclosure preventative activities. The FHA trained almost 2,000 staff lenders on how to better serve FHA borrowers to avoid foreclosure, to identify lenders which are underperforming and to share best practices to improve foreclosure mitigation performance.

□ 1245

FHA assisted more than 450,000 borrowers in the past year to avoid foreclosure through a variety of loss mitigation programs, but my constituents are telling me that more can be done to support the foreclosure counseling efforts. We must determine if enough resources are being devoted to foreclosure mitigation, especially for low-income borrowers. That is why I proposed this amendment, along with Mr. CUELLAR, which would direct GAO to analyze the effectiveness of HUD's loss mitigation home retention efforts in helping distressed borrowers, especially low-income borrowers, hold on to their American Dream. While the FHA is working to strengthen its mitigation capabilities, resources for these efforts are likely insufficient for the massive size of the program.

I'd like to thank Representative CUELLAR for joining me in this effort. Low-income borrowers in rural areas such as Mr. CUELLAR's district in Texas are facing the same challenges as those in distressed urban areas such as parts of my district in Brooklyn.

I encourage my colleagues to support this amendment to assist our Nation to overcome our foreclosure crisis.

Mr. Chairman, I reserve the balance of my time.

Mrs. CAPITO. Mr. Chairman, I rise to claim the time in opposition, although I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. Mr. Chairman, just briefly, I would like to thank both the sponsors of the bill. Certainly the intent is for more information and certainly more accurate information to look at the programs that we're putting forth and that have been put forth to see if the loss mitigation efforts are working and in what ways we can improve them. So I congratulate you and I urge support of the amendment.

I yield back the balance of my time.

Ms. CLARKE. I want to thank my colleague on the other side of the aisle for seeing the usefulness in this amendment. I want to thank Mr. CUELLAR for being a partner and for bringing this amendment forward.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from New York (Ms. CLARKE).

The amendment was agreed to.

AMENDMENT NO. 11 OFFERED BY MR. NYE

The Acting CHAIR. It is now in order to consider amendment No. 11 printed in House Report 111-503.

Mr. NYE. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. NYE:

At the end of the bill, add the following new section:

SEC. 16. SPECIAL FORBEARANCE FOR MORTGAGORS WITH CHINESE DRYWALL.

The provisions of Mortgagee Letter 2002-17 of the Secretary of Housing and Urban Development (regarding "Special Forbearance: Program Changes and Updates") relating to Type I Special Forbearance shall apply, until the conclusion of fiscal year 2011 and may not be revoked, annulled, repealed, or rescinded during such period, with respect to mortgagees of mortgages insured under title II of the National Housing Act that are secured by one- to four-family dwellings that have problem or damaging drywall products.

The Acting CHAIR (Mr. CUELLAR). Pursuant to House Resolution 1424, the gentleman from Virginia (Mr. NYE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia.

Mr. NYE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I stand here today to continue the fight for my constituents in Hampton Roads, Virginia, and for thousands of families across the United States against a nefarious adversary, toxic Chinese drywall.

Chinese drywall has serious health implications. The toxins released from the drywall reek of chemicals and rotten eggs. They corrode a home's electrical systems and can cause deep, hacking coughs, bloody noses, and eye irritation. However, the scariest fact is that we still do not know what long-term health effects Chinese drywall will have.

Since January of last year, more than 3,300 cases have been reported from 37 States and the District of Columbia. Families have been left with an impossible choice: live in a contaminated home or pay tens if not hundreds of thousands of dollars to rip out and replace their home's drywall.

In my district, I have visited these homes and I've spoken with the families. Many of them have been forced to move in with friends or relatives; many others are now living in rental housing, paying for both the cost of the mortgage and the cost of rent or, even worse, living in the home, unable to afford repairs. And still others have made the toughest decision: walking away from their homes. This is bad for our recovering housing market and bad for our economy, and it's bad for American families.

Mr. Chairman, my commonsense amendment will extend the Federal Housing Administration's special forbearance program for American homeowners by providing forbearances for those who suffer from toxic Chinese drywall through fiscal year 2011. This reprieve has allowed countless families to get back on their feet and repair their homes.

As cochairman of the Congressional Contaminated Drywall Caucus, I commend the Federal Housing Administration for working with Congress and American homeowners. Providing temporary forbearances for those who suf-

fer from Chinese drywall through no fault of their own is something the Federal Government must continue to support. I hope my colleagues will join me in supporting this amendment.

I reserve the balance of my time.

Mrs. CAPITO. I rise to claim the time in opposition, although I'm not opposed to the gentleman's amendment.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. As the Congressman has stated, his amendment merely ensures that HUD will take no action between now and the end of FY 2011 to bar the Chinese drywall victims from eligibility from HUD's special mitigation and forbearance program. Since this does not create a new program or new spending, it just ensures an existing effort by HUD to extend aid to Chinese drywall victims remains in place through FY 2011, I commend the gentleman on his amendment, and I support the gentleman's amendment.

I yield back the balance of my time.

Mr. NYE. I thank my colleague from West Virginia for her support of the amendment. I urge all of my colleagues to support this amendment.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Virginia (Mr. NYE).

The amendment was agreed to.

AMENDMENT NO. 12 OFFERED BY MR. EDWARDS OF TEXAS

The Acting CHAIR. It is now in order to consider amendment No. 12 printed in House Report 111-503.

Mr. EDWARDS of Texas. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. EDWARDS of Texas:

At the end of the bill, add the following new section:

SEC. 16. REQUIRED CERTIFICATIONS.

Section 203 of the National Housing Act (12 U.S.C. 1709), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(z) REQUIRED CERTIFICATIONS.—Notwithstanding any other provision of law, the Secretary may not insure any mortgage secured by a one- to four-family dwelling unless the mortgagor under such mortgage certifies, under penalty of perjury, that the mortgagor has not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911))."

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from Texas (Mr. EDWARDS) and a Member opposed each will control 5 minutes.

The Chair now recognizes the gentleman from Texas.

Mr. EDWARDS of Texas. Mr. Chairman, Members, my amendment is a simple, commonsense protection for

children and families. It requires anyone seeking to benefit from the terms of an FHA mortgage to certify under penalty of perjury that they have not been convicted of a sex offense against a minor. This amendment ensures that taxpayers will not be on the hook for loans made to convicted child sex offenders.

There are 704,000 registered sex offenders currently living in our communities, and experts estimate as many as 100,000 convicted sex offenders are lost in the system. Recent research has shown that there is a high repeat rate for sexual crimes, and even higher amongst those who commit these crimes against children. As a result, in the past 2 years, Congress has passed a series of laws adopting the use of sex offender registries and community notification systems for sexually violent offenders and those committing offenses against children.

While we cannot prevent registered child sex offenders from moving into our communities, we do not need to provide them the additional benefits offered by an FHA home loan if they try to do so. With an FHA home loan, taxpayers are liable if the loan defaults. I do not believe, I don't think most Members of this House believe, and I know most Americans do not believe that taxpayers should be on the hook for a home loan of someone who has committed a sex offense against a minor.

A quarter of a million children are sexually assaulted every year in my home State of Texas, according to the National Crime Victims Research and Treatment report. There are still private market alternatives to FHA loans, and we want to continue to discourage any kind of federally financed reward or taxpayer-backed benefit to sex offenders reentering our communities. For example, sex offenders are already banned from residing in section 8 public housing. My amendment continues that pro-family stance.

The certification requirement in this amendment is a strong enforcement mechanism which will not put additional burdens on small businesses.

And so, Mr. Chairman, I urge support of my amendment to protect our communities and to prohibit those who have committed a sex offense against a minor from benefiting from government-backed FHA loans.

I reserve the balance of my time.

Mrs. CAPITO. I would like to claim time in opposition, although I am not opposed to the gentleman's amendment.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. The gentleman's amendment is similar to previous efforts by Republicans in past housing debates to ensure that convicted sex offenders are unable to receive the Federal aid to obtain housing through the FHA. I think the intent and the direc-

tion that the gentleman is going to absolutely appropriate. I support his amendment.

I yield back the balance of my time.

Mr. EDWARDS of Texas. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Texas (Mr. EDWARDS).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. EDWARDS of Texas. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas will be postponed.

AMENDMENT NO. 13 OFFERED BY MR. MAFFEI

The Acting CHAIR. It is now in order to consider amendment No. 13 printed in House Report 111-503.

Mr. MAFFEI. Mr. Chairman, I rise as the designee of Mr. ADLER to offer an amendment on behalf of Mr. ADLER and myself, and it is at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. MAFFEI:
At the end of the bill, add the following new section:

SEC. 16. PROHIBITION ON USE OF FUNDS FOR CERTAIN FEDERAL EMPLOYEES.

None of the funds authorized under this Act or any amendment made by this Act may be used to pay the salary of any individual engaged in activities related to title II of the National Housing Act who has been officially disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

The Acting CHAIR. Pursuant to House Resolution 1424, the gentleman from New York (Mr. MAFFEI) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. MAFFEI. Mr. Chairman, I want to thank Chairman FRANK and Chairwoman WATERS for bringing this bill and my amendment to the floor.

We were all outraged when we learned that dozens of employees at the Securities and Exchange Commission were found to have been using their government-issued computers to view pornography. Some of these employees were senior staffers, earning as much as \$222,000 a year. One SEC attorney in Washington, D.C., spent up to 8 hours a day watching pornography. An accountant in a regional office was denied access by the government firewall 16,000 times when he tried to access Web pages containing sexually explicit material.

Mr. Chairman, this behavior, these abuses are not just an abuse of government resources but also of the public trust. It undermines confidence in our institutions. It subjects the thousands

of SEC and other government employees who work hard every day to a diminishment, and, simply put, it is outrageous and unacceptable.

This amendment is very simple. It simply says that if you are an FHA employee who is officially disciplined for viewing, downloading, or exchanging pornography, including child pornography, you lose your job. No private business in America would tolerate this kind of behavior, and there's no reason our government institutions should either.

Again, very, very simple. If you're caught and officially disciplined for viewing, downloading, or exchanging pornography, you lose your job. It's that simple.

This should not be a partisan issue, and I urge swift passage of this amendment.

I reserve the balance of my time.

Mrs. CAPITO. I rise to claim the time in opposition, although I am not opposed to the gentleman's amendment.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. I would just reiterate that the Congressman's amendment seeks to ensure that the employees hired by FHA as a result of funds made available in this bill are in good standing and not guilty of viewing any previous pornography or any related disciplinary measures.

As the gentleman said, I think all of us, and certainly throughout the country, were stunned to learn some of the statistics of certain government employees not only viewing inappropriate material, but the absolute, incredible waste of government resources and waste of time that these employees have engaged in.

So, I think it's right and proper, as this amendment moves forward, to ensure that we protect against those abuses in the future. I support the gentleman's amendment.

I yield back the balance of my time.

□ 1300

Mr. MAFFEI. Mr. Chairman, I want to thank the gentlewoman from West Virginia for her support of this amendment.

I again want to reiterate that thousands and thousands of workers at the Securities and Exchange Commission and other government agencies are extraordinarily hardworking, would never engage in this kind of behavior. And, in fact, the reason why this amendment is so important is to protect their reputation for the important jobs they do.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from New York (Mr. MAFFEI).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. MAFFEI. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York will be postponed.

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 111-503 on which further proceedings were postponed, in the following order:

Amendment No. 1 by Ms. WATERS of California;

Amendment No. 5 by Mr. GARRETT of New Jersey;

Amendment No. 7 by Mr. PRICE of Georgia;

Amendment No. 9 by Mr. TURNER of Ohio;

Amendment No. 12 by Mr. EDWARDS of Texas;

Amendment No. 13 by Mr. MAFFEI of New York.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MS. WATERS OF CALIFORNIA

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. WATERS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 417, noes 3, not voting 17, as follows:

[Roll No. 347]

AYES—417

Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrow
Bartlett
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Bocchieri
Boehner
Bonner
Bono Mack

Boozman
Bordallo
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Bright
Brown (SC)
Brown, Corrine
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle

Castor (FL)
Chaffetz
Chandler
Childers
Christensen
Chu
Clarke
Clay
Clever
Clyburn
Coble
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Critz
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (AL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
DeLauro

Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emerson
Engel
Etheridge
Fallin
Farr
Fattah
Filner
Fleming
Forbes
Fortenberry
Foster
Foxy
Frank (MA)
Franks (AZ)
Frelinghuysen
Fudge
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinchey
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inslie
Israel
Issa
Jackson (IL)
Jackson Lee
Norton
Nunes
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kildee
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)

Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Latta
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Lujan
Lummis
Lungren, Daniel
E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaull
McClintock
McCollum
McCotter
McDermott
McGovern
McIntyre
McKeon
McMahon
McMorris
Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Issa
Napolitano
Neal (MA)
Neugebauer
Norton
Nunes
Nye
Oberstar
Obey
Oliver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson

Petri
Pierluisi
Pingree (ME)
Pitts
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Quigley
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MD)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sablan
Salazar
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden

Waltz
Wamp
Wasserman
Schultz
Waters
Watson
Watt

Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)

Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOES—3

Broun (GA)

Flake

Paul

NOT VOTING—17

Barrett (SC)
Davis (CA)
Davis (IL)
Eshoo
Faleomavaega
Harman

Hinojosa
Hoekstra
Inglis
Johnson (GA)
Kennedy
Kilpatrick (MI)

Lewis (GA)
McHenry
Olson
Putnam
Shuster

□ 1329

Mr. MACK changed his vote from “no” to “aye.”

So the amendment was agreed to.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. POMEROY was allowed to speak out of order.)

IN MEMORY OF CONGRESSMAN ARTHUR A. LINK

Mr. POMEROY. Mr. Chairman, last week, former Congressman Arthur A. Link who served in the 92nd Congress passed away. One week earlier, he celebrated his 96th birthday and 71st wedding anniversary with his beloved wife, Grace.

Mr. Link held elected office in North Dakota for 34 years, including the State legislature, in the Congress, and as Governor from 1973 to 1980. Not bad for someone with an 8th grade education who farmed and ranched in the sparsely populated northwestern part of our State. Art Link's importance to North Dakota is significant not just for his time in public office but for his 30 years of exemplary activity he and Grace spent after Governor, remaining deeply engaged in North Dakota activities.

He is remembered for his rock-solid values of integrity, decency, humility, and a deep sense that we are passing stewards of the land whose responsibility is to make certain things are in good shape for those who follow.

His philosophy is beautifully expressed in a short but unforgettable speech, “When the Land is Quiet Again,” and I will add to the RECORD this speech. I commend it to each of you, for the words have timeless relevance and seem especially pertinent given the events of these days.

[Speech given October 11, 1973]

WHEN THE LANDSCAPE IS QUIET AGAIN

(By Governor Arthur A. Link)

We do not want to halt progress. We do not plan to be selfish and say “North Dakota will not share its energy resource.”

No, we simply want to insure the most efficient and environmentally sound method of utilizing our precious coal and water resources for the benefit of the broadest number of people possible.

And when we are through with that and the landscape is quiet again, when the draglines, the blasting rigs, the power shovels and the huge gondolas cease to rip and roar!

And when the last bulldozer has pushed the last spoil pile into place, and the last patch of barren earth has been seeded to grass or grain, let those who follow and repopulate

the land be able to say, our grandparents did their job well.

The land is as good and, in some cases, better than before.

Only if they can say this will we be worthy of the rich heritage of our land and its resources.

I loved Art Link and can honestly say to each of you, this Chamber has never seen a more genuine, committed, and thoroughly decent Member.

Mr. Chairman, I ask the House to observe a moment of silence in honor of former Congressman and Governor Arthur A. Link.

The Acting CHAIR. Members will rise for a moment of silence.

AMENDMENT NO. 5 OFFERED BY MR. GARRETT OF NEW JERSEY

The Acting CHAIR. Without objection, 5-minute voting will continue.

There was no objection.

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from New Jersey (Mr. GARRETT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 131, noes 289, not voting 17, as follows:

[Roll No. 348]

AYES—131

Akin
Alexander
Austria
Bachmann
Bachus
Bartlett
Barton (TX)
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Burgess
Burton (IN)
Buyer
Camp
Campbell
Cantor
Carter
Cassidy
Chaffetz
Coffman (CO)
Cole
Conaway
Crenshaw
Culberson
Davis (KY)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doggett
Dreier
Duncan
Emerson
Fallin

Flake
Forbes
Fortenberry
Foxy
Franks (AZ)
Garrett (NJ)
Gingrey (GA)
Gohmert
Goodlatte
Granger
Graves
Griffith
Hall (TX)
Halvorson
Harper
Hastings (WA)
Hensarling
Herger
Hunter
Issa
Jenkins
Johnson (IL)
Johnson, Sam
Jones
Jordan (OH)
Kagan
King (NY)
Kingston
Kirk
Lamborn
Latta
Linder
Lucas
Luetkemeyer
Lummis
Mack
Manzullo
McCaul
McClintock
McMorris
Rodgers
Mica

Miller (FL)
Minnick
Mitchell
Moran (KS)
Myrick
Neugebauer
Nunes
Olson
Paul
Pence
Petri
Pitts
Platts
Poe (TX)
Price (GA)
Roe (TN)
Rogers (AL)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Scalise
Schmidt
Schock
Schradler
Sensenbrenner
Sessions
Shadegg
Shimkus
Smith (NE)
Smith (TX)
Smith (WA)
Stearns
Sullivan
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Upton

Walden
Wamp

Westmoreland
Whitfield

Wilson (SC)
Wolf

NOES—289

Ackerman
Aderholt
Adler (NJ)
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bishop (GA)
Bishop (NY)
Bocciari
Bordallo
Boren
Boswell
Boucher
Boyd
Brady (PA)
Bralley (IA)
Bright
Brown, Corrine
Brown-Waite,
Ginny
Buchanan
Calvert
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castle
Castor (FL)
Chandler
Childers
Christensen
Chu
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Critz
Crowley
Cuellar
Cummings
Dahlkemper
Davis (AL)
Davis (TN)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Djou
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Engel
Etheridge
Farr
Fattah
Finer
Fleming
Foster
Frank (MA)
Frelinghuysen
Fudge
Gallegly
Garamendi
Gerlach

Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Nadler (NY)
Napolitano
Neal (MA)
Norton
Nye
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Perlmutter
Perriello
Peters
Peterson
Pierluisi
Pingree (ME)
Polis (CO)
Pomeroy
Posey
Price (NC)
Quigley
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Rogers (KY)
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sablan
Salazar
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Snyder
Space
Speier
Stark
Stupak
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman

Weiner
Welch
Wilson (OH)

Wittman
Woolsey
Wu

Yarmuth
Young (AK)
Young (FL)

NOT VOTING—17

Barrett (SC)
Blumenauer
Butterfield
Davis (CA)
Davis (IL)
Eshoo

Faleomavaega
Hinojosa
Hoekstra
Inglis
Kilpatrick (MI)
McGovern

McHenry
Putnam
Radanovich
Shuster
Spratt

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There are 2 minutes remaining on this vote.

□ 1340

Messrs. DELAHUNT and MORAN of Virginia changed their vote from “aye” to “no.”

Messrs. FORBES and ROHR-ABACHER changed their vote from “no” to “aye.”

So the amendment was rejected.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. WILSON of South Carolina was allowed to speak out of order.)

IN HONOR OF REV. EDDIE LEE CARTER

Mr. WILSON of South Carolina. Today, I rise to recognize Rev. Eddie Lee Carter on the occasion of his retirement from serving here in the House where since 2004 Rev. Carter has been repairing and shining shoes.

Rev. Eddie Lee Carter and I have a shared heritage. He was born at Beech Island, South Carolina, and my grandfather was born at Beech Island, in Aiken County, South Carolina. At a very young age, his family moved to Augusta, Georgia, which was nearby, and he attended elementary school with the world-famous musician James Brown, another great South Carolinian.

Rev. Carter first began to work on shoes as a young man, even before he joined the Army in 1953. Rev. Carter was stationed primarily in Germany while serving in the Army. A musician himself, he was renowned for singing and entertaining generals when they passed through the post. In 1955, Rev. Carter left the Army with the rank of corporal and later moved to Washington from Augusta to work at Stern Shoe Repair.

In 1992, he was ordained a Methodist minister. On June 7, 2004, Rev. Carter came to work at the U.S. Capitol repairing and shining shoes. He currently lives at Fort Washington, Maryland, with his wife, Molly Anthony Carter. They have been married for 28 years. He has a son, and Mrs. Carter has two sons. On Friday, he plans to retire to spend more time with the congregation.

Personally, I will always remember Rev. Carter’s cheerfulness and encouragement, his quiet reading of the Bible, and his proud wearing of U.S.-South Carolina flag pin.

Godspeed, Rev. Carter.

AMENDMENT NO. 7 OFFERED BY MR. PRICE OF GEORGIA

The Acting CHAIR. Without objection, 5-minute voting will continue.

There was no objection.

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Georgia (Mr. PRICE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 106, noes 316, not voting 15, as follows:

[Roll No. 349]

AYES—106

Akin	Fortenberry	Myrick
Alexander	Fox	Neugebauer
Austria	Franks (AZ)	Nunes
Bachmann	Garrett (NJ)	Olson
Bachus	Gingrey (GA)	Paul
Bartlett	Gohmert	Pence
Barton (TX)	Granger	Petri
Bilirakis	Graves	Pitts
Bishop (UT)	Griffith	Poe (TX)
Blackburn	Hall (TX)	Price (GA)
Boehner	Harper	Rangel
Bonner	Hastings (WA)	Roe (TN)
Boustany	Hensarling	Rogers (AL)
Brady (TX)	Herger	Rogers (MI)
Broun (GA)	Issa	Rooney
Burgess	Jenkins	Ros-Lehtinen
Burton (IN)	Johnson (IL)	Royce
Buyer	Johnson, Sam	Ryan (WI)
Camp	Jones	Scalise
Cantor	Jordan (OH)	Schock
Capito	King (IA)	Sensenbrenner
Carter	Kingston	Sessions
Cassidy	Lamborn	Shadegg
Castle	Latta	Shimkus
Chaffetz	Linder	Smith (NE)
Coffman (CO)	Luetkemeyer	Smith (TX)
Conaway	Lummis	Stearns
Crenshaw	Mack	Thompson (PA)
Culberson	Marchant	Thornberry
Davis (KY)	McCaul	Tiahrt
Diaz-Balart, L.	McClintock	Upton
Diaz-Balart, M.	McMorris	Westmoreland
Dreier	Rodgers	Whitfield
Emerson	Miller (FL)	Wilson (SC)
Flake	Moran (KS)	Young (AK)
Fleming	Murphy, Tim	

NOES—316

Ackerman	Bright	Costa
Aderholt	Brown (SC)	Costello
Adler (NJ)	Brown, Courtney	Critz
Altmire	Brown-Waite,	Crowley
Andrews	Ginny	Cuellar
Arcuri	Buchanan	Cummings
Baca	Butterfield	Dahlkemper
Baird	Calvert	Davis (AL)
Baldwin	Campbell	Davis (TN)
Barrow	Cao	DeFazio
Bean	Capps	DeGette
Becerra	Capuano	Delahunt
Berkley	Cardoza	DeLauro
Berman	Carnahan	Dent
Berry	Carney	Deutch
Biggert	Carson (IN)	Dicks
Billbray	Castor (FL)	Dingell
Bishop (GA)	Chandler	Djou
Bishop (NY)	Childers	Doggett
Blumenauer	Christensen	Donnelly (IN)
Blunt	Chu	Doyle
Bocchieri	Clarke	Driehaus
Bono Mack	Clay	Duncan
Boozman	Cleaver	Edwards (MD)
Bordallo	Clyburn	Edwards (TX)
Boren	Coble	Ehlers
Boswell	Cohen	Ellison
Boucher	Cole	Ellsworth
Boyd	Connolly (VA)	Engel
Brady (PA)	Conyers	Etheridge
Bralley (IA)	Cooper	

Fallin	Lofgren, Zoe	Rogers (KY)
Farr	Lowey	Rohrabacher
Fattah	Lucas	Roskam
Filner	Lujan	Ross
Forbes	Lungren, Daniel	Rothman (NJ)
Foster	E.	Roybal-Allard
Frank (MA)	Lynch	Ruppersberger
Frelinghuysen	Maffei	Rush
Fudge	Maloney	Ryan (OH)
Gallegly	Markey (CO)	Sablan
Gerlach	Markey (MA)	Salazar
Giffords	Marshall	Sánchez, Linda
Gonzalez	Matheson	T.
Goodlatte	Matsui	Sanchez, Loretta
Grayson	McCarthy (CA)	Sarbanes
Green, Al	McCarthy (NY)	Schakowsky
Green, Gene	McCollum	Schauer
Grijalva	McCotter	Schiff
Guthrie	McDermott	Schmitt
Gutierrez	McGovern	Schrader
Hall (NY)	McIntyre	Schwartz
Halvorson	McKeon	Scott (GA)
Hare	McMahon	Scott (VA)
Harman	McNerney	Serrano
Hastings (FL)	Meek (FL)	Sestak
Henrich	Meeks (NY)	Shea-Porter
Heller	Melancon	Sherman
Herseth Sandlin	Mica	Shuler
Higgins	Michaud	Simpson
Hill	Miller (MI)	Sires
Himes	Miller (NC)	Skelton
Hinchee	Miller, Gary	Slaughter
Hirono	Miller, George	Smith (NJ)
Hodes	Minnick	Smith (WA)
Holden	Mitchell	Snyder
Holt	Mollohan	Space
Hoyer	Moore (KS)	Speier
Hunter	Moore (WI)	Spratt
Inslee	Moran (VA)	Stark
Israel	Murphy (CT)	Stupak
Jackson (IL)	Murphy (NY)	Sullivan
Jackson Lee	Murphy, Patrick	Sutton
(TX)	Nadler (NY)	Tanner
Johnson (GA)	Napolitano	Taylor
Johnson, E. B.	Neal (MA)	Teague
Kagen	Norton	Terry
Kanjorski	Nye	Thompson (CA)
Kaptur	Oberstar	Thompson (MS)
Kennedy	Obey	Tiberi
Kildee	Oliver	Tierney
Kilroy	Ortiz	Titus
Kind	Owens	Tonko
King (NY)	Pallone	Towns
Kirk	Pascarell	Tsongas
Kirkpatrick (AZ)	Pastor (AZ)	Turner
Kissell	Paulsen	Van Hollen
Klein (FL)	Payne	Velazquez
Kline (MN)	Perlmutter	Visclosky
Kosmas	Perrilli	Walden
Kratovil	Peters	Walz
Kucinich	Peterson	Wamp
Lance	Pierluisi	Wasserman
Langevin	Pingree (ME)	Schultz
Larsen (WA)	Platts	Waters
Larson (CT)	Polis (CO)	Watson
Latham	Pomeroy	Watt
LaTourette	Posey	Waxman
Lee (CA)	Price (NC)	Weiner
Lee (NY)	Quigley	Welch
Levin	Radanovich	Wilson (OH)
Lewis (CA)	Rahall	Wittman
Lewis (GA)	Rehberg	Wolf
Lipinski	Reichert	Woolsey
LoBiondo	Reyes	Wu
Loeb sack	Richardson	Yarmuth
	Rodriguez	Young (FL)

NOT VOTING—15

Barrett (SC)	Garamendi	Kilpatrick (MI)
Davis (CA)	Gordon (TN)	Manzullo
Davis (IL)	Hinojosa	McHenry
Eshoo	Hoekstra	Putnam
Faleomavaega	Inglis	Shuster

□ 1350

So the amendment was rejected.
The result of the vote was announced as above recorded.

Stated against:
Mr. MANZULLO. Madam Speaker, on Thursday, June 10, 2010, I inadvertently missed this vote. I would have recorded a “no” vote on rollcall No. 349.

AMENDMENT NO. 9 OFFERED BY MR. TURNER

The Acting CHAIR. The unfinished business is the demand for a recorded

vote on the amendment offered by the gentleman from Ohio (Mr. TURNER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 121, noes 301, not voting 15, as follows:

[Roll No. 350]

AYES—121

Alexander	Garrett (NJ)	Neugebauer
Austria	Gingrey (GA)	Olson
Bachmann	Goodlatte	Paul
Bachus	Granger	Paulsen
Bartlett	Graves	Pence
Barton (TX)	Griffith	Perriello
Bilirakis	Harper	Petri
Bishop (UT)	Hastings (WA)	Pitts
Blackburn	Hensarling	Poe (TX)
Boehner	Herger	Posey
Bonner	Herseth Sandlin	Price (GA)
Boustany	Jenkins	Rehberg
Broun (GA)	Johnson (IL)	Rogers (AL)
Brown (SC)	Johnson, Sam	Rogers (KY)
Buchanan	Jones	Rogers (MI)
Burgess	Jordan (OH)	Rooney
Burton (IN)	King (IA)	Roskam
Buyer	Kingston	Royce
Camp	Kirkpatrick (AZ)	Ryan (WI)
Cantor	Kissell	Scalise
Capito	Kline (MN)	Schock
Carter	Lamborn	Sensenbrenner
Cassidy	LaTourette	Sessions
Castle	Latta	Shadegg
Chaffetz	Linder	Shimkus
Coble	Loeb sack	Smith (NE)
Coffman (CO)	Luetkemeyer	Smith (TX)
Conaway	Mack	Stearns
Crenshaw	Marchant	Sullivan
Davis (KY)	Marshall	Sutton
Davis (TN)	McCaul	Teague
Diaz-Balart, L.	McClintock	Terry
Diaz-Balart, M.	McCotter	Thornberry
Doggett	McMorris	Tiahrt
Duncan	Rodgers	Tiberi
Emerson	Melancon	Turner
Flake	Miller (FL)	Upton
Fleming	Minnick	Wamp
Fortenberry	Moran (KS)	Wilson (SC)
Fox	Murphy, Tim	Young (AK)
Franks (AZ)	Myrick	

NOES—301

Ackerman	Boyd	Conyers
Aderholt	Brady (PA)	Cooper
Adler (NJ)	Brady (TX)	Costa
Akin	Bralley (IA)	Costello
Altmire	Bright	Courtney
Andrews	Brown, Corrine	Critz
Arcuri	Brown-Waite,	Crowley
Baca	Ginny	Cuellar
Baird	Butterfield	Culberson
Baldwin	Calvert	Cummings
Barrow	Campbell	Dahlkemper
Bean	Cao	Davis (AL)
Becerra	Capps	DeFazio
Berkley	Capuano	DeGette
Berman	Cardoza	Delahunt
Berry	Carney	DeLauro
Biggert	Carson (IN)	Dent
Billbray	Castor (FL)	Deutch
Bishop (GA)	Chandler	Dicks
Bishop (NY)	Childers	Dingell
Blumenauer	Christensen	Djou
Blunt	Chu	Donnelly (IN)
Bocchieri	Clarke	Doyle
Bono Mack	Clay	Dreier
Boozman	Cleaver	Driehaus
Bordallo	Clyburn	Edwards (MD)
Boren	Cohen	Edwards (TX)
Boswell	Cole	Ehlers
Boucher	Connolly (VA)	Ellison

Ellsworth
Engel
Etheridge
Faleomavaega
Fallin
Farr
Fattah
Filner
Forbes
Foster
Frank (MA)
Frelinghuysen
Fudge
Gallegly
Gerlach
Giffords
Gonzalez
Gordon (TN)
Grayson
Green, Al
Green, Gene
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Hastings (FL)
Heinrich
Heller
Higgins
Hill
Himes
Hinchev
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee
(TX)
Johnson (GA)
Johnson, E. B.
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilroy
Kind
King (NY)
Kirk
Klein (FL)
Kosmas
Kratovil
Kucinich
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
Lee (CA)
Lee (NY)
Levin
Lewis (CA)

Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lujan
Lummis
Lungren, Daniel
E.
Lynch
Maffei
Maloney
Manzullo
Markey (CO)
Markey (MA)
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKeon
McMahon
McNerney
Meek (FL)
Meeks (NY)
Mica
Michaud
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Norton
Nunes
Oberstar
Obey
Oliver
Ortiz
Owens
Pallone
Pascrell
Payne
Perlmutter
Peters
Peterson
Pierluisi
Pingree (ME)
Platts
Polis (CO)
Pomeroy
Price (NC)
Quigley
Rahall
Rangel
Reichert
Reyes

Richardson
Rodriguez
Roe (TN)
Rohrabacher
Ros-Lehtinen
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sablan
Salazar
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stupak
Tanner
Taylor
Thompson (CA)
Thompson (MS)
Thompson (PA)
Tierney
Titus
Tonko
Towns
Tsongas
Van Hollen
Velazquez
Visclosky
Walden
Walz
Wasserman
Blunt
Bocciari
Boehner
Bonner
Bono Mack
Boozman
Bordallo
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Brale (IA)
Bright
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz

vote on the amendment offered by the gentleman from Texas (Mr. EDWARDS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 420, noes 4, not voting 13, as follows:

[Roll No. 351]

AYES—420

Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrow
Bartlett
Cooper
Costa
Bean
Becerra
Courtney
Crenshaw
Critz
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Herger
Herseth Sandlin
Higgin
Hill
Himes
Hinchev
Hirono
Hodes
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Tim
Myrick
Napolitano
Neal (MA)
Neugebauer

Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loeb sack
Lowey
Lucas
Luetkemeyer
Lujan
Lummis
Lungren, Daniel
E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McIntyre
McKeon
McMahon
McMorris
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Henger
Herseth Sandlin
Higgin
Hill
Himes
Hinchev
Hirono
Hodes
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Napolitano
Neal (MA)
Neugebauer

Norton
Nunes
Nye
Oberstar
Obey
Olson
Oliver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pierluisi
Pingree (ME)
Pitts
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Quigley
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sablan
Salazar
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz

NOES—4

Filner
Nadler (NY)
Paul
Scott (VA)

NOT VOTING—13

Barrett (SC)
Davis (CA)
Davis (IL)
Eshoo
Hinojosa
Hoekstra
Inglis
Kilpatrick (MI)
Lofgren, Zoe
McCarthy (NY)
McHenry
Putnam
Shuster

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There are 2 minutes remaining on this vote.

□ 1404

So the amendment was agreed to. The result of the vote was announced as above recorded.

AMENDMENT NO. 13 OFFERED BY MR. MAFFEI

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. MAFFEI) on which further proceedings

NOT VOTING—15

Barrett (SC)
Carnahan
Davis (CA)
Davis (IL)
Eshoo
Garamendi
Gohmert
Hinojosa
Hoekstra
Inglis
Kilpatrick (MI)
McHenry
Putnam
Schneider
Shuster

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There are 2 minutes remaining in this vote.

□ 1357

Mr. HOYER changed his vote from “aye” to “no.”

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 12 OFFERED BY MR. EDWARDS OF TEXAS

The Acting CHAIR. The unfinished business is the demand for a recorded

were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 416, noes 0, answered “present” 1, not voting 20, as follows:

[Roll No. 352]

AYES—416

Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrow
Bartlett
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Bocieri
Boehner
Bonner
Bono Mack
Boozman
Bordallo
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Bright
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers

Lipinski
LoBiondo
Loebsack
Lowe
Lucas
Luetkemeyer
Lujan
Lummis
Lungren, Daniel
E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McIntyre
McKeon
McMahon
McMorris
Rogers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Norton
Nunes
Nye
Oberstar
Obey

ANSWERED “PRESENT”—1

Edwards (MD)

NOT VOTING—20

Barrett (SC)
Davis (CA)
Davis (IL)
Delahunt
Eshoo
Giffords
Gordon (TN)

Olson
Oliver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paul
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pierluisi
Pingree (ME)
Pitts
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Quigley
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sablan
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schradler
Schwartz
Scott (GA)

Scott (VA)
Sensenbrenner
Serrano
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (WA)
Snyder
Space
Speier
Spratt
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Townes
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wamp
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Yarmuth
Young (AK)
Young (FL)

WEINER) having assumed the chair, Mr. CUELLAR, Acting Chair of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5072) to improve the financial safety and soundness of the FHA mortgage insurance program, pursuant to House Resolution 1424, reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to. The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. LEE of New York. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. LEE of New York. In its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Lee of New York moves to recommit the bill, H.R. 5072, to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

At the end of the bill, add the following new sections:

SEC. 16. PROHIBITION OF MORTGAGE INSURANCE FOR BORROWERS WITH STRATEGIC DEFAULTS.

Section 203 of the National Housing Act (12 U.S.C. 1709), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(z) PROHIBITION OF MORTGAGE INSURANCE FOR BORROWERS WITH STRATEGIC DEFAULTS.—

“(1) PROHIBITION.—The Secretary may not newly insure any mortgage under this title that is secured by a 1- to 4-family dwelling unless the mortgagee has determined, in accordance with such standards and requirements established by the Secretary, that the mortgagor under such mortgage has not previously engaged in any strategic default with respect to any residential mortgage loan.

“(2) STRATEGIC DEFAULT.—For purposes of this subsection, the term ‘strategic default’ means, with respect to a residential mortgage loan, an intentional default having such characteristics or under such circumstances as the Secretary shall, by regulation, provide.”.

SEC. 17. PROHIBITION ON TAXPAYER BAILOUT OF FHA PROGRAM.

Section 205 of the National Housing Act (12 U.S.C. 1711), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(h) TAXPAYER PROTECTION.—The Secretary shall use all available actions and methods authorized under law to ensure compliance with subsection (f)(2) and to protect the taxpayers of the United States from

ANNOUNCEMENT BY THE ACTING CHAIR
The Acting CHAIR (during the vote). There are 2 minutes remaining on this vote.

□ 1410

So the amendment was agreed to. The result of the vote was announced as above recorded.

The Acting CHAIR. The question is on the committee amendment in the nature of a substitute, as amended. The amendment was agreed to.

The Acting CHAIR. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr.

financial responsibility for any obligations of the Fund, including authority to increase insurance premiums charged under this title for mortgages that are obligations of the Fund, authority to establish more stringent underwriting standards for such mortgages, and authority to increase the amount of cash or its equivalent required to be paid on account of the property subject to such a mortgage.”.

Mr. LEE of New York (during the reading). Mr. Speaker, I ask unanimous consent to dispense with the reading.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Ms. WATERS. I object.

The SPEAKER pro tempore. Objection is heard.

The Clerk will continue to read.

The Clerk continued to read.

□ 1415

The SPEAKER pro tempore. The gentleman from New York is recognized for 5 minutes.

Mr. LEE of New York. Mr. Speaker, the underlying bill that we have been considering today is an important one, and I support the provisions that are included in H.R. 5072, the FHA Reform Act of 2010. It gives HUD new tools that will allow the FHA to protect taxpayers against fraudulent or poorly underwritten and insured loans.

The goal of H.R. 5072 is for HUD to begin the process of putting FHA back on the road to a program that has adequate capital in reserve to weather whatever problems it encounters down the road. However, H.R. 5072 is not a cure-all. We can do more to ensure that American taxpayers are better protected.

During the past 2 years, FHA's market share has significantly increased from less than 5 percent to more than 30 percent. As FHA's market share has increased, taxpayer exposure has continued to grow day by day. That is why we must do everything we can to ensure that the program is being run in a safe and sound manner and that the taxpayers will not be asked to pay for yet another government bailout.

The motion does two important things. First, it prohibits the FHA from insuring loans from borrowers who have strategically defaulted on previous loans. Second, it prohibits a taxpayer bailout of the FHA program.

According to a study by Experian and management consulting firm Oliver Wyman, from 2007 to 2008, the number of strategic defaults more than doubled to 588,000, and a separate 2009 survey found that more than a quarter of all existing defaults were strategic.

Meanwhile, there are lawyers, scam artists and opportunists touting the financial benefits of walking away from a mortgage and offering to help you do that for a fee. Not a day goes by that we don't read another news article about folks who are making calculated decisions to stop paying their mortgages even though they still have the ability to pay. We are not talking about those families who have fallen on

hard times or who simply can no longer afford to make their payments. We are talking about this new trend of people who voluntarily choose to stop paying their mortgages even though they still have the ability to pay.

While these decisions should ultimately be left to the individual, we should put in place more stringent penalties to discourage this irresponsible behavior. If borrowers make decisions to strategically default on their loans, they certainly should not be allowed to benefit from a government-subsidized program.

This motion makes it clear: if you can afford to pay your mortgage and choose not to, you will no longer be eligible to secure an FHA mortgage. This motion calls on the Secretary of HUD to define strategic default and to work with lenders to identify and to prevent borrowers from participating in the FHA program.

This motion also prohibits a taxpayer bailout of the FHA program by requiring HUD to use all available methods at its disposal to ensure that the program is properly capitalized and that the taxpayer is protected, ensuring that mortgage applicants have truly enough skin in the game.

As Ranking Member BACHUS said in yesterday's motion to instruct conferees on the financial regulatory reform conference, it is time to end bailouts once and for all. Whether it is \$145 billion for Fannie and Freddie or another \$60 billion for AIG, Chrysler and GM, the American public has suffered enough from bailout fatigue.

This motion to recommit ensures that the FHA uses its existing authorities to ensure that the program does not need an appropriation and that taxpayers are protected.

While the underlying legislation makes significant improvements to the FHA program and goes a long way to providing HUD with the tools it will need to improve the financial condition of the FHA program, these additional prohibitions on strategic default borrowers and on taxpayer bailouts will ensure that the FHA program stays on a solid financial path and that American taxpayers will be protected from yet another bailout.

I urge the adoption of this motion, and I yield back the balance of my time.

Mr. FRANK of Massachusetts. I rise to speak on the motion.

The SPEAKER pro tempore. Is the gentleman opposed to the motion?

Mr. FRANK of Massachusetts. I don't know yet.

The SPEAKER pro tempore. Without objection, the gentleman from Massachusetts is recognized for 5 minutes.

There was no objection.

Mr. FRANK of Massachusetts. Well, I was disappointed that my colleague on the Financial Services Committee wouldn't observe the tradition that we have of yielding to each other. If he had, I could have saved the Members a lot of time because I am going to urge people to vote for it.

I will say that it might need a word or two of improvement. If it had, in fact, been offered at the Financial Services Committee, either provision, we could have accepted it then, but then Members wouldn't have had a chance to make dramatic speeches on the floor, so I suppose that explains why we had to go through this.

I urge adoption of the amendment of the recommittal motion, and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was agreed to.

Mr. FRANK of Massachusetts. Mr. Speaker, pursuant to the instructions of the House in the motion to recommit, I report the bill, H.R. 5072, back to the House with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FRANK of Massachusetts:

At the end of the bill, add the following new sections:

SEC. 16. PROHIBITION OF MORTGAGE INSURANCE FOR BORROWERS WITH STRATEGIC DEFAULTS.

Section 203 of the National Housing Act (12 U.S.C. 1709), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(z) PROHIBITION OF MORTGAGE INSURANCE FOR BORROWERS WITH STRATEGIC DEFAULTS.—

“(1) PROHIBITION.—The Secretary may not newly insure any mortgage under this title that is secured by a 1- to 4-family dwelling unless the mortgagee has determined, in accordance with such standards and requirements established by the Secretary, that the mortgagor under such mortgage has not previously engaged in any strategic default with respect to any residential mortgage loan.

“(2) STRATEGIC DEFAULT.—For purposes of this subsection, the term ‘strategic default’ means, with respect to a residential mortgage loan, an intentional default having such characteristics or under such circumstances as the Secretary shall, by regulation, provide.”.

SEC. 17. PROHIBITION ON TAXPAYER BAILOUT OF FHA PROGRAM.

Section 205 of the National Housing Act (12 U.S.C. 1711), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(h) TAXPAYER PROTECTION.—The Secretary shall use all available actions and methods authorized under law to ensure compliance with subsection (f)(2) and to protect the taxpayers of the United States from financial responsibility for any obligations of the Fund, including authority to increase insurance premiums charged under this title for mortgages that are obligations of the Fund, authority to establish more stringent underwriting standards for such mortgages, and authority to increase the amount of cash or its equivalent required to be paid on account of the property subject to such a mortgage.”.

Mr. FRANK of Massachusetts (during the reading). I ask unanimous consent that the reading be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRANK of Massachusetts. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on passage will be followed by a 5-minute vote on suspension of the rules with regard to S. 3473.

The vote was taken by electronic device, and there were—ayes 406, noes 4, not voting 21, as follows:

[Roll No. 353]

AYES—406

Ackerman	Cao	Edwards (TX)
Aderholt	Capito	Ehlers
Adler (NJ)	Capps	Ellison
Akin	Capuano	Ellsworth
Alexander	Cardoza	Emerson
Altmire	Carnahan	Engel
Andrews	Carney	Etheridge
Arcuri	Carson (IN)	Fallin
Austria	Carter	Farr
Baca	Cassidy	Fattah
Bachmann	Castle	Filner
Bachus	Castor (FL)	Fleming
Baird	Chaffetz	Forbes
Baldwin	Chandler	Fortenberry
Barrow	Childers	Foster
Bartlett	Chu	Foxx
Barton (TX)	Clarke	Frank (MA)
Bean	Clay	Franks (AZ)
Becerra	Cleaver	Frelinghuysen
Berkley	Clyburn	Fudge
Berry	Coble	Galleghy
Biggert	Coffman (CO)	Garamendi
Bilbray	Cohen	Garrett (NJ)
Bilirakis	Cole	Gerlach
Bishop (GA)	Conaway	Giffords
Bishop (NY)	Connolly (VA)	Gingrey (GA)
Bishop (UT)	Conyers	Gohmert
Blackburn	Cooper	Gonzalez
Blumenauer	Costello	Goodlatte
Blunt	Courtney	Gordon (TN)
Boccheri	Crenshaw	Granger
Boehner	Critz	Graves
Bonner	Crowley	Grayson
Bono Mack	Cuellar	Green, Al
Boozman	Culberson	Green, Gene
Boren	Cummings	Griffith
Boswell	Dahlkemper	Grijalva
Boucher	Davis (AL)	Guthrie
Boustany	Davis (KY)	Gutierrez
Boyd	Davis (TN)	Hall (NY)
Brady (PA)	DeFazio	Hall (TX)
Brady (TX)	DeGette	Halvorson
Braley (IA)	DeLauro	Hare
Bright	Dent	Harman
Brown (SC)	Deutch	Harper
Brown, Corrine	Diaz-Balart, L.	Hastings (FL)
Brown-Waite,	Diaz-Balart, M.	Hastings (WA)
Ginny	Dicks	Heinrich
Buchanan	Dingell	Heller
Burgess	Djou	Hergert
Burton (IN)	Doggett	Herseth Sandlin
Butterfield	Donnelly (IN)	Higgins
Buyer	Doyle	Hill
Calvert	Dreier	Himes
Camp	Driehaus	Hincheey
Campbell	Duncan	Hirono
Cantor	Edwards (MD)	Hodes

Holden	McMorris	Sánchez, Linda
Holt	Rodgers	T.
Hoyer	McNerney	Sanchez, Loretta
Hunter	Meeke (FL)	Sarbanes
Inslee	Meeks (NY)	Scalise
Israel	Melancon	Schakowsky
Issa	Mica	Schauer
Jackson (IL)	Michaud	Schiff
Jackson Lee	Miller (FL)	Schmidt
(TX)	Miller (MI)	Schock
Jenkins	Miller (NC)	Schrader
Johnson (GA)	Miller, Gary	Schwartz
Johnson (IL)	Miller, George	Scott (GA)
Johnson, E. B.	Minnick	Scott (VA)
Johnson, Sam	Mitchell	Sensenbrenner
Jones	Mollohan	Serrano
Jordan (OH)	Moore (KS)	Sessions
Kagen	Moore (WI)	Sestak
Kanjorski	Moran (KS)	Shadegg
Kaptur	Moran (VA)	Shea-Porter
Kennedy	Murphy (CT)	Sherman
Kildee	Murphy (NY)	Shimkus
Kilroy	Murphy, Patrick	Shuler
Kind	Murphy, Tim	Simpson
King (IA)	Myrick	Sires
King (NY)	Nadler (NY)	Skelton
Kingston	Napolitano	Slaughter
Kirk	Neal (MA)	Smith (NE)
Kirkpatrick (AZ)	Neugebauer	Smith (NJ)
Kissell	Nunes	Smith (TX)
Klein (FL)	Nye	Smith (WA)
Kline (MN)	Oberstar	Snyder
Kosmas	Olson	Space
Kratovil	Olver	Speier
Kucinich	Ortiz	Spratt
Lamborn	Owens	Stark
Lance	Pallone	Stearns
Langevin	Pascrell	Stupak
Larsen (WA)	Pastor (AZ)	Sullivan
Larson (CT)	Paulsen	Sutton
Latham	Payne	Tanner
LaTourette	Pence	Taylor
Latta	Perlmutter	Teague
Lee (CA)	Perriello	Terry
Lee (NY)	Peters	Thompson (CA)
Levin	Petri	Thompson (MS)
Lewis (CA)	Pingree (ME)	Thompson (PA)
Lewis (GA)	Pitts	Thornberry
Linder	Platts	Tiahrt
Lipinski	Poe (TX)	Tiberi
LoBiondo	Polis (CO)	Tierney
Loebsack	Pomeroy	Titus
Lofgren, Zoe	Posey	Tonko
Lowe	Price (GA)	Towns
Lucas	Price (NC)	Tsongas
Luetkemeyer	Quigley	Turner
Lujan	Radanovich	Upton
Lungren, Daniel	Rahall	Van Hollen
E.	Rangel	Velázquez
Lynch	Rehberg	Visclosky
Mack	Reichert	Walden
Maffei	Reyes	Walz
Maloney	Richardson	Wamp
Manzullo	Rodriguez	Wasserman
Marchant	Rogers (AL)	Schultz
Markey (CO)	Rogers (KY)	Waters
Markey (MA)	Rogers (MI)	Watson
Matheson	Rohrabacher	Watt
Matsui	Rooney	Waxman
McCarthy (CA)	Ros-Lehtinen	Weiner
McCarthy (NY)	Roskam	Westmoreland
McCaul	Ross	Whitfield
McClintock	Rothman (NJ)	Wilson (OH)
McCollum	Roybal-Allard	Wilson (SC)
McCotter	Royce	Witman
McDermott	Ruppersberger	Wolf
McGovern	Rush	Woolsey
McIntyre	Ryan (OH)	Wu
McKeon	Ryan (WI)	Yarmuth
McMahon	Salazar	Young (AK)
		Young (FL)

□ 1439

So the bill was passed.
The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. ROE of Tennessee. Mr. Speaker, on rollcall No. 353 I was unavoidably detained. Had I been present, I would have voted "yes."

Mr. COSTA. Mr. Speaker, on rollcall No. 353, had I been present, I would have voted "yes."

OIL SPILL LIABILITY TRUST FUND

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (S. 3473) to amend the Oil Pollution Act of 1990 to authorize advances from Oil Spill Liability Trust Fund for the Deepwater Horizon oil spill, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota (Mr. OBERSTAR) that the House suspend the rules and pass the bill.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 410, nays 0, answered "present" 1, not voting 20, as follows:

[Roll No. 354]

YEAS—410

Ackerman	Burton (IN)	Dent
Aderholt	Butterfield	Deutch
Adler (NJ)	Calvert	Diaz-Balart, L.
Akin	Camp	Diaz-Balart, M.
Alexander	Campbell	Dicks
Altmire	Cantor	Dingell
Andrews	Cao	Djou
Arcuri	Capito	Doggett
Austria	Capps	Donnelly (IN)
Baca	Capuano	Doyle
Bachus	Cardoza	Dreier
Baird	Carnahan	Driehaus
Baldwin	Carney	Duncan
Barrow	Carson (IN)	Edwards (MD)
Bartlett	Carter	Edwards (TX)
Barton (TX)	Cassidy	Ehlers
Bean	Castle	Ellison
Becerra	Castor (FL)	Ellsworth
Berkley	Chaffetz	Emerson
Berman	Chandler	Engel
Berry	Childers	Etheridge
Biggert	Chu	Fallin
Bilbray	Clarke	Farr
Bilirakis	Clay	Fattah
Bishop (GA)	Cleaver	Filner
Bishop (NY)	Clyburn	Flake
Bishop (UT)	Coble	Fleming
Blackburn	Coffman (CO)	Forbes
Blumenauer	Cohen	Fortenberry
Blunt	Cole	Foster
Boccheri	Conaway	Foxx
Boehner	Connolly (VA)	Frank (MA)
Bonner	Conyers	Franks (AZ)
Bono Mack	Cooper	Frelinghuysen
Boozman	Costa	Fudge
Boren	Costello	Galleghy
Boswell	Courtney	Garamendi
Boucher	Crenshaw	Garrett (NJ)
Boustany	Critz	Gerlach
Boyd	Crowley	Giffords
Brady (PA)	Cuellar	Gingrey (GA)
Brady (TX)	Brady (TX)	Gohmert
Braley (IA)	Culberson	Gonzalez
Bright	Cummings	Goodlatte
Brown (SC)	Dahlkemper	Goodlatte
Brown, Corrine	Davis (AL)	Gordon (TN)
Brown-Waite,	Davis (KY)	Granger
Ginny	Davis (TN)	Graves
Burgess	DeFazio	Grayson
	DeGette	Green, Al
	DeLauro	Green, Gene

NOES—4

Broun (GA)	Honda
Flake	Paul
Barrett (SC)	Hensarling
Berman	Hinojosa
Costa	Hoekstra
Davis (CA)	Inglis
Davis (IL)	Kilpatrick (MI)
Delahunt	Lummis
Eshoo	Marshall
	McHenry
	Obey
	Peterson
	Putnam
	Roe (TN)
	Shuster
	Welch

NOT VOTING—21

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.