Pennsylvania being the second largest State for organic production, and in many other States.

There are a number of programs authorized in the farm bill, including Beginning Farmers and Ranchers, that help provide financial assistance and planning assistance for new farmers and farms. Access to programs such as these is essential for supporting the next generation of farmers and growing American agriculture.

As it relates to organic, the farm bill contains numerous provisions and programs tailored to organic producers. This includes conservation assistance through EQIP Organic Initiative, the Market Access Program, Organic Agriculture Research and Extension, and competitive grants.

The Horticulture title also includes the National Organic Certification Cost Share, marketing and data collection, the Organic Program, and the Organic Check-Off Program.

Mr. Speaker, supporting agriculture of all forms through the farm bill is critically important for the industry, rural communities, and, quite frankly, all Americans.

□ 0915

HELP VETERANS EXPOSED TO TOXIC BURN PITS

(Mr. RUIZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUIZ. Mr. Speaker, Congress must act to help our veterans exposed to burn pits and must act now. In Iraq and Afghanistan, the military used burn pits to get rid of huge piles of trash, exposing our men and women in uniform to toxic chemicals and carcinogens in the air and soil—veterans like my constituent and my friend Jennifer Kepner, a mother who died from pancreatic cancer in October 2017.

That is why I urge a vote on H.R. 1279, the Helping Veterans Exposed to Burn Pits Act that I support and cosponsor. This bipartisan bill will create a center of excellence within the VA that will help diagnose, treat, and rehabilitate veterans who were exposed. Veterans will be served by staff with specialty expertise needed to address the kinds of health conditions those exposed now suffer.

This bill also directs the VA and DOD to establish a program to train their health providers to treat veterans exposed and to study the long-term effects of exposure. So I urge all of my colleagues to support this critical bill and bring it to a vote immediately to help save our veterans lives.

PRESERVING ACCESS TO MANUFACTURED HOUSING ACT OF 2017

Mr. HENSARLING. Mr. Speaker, pursuant to House Resolution 635, I call up the bill (H.R. 1699) to amend the Truth in Lending Act to modify the definitions of a mortgage originator and a high-cost mortgage, to amend the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 to modify the definition of a loan originator, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 635, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 115–42 is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 1699

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 ''Preserving Access to Manufactured Housing Act of 2017''.

SEC. 2. MORTGAGE AND LOAN ORIGINATOR DEFINITIONS.

(a) MORTGAGE ORIGINATOR DEFINITION.—Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended—

(1) by redesignating the second subsection (cc) and subsection (dd) as subsections (dd) and (ee), respectively; and

(2) in paragraph (2)(C) of subsection (dd), as so redesignated, by striking ''an employee of a retailer of manufactured homes who is not described in clause (i) or (iii) of subparagraph (A) and who does not advise a consumer on loan terms (including rates, fees, and other costs)'' and inserting ''a retailer of manufactured or modular homes or its employees unless such retailer or its employees receive compensation or gain for engaging in activities described in subparagraph (A) that is in excess of any compensation or gain received in a comparable cash transaction''.

(b) LOAN ORIGINATOR DEFINITION.—Section 1503(4)(A) of the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (12 U.S.C. 5102(4)(A)) is amended—

(1) in clause (iii), by striking ''and'' at the end;

(2) in clause (iv), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(v) does not include a retailer of manufactured or modular homes or its employees unless such retailer or its employees receive compensation or gain for engaging in activities described in clause (i) that is in excess of any compensation or gain received in a comparable cash transaction.''.

SEC. 3. HIGH-COST MORTGAGE DEFINITION.

Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended—

(1) by redesignating subsection (aa) (relating to disclosure of greater amount or percentage), as so designated by section 1100A of the Consumer Financial Protection Act of 2010, as subsection (bb);

(2) by redesignating subsection (bb) (relating to high-cost mortgages), as so designated by section 1100A of the Consumer Financial Protection Act of 2010, as subsection (aa), and moving such subsection to immediately follow subsection (z); and

(3) in subsection (aa)(1)(A), as so redesignated—

(A) in clause (i)(I), by striking ''(8.5 percentage points, if the dwelling is personal property and the transaction is for less than $50,000)'' and inserting ''(10 percentage points if the dwelling is personal property or is a transaction that does not include the purchase of real property on which a dwelling is to be placed, and the transaction is for less than $75,000 (as such amount is adjusted by the Bureau to reflect the change in the Consumer Price Index))''; and

(B) in clause (ii)—

(i) in subclause (I), by striking ''or'' at the end; and

(ii) by adding at the end the following:

''(III) notwithstanding subclauses (I) and (II), in the case of a transaction for less than $75,000 (as such amount is adjusted by the Bureau to reflect the change in the Consumer Price Index) in which the dwelling is personal property (or is a consumer credit transaction that does not include the purchase of real property on which a dwelling is to be placed) the greater of 5 percent of the total transaction amount or $3,000 (as such amount is adjusted by the Bureau to reflect the change in the Consumer Price Index); or''.

The SPEAKER pro tempore. The bill shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services.

The gentleman from Texas (Mr. HENSARLING) and the gentlewoman from California (Ms. MAXINE WATERS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and submit extraneous material on the bill under consideration.

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

There was no objection.

Mr. HENSARLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in strong support of H.R. 1699, the Preserving Access to Manufactured Housing Act. It is an important bill that is cosponsored by a bipartisan—I repeat, bipartisan—group of members, and it was approved by the Financial Services Committee with a strong bipartisan vote of 42–18.

In fact, this proposal has a long track record of bipartisan support with a similar bill having passed the last Congress with votes from both Republicans and Democrats.

I want to thank my colleague, Representative BARR, the chairman of our Monetary Policy and Trade Subcommittee for his leadership in introducing this legislation and for leading congressional efforts to help Americans, particularly those of lower and moderate incomes, to help them achieve a greater level of financial independence and being able to achieve their American Dream of homeownership.

Here is the problem, Mr. Speaker. Under the CFPB's regulations, many small-balance manufactured home loans are now being considered ''high cost.'' This means that many people, particularly those with lower and moderate incomes who want to buy a manufactured home, aren't able to buy that home.

Their access to credit is being unfairly restricted through no fault of their own. Lenders are leaving the market. Five County Credit Union in

Maine, Zia Credit Union in New Mexico, Manhattan Bank in Montana, and the list goes on and on and on. Lenders are leaving the market.

As we know, many consumers who live in rural areas, including those in the Fifth District of Texas who I have the pleasure and honor of representing, they just don't have access to rental options or other affordable housing. So the CFPB rules are unfairly penalizing rural residents and working families, many of whom happen to be retirees, single moms, working families, veterans, and they simply want to buy a manufactured home that they can live in. They are being denied that opportunity.

So here in Washington, inside the very elite beltway bubble, there is simply not an appreciation for manufactured housing and the role that plays in our vital affordable housing component.

But let's listen to what the American people tell us outside of the beltway. A 75-year-old retiree from Pleasant Prairie, Wisconsin, said he purchased a manufactured home because ''it was affordable, and it was in a desirable location.''

A 57-year-old single mom from Albuquerque, New Mexico, purchased a manufactured home. She said: ''It provided the best value for the money. There were no other housing options available. I searched for over a year to find affordable housing. All of the site-built homes in the area were over $100,000, which was out of my price range.'' Manufactured housing is within the price range of many working Americans.

A 28-year-old single mom of two from Jenera, Ohio, she had been renting. She wanted her own home. And when she purchased it, she said, she ''found this, allowed us to own a home for less than we would have to pay to rent another.''

Stories like this are commonplace all over America, Mr. Speaker. And it is why it is so important that we recognize the rights of our fellow citizens to give them the opportunity of affordable housing. You can't protect consumers by protecting them out of their homes. Manufactured housing is affordable housing.

So we have a regulation from an agency that is supposed to be protecting consumers, but, instead, it is preventing families from purchasing affordable housing. We must change that.

We have to pass this bipartisan bill, H.R. 1699. With just a few minor clarifications to the definition of mortgage originator, loan originator, and high-cost mortgage, this bill will ensure that consumers of small-balance mortgage loans have access to the mortgage credit they need. These minor technical clarifications will help preserve consumer choice and financing options for those seeking to buy a manufactured home.

Now, some on the other side of the aisle will say: Well, this eviscerates important consumer protections. Well, number one, loans under this bill will still be covered by the Truth in Lending Act, the Fair Housing Act, the ability to repay rules, Equal Credit Opportunity Act, and all of the consumer protection laws passed by the various States.

So let's support working Americans. Let's support affordable housing. Let's support Mr. BARR's H.R. 1699.

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

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to H.R. 1699 which would undermine the Dodd-Frank Wall Street Reform and Consumer Protection Act and eliminate consumer protections for some of the country's most vulnerable borrowers.

Mr. Speaker, the title of this bill paints it as a measure that purports to preserve access to manufactured housing. So I want to be very clear about what this bill is and what it is not about, and who will win and who will be harmed if this bill is signed into law.

This isn't about regulatory burdens, reducing access to credit. The lending volume in the manufactured housing industry has gotten back to where it was before the Consumer Financial Protection Bureau put new regulations in place.

This isn't about credit unions and community banks not being able to enter the manufactured housing market. Many credit unions already underwrite mortgage loans and chattel loans for manufactured housing. But what H.R. 1699 is about is one-stop-shop megainstitutions like Clayton Homes, owned by billionaire Warren Buffett, which has almost half of the market share for manufactured housing lending.

His manufactured housing empire profits in every imaginable way in this sector from producing housing, to selling housing, to originating the loans that take advantage of vulnerable customers and leave them with virtually no way to refinance.

This bill makes it easier for financial titans like billionaire Warren Buffett to earn even more profits at the expense of some of the most vulnerable consumers in this country.

I show this ad because they would have you believe that Clayton Homes is separate from all of the other entities that they have under Clayton Homes. One would think that, simply, Clayton Homes is the seller of these mortgages. But they are under different names. They are under Vanderbilt. They are under HomeFirst. They are under Benjamin Moore, and they are under Oakwood Homes.

So sometimes people think perhaps, if they are not getting the kind of service that they want when they are looking for a mortgage, that they will go to some other place other than Clayton. But they end up literally going to other entities owned by Clayton Homes.

This is a Warren Buffett bill. This is a Clayton bill. And to tell you the truth, this institution is not in the business of originating legislation for one particular business. This is what this is all about. And I will show you how they do it.

They have different names on their operations, but the ads all look the same. ''We will beat the match. We will beat the match.'' Same ads for Tru Value and the other entities owned by them, but they all belong to Warren Buffett and Clayton.

This bill, again, would harm manufactured housing consumers who are typically more vulnerable than the average homeowner. They are low-income buyers, rural buyers, minority buyers. And reports from the Consumer Financial Protection Bureau, the Manufactured Housing Institute, and the Center for Public Integrity have all shown us that this measure would not create access to affordable housing; but it would, instead, allow an incredibly profitable industry to make even more money at the expense of low-income and rural homeowners, even if the industry itself asserts that it has been growing and highly profitable, even in the years after Dodd-Frank, and the Consumer Bureau's mortgage protections have been in place.

So just take a look at this. If you take a look back what was happening in 2003, where they had 18 percent share in the market, now they have 39 percent. This is all Clayton, 39 percent. And their portfolio includes about $12.5 billion in customers.

So I would like to just reiterate again that this is about Warren Buffett and this is about Clayton. Let me just share with you that Berkshire Hathaway chairman Warren Buffett has also been touting its post-Dodd-Frank Act profitability of manufactured housing.

Clayton Homes is Berkshire's highly profitable manufactured housing subsidy, and it earned a total of $744 million in 2016, a 33 percent increase over 2014. Yes, that is a 33 percent increase after the Dodd-Frank Act rules were in place. Unfortunately, this is the same Clayton Homes that was the subject of a multipart Seattle Times and Center for Public Integrity joint investigation.

Mr. Speaker, The Seattle Times did a scathing series on Clayton. I include in the RECORD these articles that were done by The Seattle Times. Everyone should avail themselves of this damaging information.

[From the Seattle Times]

THE MOBILE-HOME TRAP: HOW A WARREN BUFFETT EMPIRE PREYS ON THE POOR

(By Mike Baker and Daniel Wagner)

FIRST OF A SERIES

EPHRATA, GRANT COUNTY.—After years of living in a 1963 travel trailer, Kirk and Patricia Ackley found a permanent house with enough space to host grandkids and care for her aging father suffering from dementia.

So, as the pilot cars prepared to guide the factory-built home up from Oregon in May 2006, the Ackleys were elated to finalize paperwork waiting for them at their loan broker's kitchen table.

But the closing documents he set before them held a surprise: The promised 7 percent interest rate was now 12.5 percent, with monthly payments of $1,100, up from $700.

The terms were too extreme for the Ackleys. But they'd already spent $11,000, at the dealer's urging, for a concrete foundation to accommodate this specific home. They could look for other financing but desperately needed a space to care for her father.

Kirk's construction job and Patricia's Wal-Mart job together weren't enough to afford the new monthly payment. But, they said, the broker was willing to inflate their income in order to qualify them for the loan.

''You just need to remember,'' they recalled him saying, ''you can refinance as soon as you can.''

To their regret, the Ackleys signed.

The disastrous deal ruined their finances and nearly their marriage. But until informed recently by a reporter, they didn't realize that the homebuilder (Golden West), the dealer (Oakwood Homes) and the lender (21st Mortgage) were all part of a single company: Clayton Homes, the nation's biggest homebuilder, which is controlled by its second-richest man—Warren Buffett.

Buffett's mobile-home empire promises low-income Americans the dream of homeownership. But Clayton relies on predatory sales practices, exorbitant fees, and interest rates that can exceed 15 percent, trapping many buyers in loans they can't afford and in homes that are almost impossible to sell or refinance, an investigation by The Seattle Times and Center for Public Integrity has found.

Berkshire Hathaway, the investment conglomerate Buffett leads, bought Clayton in 2003 and spent billions building it into the mobile-home industry's biggest manufacturer and lender. Today, Clayton is a many-headed hydra with companies operating under at least 18 names, constructing nearly half of the industry's new homes and selling them through its own retailers. It finances more mobile-home purchases than any other lender by a factor of six. It also sells property insurance on them and repossesses them when borrowers fail to pay.

Berkshire extracts value at every stage of the process. Clayton even builds the homes with materials—such as paint and carpeting—supplied by other Berkshire subsidiaries.

CLAYTON ALWAYS PROFITS

More than a dozen Clayton customers described a consistent array of deceptive practices that locked them into ruinous deals: loan terms that changed abruptly after they paid deposits or prepared land for their new homes; surprise fees tacked on to loans; and pressure to take on excessive payments based on false promises that they could later refinance.

Former dealers said the company encouraged them to steer buyers to finance with Clayton's own high-interest lenders.

Under federal guidelines, most Clayton mobile-home loans are considered ''higher-priced.'' Those loans averaged 7 percentage points higher than the typical home loan in 2013, according to a Times/CPI analysis of federal data, compared to just 3.8 percentage points for other lenders.

Buyers told of Clayton collection agents urging them to cut back on food and medical care or seek handouts in order to make house payments. And when homes got hauled off to be resold, some consumers already had paid so much in fees and interest that the company still came out ahead. Even through the Great Recession and housing crisis, Clayton was profitable every year, generating $558 million in pre-tax earnings in 2014.

The company's tactics contrast with Buffett's public profile as a financial sage who values responsible lending and helping poor Americans keep their homes.

Berkshire Hathaway spokeswoman Carrie Sova and Clayton spokeswoman Audrey Saunders ignored more than a dozen requests by phone, email and in person to discuss Clayton's policies and treatment of consumers. In an emailed statement, Saunders said Clayton helps customers find homes within their budgets and has a ''purpose of opening doors to a better life, one home at a time.''

(Update: After publication, Berkshire Hathaway's Omaha headquarters sent a statement on behalf of Clayton Homes to the Omaha World-Herald, which is also owned by Berkshire.)

FIRST, A DREAM

As Buffett tells it, his purchase of Clayton Homes came from an ''unlikely source'': Visiting students from the University of Tennessee gave him a copy of founder Jim Clayton's self-published memoir, ''First a Dream,'' in early 2003. Buffett enjoyed reading the book and admired Jim Clayton's record, he has said, and soon called CEO Kevin Clayton, offering to buy the company.

''A few phone calls later, we had a deal,'' Buffett said at his 2003 shareholders meeting, according to notes taken at the meeting by hedge-fund manager Whitney Tilson.

The tale of serendipitous dealmaking paints Buffett and the Claytons as sharing down-to-earth values, antipathy for Wall Street and an old-fashioned belief in treating people fairly. But, in fact, the man who brought the students to Omaha said Clayton's book wasn't the genesis of the deal.

''The Claytons really initiated this contact,'' said Al Auxier, the Tennessee professor, since retired, who chaperoned the student trip after fostering a relationship with the billionaire.

CEO Kevin Clayton, the founder's son, reached out to Buffett through Auxier, the professor said in a recent interview, and asked whether Buffett might explore ''a business relationship'' with Clayton Homes.

At the time, mobile-home loans had been defaulting at alarming rates, and investors had grown wary of them. Kevin Clayton was seeking a new source of cash to relend to homebuyers. He knew that Berkshire Hathaway, with its perfect bond rating, could provide it as cheaply as anyone. Later that year, Berkshire Hathaway paid $1.7 billion in cash to buy Clayton Homes.

Berkshire Hathaway quickly bought up failed competitors' stores, factories and billions in troubled loans, building Clayton Homes into the industry's dominant force. In 2013, Clayton provided 39 percent of new mobile-home loans, according to a Times/CPI analysis of federal data that 7,000 home lenders are required to submit. The next biggest lender was Wells Fargo, with just 6 percent of the loans.

Clayton provided more than half of new mobile-home loans in eight states. In Texas, the number exceeds 70 percent. Clayton has more than 90 percent of the market in Odessa, one of the most expensive places in the country to finance a mobile home.

To maintain its down-to-earth image, Clayton has hired the stars of the reality-TV show ''Duck Dynasty'' to appear in ads.

The company's headquarters is a hulking structure of metal sheeting surrounded by acres of parking lots and a beach volleyball court for employees, located a few miles south of Knoxville, Tenn. Next to the front door, there is a slot for borrowers to deposit payments.

Near the headquarters, two Clayton sales lots sit three miles from each other. Clayton Homes' banners promise ''$0 CASH DOWN.'' TruValue Homes, also owned by Clayton, advertises ''REPOS FOR SALE.'' Other nearby Clayton lots operate as Luv Homes and Oakwood Homes. With all the different names, many customers believe that they're shopping around.

House-sized banners at dealerships reinforce that impression, proclaiming they will ''BEAT ANY DEAL.'' In some parts of the country, buyers would have to drive many miles past several Clayton-owned lots, to reach a true competitor.

GUIDED INTO COSTLY LOANS

Soon after Buffett bought Clayton Homes, he declared a new dawn for the moribund mobile-home industry, which provides housing for some 20 million Americans. Lenders should require ''significant down payments and shorter-term loans,'' Buffett wrote.

He called 30-year loans on mobile homes ''a mistake,'' according to notes Tilson took during Berkshire Hathaway's 2003 shareholders meeting.

''Home purchases should involve an honest-to-God down payment of at least 10% and monthly payments that can be comfortably handled by the borrower's income,'' Buffett later wrote. ''That income should be carefully verified.''

But in examining more than 100 Clayton home sales through interviews and reviews of loan documents from 41 states, reporters found that the company's loans routinely violated the lending standards laid out by Buffett.

Clayton dealers often sold homes with no cash down payment. Numerous borrowers said they were persuaded to take on outsized payments by dealers promising that they could later refinance. And the average loan term actually increased from 21 years in 2007 to more than 23 years in 2009, the last time Berkshire disclosed that detail.

Clayton's loan to Dorothy Mansfield, a disabled Army veteran who lost her previous North Carolina home to a tornado in 2011, includes key features that Buffett condemned.

Mansfield had a lousy credit score of 474, court records show. Although she had seasonal and part-time jobs, her monthly income often consisted of less than $700 in disability benefits. She had no money for a down payment when she visited Clayton Homes in Fayetteville, N.C.

Vanderbilt, one of Clayton's lenders, approved her for a $60,000, 20-year loan to buy a Clayton home at 10.13 percent annual interest. She secured the loan with two parcels of land that her family already owned free and clear.

The dealer didn't request any documents to verify Mansfield's income or employment, records show.

Mansfield's monthly payment of $673 consumed almost all of her guaranteed income. Within 18 months, she was behind on payments and Clayton was trying to foreclose on the home and land.

Many borrowers interviewed for this investigation described being steered by Clayton dealers into Clayton financing without realizing the companies were one and the same. Sometimes, buyers said, the dealer described the financing as the best deal available. Other times, the Clayton dealer said it was the only financing option.

Kevin Carroll, former owner of a Clayton-affiliated dealership in Indiana, said in an interview that he used business loans from a Clayton lender to finance inventory for his lot. If he also guided homebuyers to work with the same lender, 21st Mortgage, the company would give him a discount on his business loans—a ''kickback,'' in his words.

Doug Farley, who was a general manager at several Clayton-owned dealerships, also used the term ''kickback'' to describe the profit-share he received on Clayton loans until around 2008. After that, the company changed its incentives to instead provide ''kickbacks'' on sales of Clayton's insurance to borrowers, he said.

Ed Atherton, a former lot manager in Arkansas, said his regional supervisor was pressuring lot managers to put at least 80 percent of buyers into Clayton financing. Atherton left the company in 2013.

During the most recent four-year period, 93 percent of Clayton's mobile-home loans had such costly terms that they required extra disclosure under federal rules. Among all other mobile-home lenders, fewer than half of their loans met that threshold.

Customers said in interviews that dealers misled them to take on unaffordable loans, with tactics including last-minute changes to loan terms and unexplained fees that inflate loan balances. Such loans are, by definition, predatory.

''They're going to assume the client is unsophisticated, and they're right,'' said Felix Harris, a housing counselor with the nonprofit Knoxville Area Urban League.

Some borrowers felt trapped because they put up a deposit before the dealer explained the loan terms or, like the Ackleys, felt compelled to swallow bait-and-switch deals because they had spent thousands to prepare their land.

PROMISE DENIED

A couple of years after moving into their new mobile home, Kirk Ackley was injured in a backhoe rollover. Unable to work, he and his wife urgently needed to refinance the costly 21st Mortgage loan they regretted signing.

They pleaded with the lender several times for the better terms that they originally were promised, but were denied, they said. The Ackleys tried to explain the options to a 21st supervisor: If they refinanced to lower payments, they could stay in the home and 21st would get years of steady returns. Otherwise, the company would have to come out to their rural property, pull the house from its foundation and haul it away, possibly damaging it during the repossession.

They both recall being baffled by his reply: ''We don't care. We'll come take a chainsaw to it—cut it up and haul it out in boxes.''

Nine Clayton consumers interviewed for this story said they were promised a chance to refinance. In reality, Clayton almost never refinances loans and accounts for well under 1 percent of mobile-home refinancings reported in government data from 2010 to 2013. It made more than one-third of the purchase loans during that period.

Of Washington's 25 largest mobile-home lenders, Clayton's subsidiaries ranked No. 1 and No. 2 for the highest interest rates in 2013. Together, they ranked eighth in loans originated.

''If you have a decrease in income and can't afford the mortgage, at least a lot of the big companies will do modifications,'' said Harris, the Knoxville housing counselor. ''Vanderbilt won't even entertain that.''

In general, owners have difficulty refinancing or selling their mobile homes because few lenders offer such loans. One big reason: Homes are overpriced or depreciate so quickly that they generally are worth less than what the borrower owes, even after years of monthly payments.

Ellie Carosa, of Napavine, Lewis County, found this out the hard way in 2010 after she put down some $40,000 from an inheritance to buy a used home from Clayton priced at about $65,000.

Clayton sales reps steered Carosa, who is 67 years old and disabled, to finance the unpaid amount through Vanderbilt at 9 percent interest over 20 years.

One year later, Carosa was already having problems—peeling paint and failing carpets—so she decided to have a market expert assess the value of her home. She hoped to eventually sell the house so the money could help her granddaughter, whom she adopted as her daughter at age 8, attend a local college to study music.

Carosa was stunned to learn that the home was worth only $35,000, far less than her original down payment.

"I've lost everything," Carosa said.

'RUDEST, MOST CONDESCENDING' AGENTS

Berkshire's borrowers who fall behind on their payments face harassing, potentially illegal phone calls from a company rarely willing to offer relief.

Carol Carroll, a nurse living near Bug Tussle, Ala., began looking for a new home in 2003 after her husband had died, leaving her with a 6-year-old daughter. Instead of a down payment, she said, the salesman assured her she could simply put up two acres of her family land as collateral.

In December 2005, Carroll was permanently disabled in a catastrophic car accident in which two people were killed. Knowing it would take a few months for her disability benefits to be approved, Carroll said, she called Vanderbilt and asked for a temporary reprieve. The company's answer: "We don't do that."

However, Clayton ratcheted up her property-insurance premiums, eventually costing her $803 more per year than when she started, she said. Carroll was one of several Clayton borrowers who felt trapped in the company's insurance, often because they were told they had no other options. Some had as many as five years' worth of expensive premiums included in their loans, inflating the total balance to be repaid with interest. Others said they were misled into signing up even though they already had other insurance.

Carroll has since sold belongings, borrowed money from relatives and cut back on groceries to make payments. When she was late, she spoke frequently to Clayton's phone agents, whom she described as ''the rudest, most condescending people I have ever dealt with.'' It's a characterization echoed by almost every borrower interviewed for this story.

Consumers say the company's response to pleas for help is an invasive interrogation about their family budgets, including how much they spend on food, toiletries and utilities.

Denise Pitts, of Knoxville, Tenn., said Vanderbilt collectors have called her multiple times a day, with one suggesting that she cancel her Internet service, even though she home-schools her son. They have called her relatives and neighbors, a tactic other borrowers reported.

After Pitts' husband, Kirk, was diagnosed with aggressive cancer, she said, a Vanderbilt agent told her she should make the house payment her ''first priority'' and let medical bills go unpaid. She said the company has threatened to seize her property immediately, even though the legal process to do so would take at least several months.

Practices like contacting neighbors, calling repeatedly and making false threats can violate consumer-protection laws in Washington, Tennessee and other states.

Last year, frequent complaints about Clayton's aggressive collection practices led Tennessee state officials to contact local housing counselors seeking information about their experiences with the company, according to two people with knowledge of the conversations.

TREATED LIKE CAR OWNERS

Mobile-home buyers who own their land sites may be able to finance their home purchases with real-estate mortgages, which give them more federal and state consumer protections than the other major financing option, a personal-property loan. With conventional home mortgages, companies must wait 120 days before starting foreclosure. In some states, the foreclosure process can take more than a year, giving consumers a chance to save their homes.

Despite these protections, two-thirds of mobile-home buyers who own their land end up in personal-property loans, according to a federal study. These loans may close more quickly and have fewer upfront costs, but their rates are generally much higher. And if borrowers fall behind on payments, their homes can be seized with little or no warning.

Those buyers are more vulnerable because they end up being treated like car owners instead of homeowners, said Bruce Neas, an attorney who has worked for years on foreclosure and manufactured-housing issues in Washington state.

Tiffany Galler was a single mother living in Crestview, Fla., in 2005 when she bought a mobile home for $37,195 with a loan from 21st Mortgage. She later rented out the home.

After making payments over eight years totaling more than the sticker price of the home, Galler lost her tenant in November 2013 and fell behind on her payments. She arranged to show the home to a prospective renter two months later. But when she arrived at her homesite, Galler found barren dirt with PVC pipe sticking up from the ground.

She called 911, thinking someone had stolen her home.

Hours later, Galler tracked her repossessed house to a sales lot 30 miles away that was affiliated with 21st. It was listed for $25,900.

CLAYTON WINS CONCESSIONS

The government has known for years about concerns that mobile-home buyers are treated unfairly. Little has been done.

Fifteen years ago, Congress directed the Department of Housing and Urban Development to examine issues such as loan terms and regulations in order to find ways to make mobile homes affordable. That's still on HUD's to-do list.

The industry, however, has protected its interests vigorously. Clayton Homes is represented in Washington, D.C., by the Manufactured Housing Institute (MHI), a trade group that has a Clayton executive as its vice chairman and another as its secretary. CEO Kevin Clayton has represented MHI before Congress.

MHI spent $4.5 million since 2003 lobbying the federal government. Those efforts have helped the company escape much scrutiny, as has Buffett's persona as a man of the people, analysts say.

''There is a Teflon aspect to Warren Buffett,'' said James McRitchie, who runs a widely read blog, Corporate Governance.

Still, after the housing crisis, lawmakers tightened protections for mortgage borrowers with a sweeping overhaul known as the Dodd-Frank Act, creating regulatory headaches for the mobile-home industry. Kevin Clayton complained to lawmakers in 2011 that the new rules would lump in some of his company's loans with ''subprime, predatory'' mortgages, making it harder for mobile-home buyers ''to obtain affordable financing.''

Although the rules had yet to take effect that year, 99 percent of Clayton's mobile-home loans were so expensive that they met the federal government's ''higher-priced'' threshold.

Dodd-Frank also tasked federal financial regulators with creating appraisal requirements for risky loans. Appraisals are common for conventional home sales, protecting both the lender and the consumer from a bad deal.

Clayton's own data suggest that its mobile homes may be overpriced from the start, according to comments it filed with federal regulators. When Vanderbilt was required to obtain appraisals before finalizing a loan, company officials wrote, the home was determined to be worth less than the sales price about 3o percent of the time.

But when federal agencies jointly proposed appraisal rules in September 2012, industry objections led them to exempt loans secured solely by a manufactured home.

Then Clayton pushed for more concessions, arguing that manufactured-home loans tied to land should also be exempt. Paul Nichols, then-president of Clayton's Vanderbilt Mortgage, told regulators that the appraisal requirement would be costly and onerous, significantly reducing ''the availability of affordable housing in the United States.''

In 2013, regulators conceded. They will not require a complete appraisal for new manufactured homes.

Ms. MAXINE WATERS of California. Mr. Speaker, the investigation found that Clayton locked one disabled veteran in Tennessee, Ms. Dorothy Mansfield, into an expensive loan even though the required monthly payment would leave her with only $27 a month to cover the rest of her living costs.

Worst, it was a no-documentation loan, meaning that no one even bothered to verify Dorothy's income. The investigation also found that Clayton Homes' in-house lender, Vanderbilt Mortgage, charged minority borrowers substantially higher rates, on average, than their White counterparts.

Unfortunately, this appears not to have been an isolated incident as Federal data reveals that Vanderbilt Mortgage typically has charged African-American borrowers who make more than $75,000 a year more than White people who make only $35,000 a year.

Other Clayton Homes borrowers were quoted inexpensive loan terms only to see interest and fees rocket once they had put down a nonrefundable deposit or paid out large amounts of money to prepare their land for installation of the manufactured home.

□ 0930

Just like subprime mortgage loan borrowers who were preyed on before the financial crisis, many consumers who purchased manufactured housing were convinced to take out high-cost loans based on false promises that they would be able to refinance to lower rates in the future.

Former Clayton Homes salespeople have confirmed that they have pressured customers to use Clayton-affiliated financing even if it wasn't the best deal, and some even received kickbacks for putting customers into more expensive loans.

Under this bill, some of our most important consumer protection laws that prevent this kind of steering, like the Truth in Lending Act, the Secure and Fair Enforcement for Mortgage Licensing Act, and the Home Ownership and Equity Protection Act, would no longer apply to manufactured housing retailers and salespeople that offer credit to borrowers, even if those salespeople do the same things traditional loan originators do, like referring customers to a creditor or assisting them in applying for credit.

So, if enacted, H.R. 1699 would allow abusive lenders to charge over 14 percent interest before consumer protections are triggered—more than four times what the average borrower is paying on a home loan.

In the coming years, this number could very well grow to 16, 17, and likely 18 percent as interest rates rise back to normal. Even worse, the bill also makes it legal for Clayton Homes sales personnel to steer borrowers toward high-cost loans, loans from other parts of the Clayton conglomerate that are not in their best interests, a practice that Congress banned for all loan originators after the financial crisis.

Mr. Speaker, when it comes to manufactured housing, consumers are already exposed to significant risks, high interest rates, the inability to refinance and, in many cases, depreciation that starts as soon as the manufactured home is sold. Nevertheless, the House is considering a bill that rolls back key protections for these already financially vulnerable consumers.

It would do away with a number of protections current law attaches to many high-cost loans, such as stiffer penalties for bad-acting lenders, additional disclosures for investors and consumers who purchase high-cost mortgages, mandatory counseling so that borrowers know what they are getting into, and even the ability for borrowers to have their loan rescinded if lenders don't follow the law. It would do away with all of this.

As the Consumer Bureau noted in its study of the manufactured housing industry, individuals who apply for manufactured housing loans ''include customers that may be considered more financially vulnerable and thus may particularly stand to benefit from strong consumer protections.''

Now, in addition to the Consumer Bureau's report, investigative reporting has provided names and stories of individuals who have fallen victim to the market practices and policies described by the Consumer Bureau.

Finally, when a nearly identical measure was considered by the House last term as H.R. 650, the Obama administration issued a veto threat and said they ''strongly oppose'' the bill because it would ''put low-income and economically vulnerable consumers at significant risk of being subjected to predatory lending and being steered into more expensive loans even when they qualify for lower cost alternatives.''

This bill rolls back consumer protections amidst evidence that the manufactured housing industry needs more oversight and is, at its heart, a dangerous giveaway to a sector that already profits handsomely at the expense of vulnerable borrowers.

Mr. Speaker, I urge my colleagues to oppose this rip-off bill, and I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, before the morning is over, I hope to have some additional time to yield to the ranking member so she can continue her diatribe against President Obama's favorite billionaire and Democrat financier, Warren Buffett.

Until then, Mr. Speaker, I yield 4 minutes to the gentleman from Kentucky (Mr. BARR), who is the sponsor of the legislation and the chairman of the Financial Services Committee's Subcommittee on Monetary Policy and Trade.

Mr. BARR. Mr. Speaker, I rise today in support of H.R. 1699, the Preserving Access to Manufactured Housing Act.

Homeownership, for many, is part of the American Dream, but overbroad and burdensome regulations arising out of the Dodd-Frank financial control law are limiting the ability of Americans to realize that dream.

A one-size-fits-all regulation issued by the CFPB makes it harder for lenders to offer mortgages to hardworking Americans who simply want to buy a manufactured home. By expanding the range of loan products considered ''high cost'' under the Home Ownership and Equity Protection Act, the CFPB has failed to recognize the unique nature of manufactured housing loans.

Due to the increased legal liabilities and stigma associated with making these so-called high-cost mortgages, many lenders have simply stopped making these loans altogether. In fact, according to the government's own Home Mortgage Disclosure Act data, origination of manufactured housing loans of $75,000 or less has plummeted by 22 percent since this regulation went into effect. This data clearly showed that there is a negative impact of these Federal rules on the availability of credit for manufactured homes.

While virtually all mortgage market segments have been growing in the last few years, HMDA data clearly shows continued declines in small dollar loans for manufactured homes.

As a result, this regulation is harming low- and moderate-income families, particularly in rural areas, and existing homeowners are harmed because they will not be able to sell their homes. These regulations are hitting Americans in rural areas of modest means the most.

Take, for example, the hospital worker in Kentucky. And, yes, Mr. Speaker, this is about the hospital worker in Kentucky, not Warren Buffett. This hospital worker applied for a loan of $38,500 to finance a manufactured home. He had an 8 percent down payment. His monthly income was $2,200 per month—plenty to cover the all-in housing costs of $675 per month. The payment he would have been investing in his own home would have been less than what he was spending on rent. But he couldn't get financing. He contacted his local banks and credit unions, but they no longer finance manufactured homes.

This is not about Warren Buffett. This is about helping low-income Americans achieve the American Dream. The reasons for this crippling lack of credit are unaccountable, unelected bureaucrats in Washington, D.C., at the Consumer Financial Protection Bureau and their ''high-cost'' loan regulations and the definitions of mortgage originator and loan originator established in the Dodd-Frank Act.

These regulations fail to take into account the unique circumstances associated with manufactured housing and the fixed costs associated with the purchase of any home, large or small. They fail to recognize the simple, mathematical fact that fixed costs on smaller loans translate into higher percentages of the total loan. They fail to recognize that even if interest payments on manufactured homes are more than your average home, the payments are still more affordable than the all-in cost of a site-built home or even rent in many markets.

This is especially the case when one considers that purchasing a manufactured home as opposed to renting allows these owners to build equity leading to financial stability for their families.

This bipartisan bill, the Preserving Access to Manufactured Housing Act, recognizes the unique nature of manufactured housing, something that bureaucrats in Washington don't know anything about. They don't know anything about what goes on in rural America. This fixes these government-caused problems by modifying the definition of loan originators and mortgage originators to exclude manufactured housing retailers and sellers from the definition of a loan or mortgage originator, so long as they are only receiving compensation for the sale of the home and not engaged in loan offerings.

The legislation also increases the thresholds for high-cost loans to accommodate manufactured home purchases of up to $75,000.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HENSARLING. Mr. Speaker, I yield an additional 20 seconds to the gentleman from Kentucky.

Mr. BARR. Mr. Speaker, I thank the chairman for the additional time.

Mr. Speaker, it accommodates manufactured home purchases up to $75,000 while maintaining the tough restrictions on lenders to prevent any borrowers from being taken advantage of. Yes, that is right, this preserves those consumer protections.

As Members of Congress, we have an obligation to protect the American people from regulations that harm their ability to purchase an affordable home for themselves and their families. We need to end government policies under the guise of consumer protection that are actually protecting Americans right out of homeownership. It is not consumer protection, Mr. Speaker, when you deny people affordable housing.

I thank the chairman for his leadership on this issue and I applaud both Democrats and Republicans who support this commonsense solution.

Ms. MAXINE WATERS of California. Mr. Speaker, what you just heard was a description of what some who represent some of these rural communities are doing for them or not doing for them. They say: Vulnerable consumer, you can have a loan at 18 percent. We know you can't afford it, and we will just come and repossess your manufactured housing when you can't pay.

For the chairman, I will take all the time that he would yield to me to continue this discussion and let people know exactly what is going on.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. ELLISON), who is a true Congressional Progressive Caucus champion and a senior member of the Financial Services Committee.

Mr. ELLISON. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I come to this conversation based on people I know who live in manufactured housing. A lot of folks call it mobile homes or trailer parks. We call it manufactured housing. But I have walked those places, sat in those rooms, and just been with my neighbors, friends, and constituents who live in manufactured housing. I appreciate them tremendously. They are wonderful folks. The folks I know are just part of those 17 million people who live in manufactured housing.

If Congress got rid of manufactured housing, the national homeownership rate would fall about 6 percent. So manufactured housing, no doubt, is important and is an affordable alternative for many people.

But that doesn't mean the lender can rip them off. That doesn't mean the lender can pick their pockets, and that doesn't mean that the lender can let some big monopoly reach in the borrower's pockets and take their money away from them.

Just because the loan payment on manufactured housing might be lower than rent doesn't mean they get to up the skim. They have still got to be fair to people.

Look, for folks who are watching this debate, it is important to understand what we are really talking about. I am going to boil it down as best I can. We are saying: If you live in manufactured housing and if the loan is going to be extra high in the interest rate, if the interest rate is 6½ or 8½ above the annual percentage rate, which could bring you as high as the ranking member said, 18 percent, then certain things kick in for you.

If they are going to charge borrowers that kind of interest rate, the law says we are going to look out for them by saying that the lender has to explain the consequences of default—it will ruin the borrower's credit—that the lender has to disclose the loan terms in the monthly payments, that the lender has to ensure that the borrower receives homeownership counseling. And this is really important: under another regulation, the lender is forbidden from being the dealer and steering that person to a lender. In the case of Clayton Homes, they are both.

They will sell the borrower the unit and give them the loan. They will say: Hey, do you know what? We are going to sell you a nice new unit here. Don't worry about borrowing or where to look for a loan. We got you covered. We are in that business.

They are a monopoly. What is happening here, Mr. Speaker, is that all those protections that a high-cost-loan borrower is about to face this legislation takes away. That is all we are talking about here. We are saying that if a borrower is going to get a high-cost loan, then he should get certain protections. The borrower should get information and counseling. People should tell the borrower what is going to happen if he defaults.

They are saying: Hey, man, that is getting in the way of my money. We don't want you telling them what their rights are because that is interfering with the millions and millions that we are going to get off of them. A dumb consumer works out for our monopoly just fine, a smart one not so much.

That is what this is all about.

Now, I want to just say—giving my friends on the other side of the aisle the best of intentions—that we do have a philosophical debate here. We believe that the problem—if there is one—of people lending in this market is not that there are consumer protections, but it is that there is a huge monopoly.

If the Congress wants to fix the problem of manufactured housing lending, then break up that monopoly. If the Congress wants to get more entrants into the market and get some downward competition in price, then break up the monopoly.

□ 0945

But if the Congress just tells the monopoly you can charge these people more now, you don't have to give them the protections, you don't have to inform them, you can steer them, and you have got to get a really high-cost loan before they get any protections, then all that is going to do is benefit the firm that is already occupying this market space.

The firm that already sells the unit and gives the loans, the one that has all the advertising set up, the one that has all the sales force set up, the one that has all the infrastructure already set up, the monopolists will be the ones who will benefit from this legislation.

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield the gentleman from Minnesota an additional 30 seconds.

Mr. ELLISON. The theory of this legislation is that consumer protection is why you have seen some entrants, some lenders, not be in this space. Our knowledge and our facts indicate that it is because we have got a big, giant monster that controls the whole market.

If Congress wants to do something for manufactured housing residents, we can do it, we can do it now, and we urge Members to vote ''no'' on this piece of legislation.

Mr. HENSARLING. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. LUETKEMEYER), chairman of the Financial Services Subcommittee on Financial Institutions and Consumer Credit.

Mr. LUETKEMEYER. Mr. Speaker, I thank the gentleman from Kentucky (Mr. BARR) for his continued commitment to issues surrounding the availability of affordable manufactured housing. He has been a patient champion on this and many other issues that impact Americans seeking access to mortgage financing.

The legislation we consider today amends the Truth in Lending Act to specify that a retailer of manufactured housing is not a ''mortgage originator'' subject to requirements under that act. Similarly, the bill specifies that such a retailer is generally not a ''loan originator.''

So what do we mean with regard to these technical concerns? They mean that more people in Missouri and Kentucky and every other State will have access to manufactured housing.

Certain regulations stemming from Dodd-Frank constricted credit for manufactured homes. This legislation would help consumers by restoring access to financing that is currently blocked.

If you want more access to credit, if you want more competition, you need to support this. What has happened is that the rules and regulations have constricted the ability of banks and credit unions to be able to make these kinds of loans.

Housing options in rural America aren't necessarily the same as those offered in other parts of the Nation. Our rural communities can face a severely limited affordable housing stock, making the availability of and financing for manufactured housing all the more important.

That may not be significant to every Member of this body, but it is certainly important to me and my constituents. Roughly 10 percent of them live in manufactured housing. It is important to the more than 20 million Americans living in manufactured housing today and the many Americans who will turn to manufactured housing to fulfill their housing needs.

As someone whose first home was actually a manufactured home, I can tell you that this is extremely important to lots and lots of people in communities in my district.

Some of my colleagues on the other side of the aisle have suggested this legislation will dilute consumer protections. In reality, this bill maintains consumer protections. H.R. 1699 allows, for example, continued CFPB oversight of manufactured housing loans, requires that consumers be provided with the full litany of disclosure requirements, and maintains the ''ability to repay'' requirements established in Dodd-Frank. The idea that this legislation guts consumer protections, Mr. Speaker, is simply not true.

There has also been the charge that this legislation would help retailers that originate mortgages. To be clear, H.R. 1699 does not exempt parties that are actual mortgage originators. If a retailer is compensated for acting as a mortgage originator, the legal requirements that apply to other mortgage originators will still apply to them after passage of this bill.

Manufactured housing provides not just a housing alternative, but an opportunity for individuals and families to become homeowners. This legislation ensures manufactured housing remains available and affordable, without eroding important consumer protections.

Mr. Speaker, I urge my colleagues to support this important measure.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio (Mrs. BEATTY), a member of the Financial Services Committee.

Mrs. BEATTY. Mr. Speaker, I thank the ranking member, Congresswoman WATERS, for standing up for consumers.

As I stand here today, first, let me just say I echo all of the comments of my colleagues on this side of the aisle, and I, too, rise in opposition of H.R. 1699, a bill that would put the lowest income and most vulnerable consumers at risk of becoming victims of predatory lending. This bill would increase the chances of consumers being steered into higher cost loans when they could otherwise qualify for lower cost alternatives.

As an aside, it is quite interesting to sit here and listen to my colleagues on the other side have such great interest in affordable housing and low-income residents, and yet, as I have sat on the Financial Services Committee, I have watched them repeatedly cut funds to the budget for low-income residents and not stand up for some of the statements when former Director Richard Cordray came in to talk about the Consumer Financial Protection Bureau and what they have done to stamp out this type of predatory lending.

It is also quite interesting, and I would be remiss not to mention, that last week President Trump appointed the Director of the Office of Management and Budget, Mick Mulvaney, to lead the Bureau, yet he is the same man who spent years trying to eliminate this organization, a man who did not stand up for low-income, affordable housing.

Mr. Speaker, I will end by saying I think we need someone who can stand up for consumers, and I am pleased to hear my colleagues say that they believe in consumer protection and that they are going to advocate for those with low income and they are going to stand up against predatory lending. So it should be interesting, as we move forward.

Mr. Speaker, I am in opposition to H.R. 1699.

Mr. HENSARLING. Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico (Mr. PEARCE), chairman of the Financial Services Subcommittee on Terrorism and Illicit Finance.

Mr. PEARCE. Mr. Speaker, I thank the chairman for bringing this subject to the floor.

Mr. Speaker, I suspect I might be one of the few Members of Congress whose first house was a manufactured house. Not only that, but I represent a district where 50 percent of the homes are manufactured housing.

I think that it is important that we kind of separate the two discussions. If the CFPB were looking at the abuses and going after the abusers that I have heard talked about from the other side, there might not be a discussion today, but that is not what the CFPB did.

What the CFPB did is say that all balloon notes are bad. I can't find any bank, from the East Coast to the West Coast, that will come into New Mexico and lend $33,000 for a used mobile home and put it on a 30-year note. You can tear up a mobile home within days.

So balloon notes are simply made in order for people to come in and check. They didn't use them to maybe put bad adjustments and higher interest rates or anything. They just want to be able to look.

So they generally put these loans on a 5-year basis. At the end of 5 years, if everything is good, we continue to roll it. We don't start from scratch. We don't charge you prejudicial interest.

But all balloon notes were made illegal by the CFPB. They were declared to be prejudicial in their nature when they weren't.

Qualified mortgages were another way that they shut off the lending for the manufactured housing in our district. Owner-seller financing was another way.

What happens in New Mexico, somebody will buy a trailer house, a manufactured home. They will live in it, pay for it, buy another one, and over their lifetime accumulate 10 or 15. Then, when they retire, they begin to sell one at a time.

If you sell more than one or two, the CFPB said: You are now a broker-dealer, and we are not going to let you operate unless you become licensed. So it shut off much of the access of just one seller selling to another.

We brought the CFPB in. We brought Kelly Cochran, about 5 years ago, to walk through these and say: Please, we understand what you are trying to do. No one wants to be protecting those who are violating consumer rights, but just get it within its lane.

Kelly Cochran was there for almost an hour and admitted that she was not aware of the many things brought up that were on-the-ground problems. They never changed them. Mr. Cordray continued to assert that he had solved all the problems, when he had never solved any of the problems.

Most of the banks in New Mexico—and I live right on the Texas line—in that region of Texas and New Mexico, just quit offering to finance manufactured housing. That meant the people who needed it the most had no access to credit.

We discussed these items in the open hearings many times with the CFPB Director, Mr. Cordray, and it just seemed like they could never get focused on those.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HENSARLING. Mr. Speaker, I yield the gentleman from New Mexico an additional 15 seconds.

Mr. PEARCE. This bill today is simply saying that we have people with a need, and they have to be able to get access to loans to finance houses to live in. It is the way I began. It is the way I want other people in New Mexico to begin. Let's just restore order to the market. That is what we are trying to do.

Mr. Speaker, I support the bill.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. DAVID SCOTT), a senior member of the Financial Services Committee.

Mr. DAVID SCOTT of Georgia. Mr. Speaker, I want to deal with two things quickly in my 2 minutes. I want to deal with the CFPB's directorship, but let me start with clarifying a few things.

First of all, manufactured housing is the cornerstone of affordable housing in this country. Nobody argues that. Manufactured housing is in every State in this Union. In my State of Georgia, it accounts for 12 percent of all the affordable housing units. In some States, it is even higher than that.

I just simply want to clarify why I support the bill. It is because of two things:

One, it is because of the devastating Federal regulations that are on it for these hundreds of thousands and millions of customers. What it is doing is making the American people unable to purchase manufactured housing. I think we have to look at that.

It is also eroding the home values of existing owners of manufactured housing.

Our bill simply moves to correct it by doing three things: we just simply do some technical clarifications to the definition of ''mortgage originator,'' ''loan originator,'' and ''high-cost mortgage.''

Let me just say this. I was an original sponsor of Dodd-Frank. What we put in there, we made sure that mortgage protection and Dodd-Frank is protected in here, including anybody steering anybody into any kind of loans with predatory implications. So all that is in there.

This is a great debate. There are two sides to it. But when you look at it, it is the millions of Americans who are suffering from the inability to get the mobile homes, the inability to keep them, and all we are doing is simply making these minor adjustments.

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield the gentleman an additional 30 seconds.

Mr. DAVID SCOTT of Georgia. I do want to clarify about the CFPB Director, and I want the American people to listen to me.

In section 1011 of Dodd-Frank, paragraph 5, it states this: the Deputy Director of the Consumer Financial Protection Board shall be appointed by the Director and serve as acting Director in the absence or unavailability of the Director.

We wrote this. This is the law. We must abide by it.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. ROTHFUS), the vice chairman of the Financial Services Subcommittee on Financial Institutions and Consumer Credit.

Mr. ROTHFUS. Mr. Speaker, I thank the chairman for yielding.

Mr. Speaker, I rise today in support of H.R. 1699, the Preserving Access to Manufactured Housing Act.

As the vice chairman of the Financial Institution Subcommittee and the cosponsor of this legislation, I urge my colleagues to support its passage.

Representative BARR's bipartisan bill—and I really appreciate the comments from Mr. SCOTT, my colleague from Georgia on this bill—will remove misguided barriers that block access to affordable manufactured homes while preserving consumers' protections.

It is important to keep in mind that the challenge of finding affordable housing is not exclusively an urban problem. Housing affordability is a challenge in many rural areas, including parts of my district.

□ 1000

Manufactured homes can be a solution to this affordability challenge. They can give many low- to moderate-income families the chance at homeownership.

The fact is, Mr. Speaker, the current regulatory environment is taking competition out of this market to the detriment of consumers.

Nationwide, 22 million Americans live in manufactured homes. In my State of Pennsylvania, manufactured homes comprise almost 5 percent of the housing stock. Manufactured homes account for 73 percent of all new homes sold under $125,000, and the average income of a manufactured home purchaser is less than $40,000 per year.

The manufactured housing business also sustains thousands of families. Sixteen thousand workers in Pennsylvania are employed in this industry. Unfortunately, the misguided rules from Washington threaten to choke off access to manufactured housing.

The Preserving Access to Manufactured Housing Act will address these harmful rules that are making manufactured homes unaffordable for perspective customers while preserving important consumer protections. It is important to keep in mind that the Truth in Lending Act and State consumer protection laws will still apply after enactment of this legislation.

Representative BARR's bill is narrowly focused, common sense, and a bipartisan effort to target a specific challenge facing perspective purchasers of manufactured homes. The bill will preserve access to this affordable option for millions of Americans.

Mr. Speaker, I urge my colleagues to support this bill.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from Illinois (Ms. SCHAKOWSKY), a member of the Progressive Caucus who is always on the side of consumers.

Ms. SCHAKOWSKY. Mr. Speaker, I thank the lady for yielding to me and for her continued advocacy for all consumers, particularly the low-income consumers who are affected by this legislation.

I rise in strong opposition to H.R. 1699, a bill that guts consumer protections for buyers of manufactured homes.

For years, the manufactured housing industry has preyed on low-income households, pushing them into high-interest mortgages. Under this bill, buyers of manufactured homes would effectively get less protection than any other home buyers.

On top of that, the bill would encourage higher interest rates on loans for manufactured homes, taking a bigger bite out of families' paychecks.

This manufactured housing bill is actually part of a multiprong attack on safeguards implemented by the Consumer Financial Protection Bureau. President Trump has placed OMB Director Mick Mulvaney at the CFPB to destroy it from within, while Republicans in Congress are chipping away at consumer protections from the outside.

Americans deserve better. I really urge my colleagues to stand up for consumers and vote ''no.''

You know, it is easy to go after those people who live in these trailer parks who are trying to make their way, who are struggling to make ends meet, and this bill adds another layer of problem for them by allowing for higher interest rates. It is just wrong. We should be voting ''no.''

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from Maine (Mr. POLIQUIN), the land of moose, maple syrup, and lobster, a distinguished member of the Financial Services Committee.

Mr. POLIQUIN. Mr. Speaker, I thank the chairman. He forgot pine trees, but that is okay.

Mr. Speaker, I am thrilled to stand up and support H.R. 1699, Preserving Access to Manufactured Housing Act, and I salute Congressman ANDY BARR from Kentucky to bring this forward.

Maine, Mr. Speaker, has some of the highest homeownership rates in the country. We love our homes in Maine. I represent the rural part of our State, and in our State, Mr. Speaker, we have times of the year where the weather is pretty tough.

If you are building a home that is not manufactured in a warehouse, sometimes you literally cannot build that home because of the weather, the snow, and the cold, and what have you. But there is nothing more important, Mr. Speaker, nothing more important than making sure moms and dads across America and across Maine have an option, have as many options as possible to house their kids, to take care of their kids, and make sure they are safe. Manufactured housing, in many parts of the country, is the only affordable option.

Now, H.R. 1699 makes a small, technical change such that folks who want to get into a home and want to take part in the great American Dream of homeownership have the opportunity to get a loan to do this.

Government, Mr. Speaker, is supposed to help our families, not get in the way. Here is an example of us being able to remove an unnecessary restriction that hurts our families and prevents them from having an opportunity to get in their first home.

We need more options, not less, Mr. Speaker. Let's help our families and not get in the way. I salute Mr. BARR for this great bill. I am fully in support of this. Let's help our families get into manufactured homes if this is what they want and this is what they can afford.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

First, let me just say that I recognize some of the issues in the way that have been described by the gentleman from New Mexico (Mr. PEARCE), and I think that he is on the right track in how we can deal with giving assistance to those who want to own manufactured housing and assistance to those who want to own more than one manufactured house and are looking toward their retirement, and I support that. He has given a new definition to me for balloon payments and how it works in this industry, and I want to work with him to get something done.

What I want to do is separate out the fact that these owners of manufactured housing need some protections in law. We don't want to strip out all these protections for them. They deserve to be treated fairly. If they are going to be charged high interest rates, they deserve to have the protections that everybody else has. I mean, it is not fair that some of us can buy homes at market rate, at 4.25 percent or whatever, and they have to pay 18 percent because they are considered a high risk, and they can't even refinance these homes.

I want to show you some of the advertising from Clayton where they talk about ''Repos Available.'' They have got plenty of them because they repossess these homes. And I just want to say that, in addition to this monopoly of Clayton's, the way that they treat people when they fall behind in their payments, they don't want to do loan modifications—they don't do them, really.

As a matter of fact, they hire these people off the street, basically, who come and harass these homeowners and treat them extremely bad, and they talk to them about the fact that they want this mortgage, they want this money paid, and they will tell them—we have got documentation where they tell them: Don't pay your medical bills. You pay, or we are going to come and repossess this.

I want to tell you, I have the greatest respect for the least of these. Whether you are in the urban area, whether you are in the rural area, you deserve the respect and support from your government. And I want you to know, for those who represent these areas, let's stop being on the side of the people who exploit them, and let's get on the side of the consumers.

In this last election, we heard a lot about the fact that people in small towns and rural areas were upset with their government and felt nobody cared about them. I want them to ask the people who represent them: Whose side are they on?

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

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. HILL), a distinguished member of the Financial Services Committee.

Mr. HILL. Mr. Speaker, I thank the chairman. I want to congratulate my friend, ANDY BARR, for bringing this bill back to the floor of the House to be on the side of the consumer, to be on the side of affordable choices, to be on the side of truly affordable housing in so many areas where there is no alternative.

Many in the urban areas of our country, the East and West Coast elites who make financial policy, have no understanding of living out in the country. They don't realize we don't have stick-built alternatives in many rural areas of our country.

As a former community banker down in Ashley County and Chicot County, Arkansas, the most affordable, best alternative for many of our families is a manufactured home, working with a relative for a plot of land. Dodd-Frank has made that unaffordable and unavailable.

And to that point, I want to say I got a letter from a pal at the Army National Guard who said: I was turned down on a loan that would be cheaper, larger, and better for my family.

It was better than the house, the 60-year-old house, that he was renting. That is why we need this bill, and I thank the chairman for bringing it to the floor today.

Ms. MAXINE WATERS of California. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from Minnesota (Mr. EMMER), another distinguished member of the House Financial Services Committee.

Mr. EMMER. Mr. Speaker, I thank the chairman.

Mr. Speaker, 22 million Americans live in manufactured homes. The majority of these homes are in rural America. In fact, more than 6 out of 10 manufactured homes are located in rural areas. In my home State of Minnesota, manufactured homes are the State's largest source of affordable homeownership.

Unfortunately, a provision in Dodd-Frank has put homeownership out of reach for these Americans. Specifically, Dodd-Frank and the CFPB modified the criteria and expanded the types of loans from lenders to manufactured home buyers, which are considered to be ''high cost.''

As a direct result, lenders are struggling to make these loans because of a high legal risk associated with this ''high cost'' definition, ultimately harming low-income buyers in Minnesota. The consumers are being harmed in Minnesota and around the country.

This is why Republicans and Democrats have come together in support of H.R. 1699, the Preserving Access to Manufactured Housing Act, authored by the gentleman from Kentucky (Mr. BARR), our friend, to help millions of Americans become homeowners.

This legislation provides clarity and certainty regarding the changes made by Dodd-Frank and the CFPB. H.R. 1699 will ensure that home buyers in rural and low-income areas are able to afford manufactured housing and are not unfairly targeted by the very agency that was created to protect them.

Mr. Speaker, when it comes to achieving the American Dream, government should not be standing in the way. As Members of Congress, it is our duty to stand up for and against this continued overreach, support the American Dream, and vote ''yes'' for H.R. 1699.

Ms. MAXINE WATERS of California. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from Georgia (Mr. LOUDERMILK), a distinguished member of the Financial Services Committee.

Mr. LOUDERMILK. Mr. Speaker, I thank the chairman for yielding time.

Clearly, Mr. Speaker, the overregulation of Dodd-Frank, coupled with unfettered agencies like the CFPB, have hurt Americans from Wall Street to Main Street. But today, Mr. Speaker, I am not here to talk about Wall Street or Main Street but a little two-lane street in Cassville, Georgia, named "Mac Johnson."

Cassville is a rural community that has a small post office, a little country store, and a lot of hardworking people who call it their home. Many of the people who live in Cassville work at one of the many factories in the local area.

While these hardworking Americans are not the upper middle class, they are the backbone of America's economy. And like 22 million other Americans, many of them live in a manufactured home. Along Mac Johnson, you will find a number of manufactured homes—some on individual lots, some on farmland, and some in quaint, little mobile home parks.

As it is across the Nation, almost half of those living in these homes have incomes of less than $30,000 a year, and many are retired or disabled. Historically, manufactured homes have allowed families, who couldn't afford the cost of a traditionally constructed house, the ability to achieve the American Dream.

However, the CFPB has expanded enforcement of regulations that were designed for mortgage lending on traditional homes to include manufactured home retailers. This has made it much more difficult for consumers to obtain financing for these homes.

□ 1015

Mr. Speaker, this bill reins in Federal regulations just enough to give needed relief to the manufactured housing industry and allow families access to these affordable homes.

I fully support this bipartisan bill, which gained the support of two-thirds of the Financial Services Committee industry, and I commend my colleague from the great State of Kentucky for bringing this bill forward.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. CROWLEY), the chair of the Democratic Caucus.

Mr. CROWLEY. Mr. Speaker, I thank the gentlewoman from California for yielding me this time.

This bill before us today, H.R. 1699, as I understand it, would eliminate the safeguards for manufactured homes that were put in place to protect consumers through the Dodd-Frank legislation, which included the creation of the Consumer Financial Protection Bureau.

The American people are looking at us and asking: What is Congress doing?

After everything went down after the 2008 crash, we saw how irresponsible folks on Wall Street were, many within the banking industry, the nonbank banks, and what they were doing. And the answer here is to take away even further protection for the American consumer.

The attack on the Consumer Financial Protection Bureau is an attack on everything America stands for. More than 12 billion in ill-gotten gains have been returned to the American taxpayer through the CFPB.

The CFPB stands up for them when others have let them down. So, naturally, from its inception, the Republicans have done everything they possibly could to knee-cap this important agency. Now a Republican White House is attempting to destroy it from the inside out.

The Great Recession brought millions of Americans a foreclosure notice and a pink slip, through no fault of their own. They were victims of a financial system that didn't look out for consumers. There weren't enough referees on the playing field, but they did look out for big banks.

The SPEAKER pro tempore (Mr. ROGERS of Kentucky). The time of the gentleman has expired.

Ms. MAXINE WATERS of California. Mr. Speaker, will Mr. HENSARLING yield that time he promised to yield me so I may yield it to Mr. CROWLEY?

Mr. HENSARLING. Mr. Speaker, regrettably, I don't have enough time for the ranking member. On this side of the aisle, we are fully subscribed. I have lots of Members who wish to speak in favor of this bill.

Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina (Mr. BUDD), yet another distinguished member of the Financial Services Committee.

Mr. BUDD. Mr. Speaker, I thank the chairman for yielding. I thank my friend, the gentleman from Kentucky (Mr. BARR), for his leadership on this vital issue.

Mr. Speaker, in regulation and in life, one size simply does not fit all. A requirement that works for one type of business may not work for another type of business.

Right now, the law treats those who make loans on manufactured houses similarly to those who are refinancing mortgages on their homes. The reality is that these are completely different transactions.

Buying a $20,000 manufactured home is simply not the same as financing a $200,000 home with a 30-year mortgage. The borrower is in a different position with very different needs. The lender is making a loan that is often secured differently for a much smaller amount, but with similar paperwork and similar costs.

The Federal Government, since Dodd-Frank, has been treating both of these transactions similarly from a regulation perspective. It has hurt borrowers trying to buy a piece of their American Dream.

In The Wall Street Journal, lenders suggested that they would not make these loans if they continued to suffer under this faulty regulation scenario. One lender says that about one-third of its sales—6,100 homes—would be affected. That is 6,100 American families who would lose out on homeownership, on building equity, and on making an investment instead of paying rent.

The bill simply says: Look, the person making a $20,000 loan on a manufactured home is not the same as a bank or a mortgage broker originating a 30-year fixed rate mortgage and should not be treated in the same way. It is a commonsense solution, and that is why it has gotten bipartisan backing.

Mr. Speaker, I urge support of the bill.

Ms. MAXINE WATERS of California. Mr. Speaker, may I inquire as to how much time I have remaining?

The SPEAKER pro tempore. The gentlewoman from California has 30 seconds remaining.

Ms. MAXINE WATERS of California. Mr. Speaker, you have heard the debate on this bill, and I think everyone can easily recognize that we, on this side of the aisle, are trying to protect our most vulnerable consumers. People who live in manufactured housing and mobile homes in trailer parks need to be respected and given the same protections as anybody else with a mortgage.

I would say to those who are here supporting a bill that would allow interest rates on these mobile homes and on this manufactured housing to increase with no protections are putting their constituents at risk.

Mr. Speaker, I ask for a big "no" vote on this bill, and I yield back the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from Tennessee (Mr. KUSTOFF), a member of the Financial Services Committee.

Mr. KUSTOFF of Tennessee. Mr. Speaker, I rise today in support of the Preserving Access to Manufactured Housing Act of 2017, legislation of which I am proud to be an original cosponsor.

In west Tennessee, where I am from, and in other rural areas across the country, there is no doubt that manufactured housing is a critical and affordable option for many families. In fact, more than 8½ million families—that is roughly 22 million Americans—have chosen this option because of the affordability and the value. Where I am from, one out of ten west Tennesseans has chosen manufactured housing as the best option to make their home.

For this reason, our legislation is essential to protecting consumer choices and financing options for those seeking to buy a manufactured home, while also leaving in place important consumer protections.

In fact, close to 60 percent of new manufactured homes sell for less than $70,000, and are usually available at lower monthly payments than what it costs to rent. Manufactured homes are offered as a fixed rate, fixed term option.

Mr. Speaker, I am pleased to support this commonsense, bipartisan legislation, which will allow many Americans seeking the American Dream of owning a home to continue to have access to affordable manufactured housing.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the distinguished gentleman from South Carolina (Mr. NORMAN), a member of the Small Business Committee.

Mr. NORMAN. Mr. Speaker, I rise today in full support of H.R. 1699. I spent 40 years of my career developing land and actually buying manufactured housing, which makes it possible for families who cannot afford a stick-built home, in many cases, to be able to buy a manufactured house. I have seen firsthand the critical role that manufactured housing plays in the development of local communities and the ability for a family to buy their first home.

As we have seen far too often, regulatory overreach by the Consumer Financial Protection Bureau has impeded and stopped, in many cases, the ability for consumers to receive financing for manufactured housing, and has placed unnecessary requirements on retailers. This legislation addresses this overreach by making commonsense reforms to increase the availability and financing for manufactured housing, while maintaining important protections for consumers.

Mr. Speaker, I urge my colleagues to support this important legislation.

Mr. HENSARLING. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER pro tempore. The gentleman from Texas has 2¼ minutes remaining.

Mr. HENSARLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, what we have heard this morning, unfortunately, is an assault on affordable housing from too many people on the other side of the aisle. We have Washington elites who are deciding that low-income people are too stupid to make decisions for themselves. We have too many people on the other side of the aisle, Mr. Speaker, who want to take them out of their affordable homes—manufactured homes—and are saying: No, go rent, go find someplace on the street.

Here is the reality: when Washington elites at the Orwellian named Consumer Financial Protection Bureau decided to make these manufactured housing loans ''high cost,'' we saw a 22 percent drop in these type of loans being made. But what we know is that this is vital for so many working Americans.

I heard from one consumer in Windsor, New York:

I was falling behind on my own site-built mortgage payments. I was drowning in debt. I needed a cheaper housing alternative that would meet the needs of my family. The manufactured home payment cut my overall housing expense by 57 percent.

Mr. Speaker, that is just one example. I have story after story from consumers who this is their only option for affordable housing. But too many of my friends on the other side of the aisle say: No, no, we can't allow you to do that. You might pay a little higher interest rate.

Well, here is a news flash, Mr. Speaker: their monthly payment is lower and they get to own their own home.

Washington elites have tried price controls before. They have been tried since the dawn of man, and it always leads to shortages.

We don't want to shortchange working Americans for affordable housing. We want to protect the vulnerable in society and we want to allow them to have affordable housing. That is why it is so important that today we pass H.R. 1699. Protect affordable housing, protect freedom, and let's vote this in today.

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

Ms. SINEMA. Mr. Speaker, thank you to Chairman HENSARLING and Congressman BARR for working with me to make housing more affordable for Arizona families.

Mr. Speaker, I rise in support of H.R. 1699, the Preserving Access to Manufactured Housing Act. Manufactured housing is an important form of affordable housing in Arizona, particularly for rural and underserved communities. More than 300,000 families in Arizona live in manufactured homes. Low- and moderate-income families count on manufactured homes as an affordable choice.

Just last week, we had the honor of working with Habitat for Humanity to help Ed, a Vietnam veteran living in Tempe, spread gravel and improve his front yard. Ed first moved to the Valley in 1950 and bought a manufactured home a few years ago.

If Ed wanted to use his VA eligibility to purchase a home, the realtor would be able to connect Ed with a number of lenders who offer VA home loans. However, if Ed wanted to purchase a manufactured home, he would be instructed to go to a table by himself and sift through the countless brochures and loan programs to decide which lender is best. This is a daunting and discouraging process for most borrowers, especially for first-time homebuyers.

Current regulations harm existing manufactured homeowners and potential buyers by curtailing consumer access to manufactured home loans or assistance in the home-buying process. These regulations unintentionally make it more difficult to match borrowers with lenders who can help them in a timely and efficient manner.

H.R. 1699 is a commonsense fix for Ed and the hundreds of thousands of Arizonans who own or are looking to own manufactured homes. The bill ensures that regulations give homebuyers more options, better advice, and greater confidence when buying a new home. The bill also amends the definition of a high cost mortgage and corresponding thresholds to ensure that consumers of small-balance mortgage loans will have the opportunity to access mortgage credit.

It was a privilege to meet Ed and thank him for his service to our country. We should make it easier, not harder, for veterans and fellow Arizonans like him to purchase a home of their choice. I urge members of both parties to join me in supporting H.R. 1699.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 635, the previous question is ordered on the bill, as amended.

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

Ms. MAXINE WATERS of California. Mr. Speaker, I have a motion to recommit at the desk.

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

Ms. MAXINE WATERS of California. In its current form, I am.

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

The Clerk read as follows:

Ms. Maxine Waters of California moves to recommit the bill H.R. 1699 to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

Add at the end the following:

SEC. 4. PROTECTING CONSUMERS FROM EXCESSIVE HOUSING COSTS AND PREDATORY LENDERS.

(a) IN GENERAL.—No lender or other person may make use of the amendments made by this Act if the lender or person has either been—

(1) found to have committed or engaged in an unfair, deceptive, or abusive act or practice under Federal law in connection with any transaction with a consumer for a consumer financial product or service; or

(2) convicted of fraud under Federal or State law in connection with a residential mortgage loan or the extension of any loan in connection with a manufactured or modular home.

(b) DEFINITIONS.—For purposes of this section, the terms ''State'' and ''consumer financial product or service'' have the meaning given those terms, respectively, under section 1002 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Ms. MAXINE WATERS of California (during the reading). Mr. Speaker, I ask unanimous consent that the reading be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California is recognized for 5 minutes in support of her motion.

Ms. MAXINE WATERS of California. Mr. Speaker, my amendment is simple. It would prevent bad actors from being able to use the exemptions in the underlying bill and evade the consumer protections in the Truth in Lending Act.

If a lender has committed or engaged in an unfair, deceptive, or abusive act or practice under Federal law in connection with any transaction with a consumer for a consumer financial product or service; or if they have been convicted of fraud under Federal or State law in connection with a residential mortgage loan or the extension of any loan in connection with a manufactured or modular home, they cannot avail themselves of the bill's decreased scrutiny.

As I have already mentioned, Clayton Homes has nearly a monopolistic grip on manufactured housing lending. In 2010, Vanderbilt Mortgage—Clayton's lending arm—paid a $2.8 million settlement to home buyers in North Carolina, after the State attorney general and commissioner of banks accused them of fraud for utilizing inaccurate information to obtain loans for consumers and for inflating the prices of manufactured homes.

□ 1030

This is the type of abuse that my amendment seeks to address. Making sure that lenders who have engaged in abusive practices abide by the rules set forth in Dodd-Frank and carried out by the Consumer Bureau is especially important now that the Trump administration is attempting to undermine the independence of the agency.

After the illegal move to install Mick Mulvaney as acting Director and then his quick move to freeze all the hiring, the supervision, and new regulations at the Consumer Bureau, it is clear that abusive financial institutions that simply rip off consumers will have free rein to continue harming them. That includes not only conglomerates like Clayton Homes, but repeat offenders, such as Wells Fargo, an institution that has illegally modified mortgages, charged fraudulent mortgage rates, and steered borrowers into predatory mortgage loans.

American families deserve better.

At an absolute minimum, a lender who has already proven that they cannot be trusted to originate responsible loans should not be awarded with diminished standards, particularly in an industry like manufactured housing, which is typically the only affordable option for many financially vulnerable consumers.

Mr. Speaker, time and time again, my colleagues on the opposite side of the aisle talk about how they are for Main Street America and for the rural communities that Democrats have forgotten. So why is it that they want to allow bad actors to prey upon rural families?

According to the Housing Assistance Council, while manufactured housing only makes up 6 percent of all housing nationally, it makes up 14 to 15 percent in rural and small town communities. We need to be doing more to help rural families, not making it easier for bad actors to just rip them off.

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

Mr. HENSARLING. Mr. Speaker, I claim the time in opposition to the amendment.

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

Mr. HENSARLING. Mr. Speaker, this is a vaguely worded and unneeded MTR.

We continue to hear from our friends from the other side of the aisle that we don't have sufficient consumer protections in place, but I wonder how denying a low-income family access to credit to buy an affordable home is somehow construed as consumer protection. I wonder how denying a low-income family the ability to own a home at a lower cost with a lower monthly payment somehow can be construed as consumer protection. I wonder how a policy that has led to a 22 percent drop in the availability of manufactured housing credit can somehow be construed as consumer protection.

Only in Washington could you have such an absurd result, but I have good news for all Members of the House. After the passage of H.R. 1699, guess what. Manufactured housing loans will still be subject to the Equal Credit Opportunity Act. They will still be subject to the Fair Housing Act. They will still be subject to the Fair Credit Reporting Act. They will still be subject to the Truth in Lending Act. They will still be subject to the Home Mortgage Disclosure Act. They will still be subject to the Real Estate Settlement Procedures Act. And the list, Mr. Speaker, goes on and on and on.

What we have heard is an attempt again by Washington elites to take away affordable housing. No one who votes against H.R. 1699 ought to be able to look themselves in the mirror and claim they are an advocate for affordable housing, not when they take it away, not when we have seen a 22 percent decrease after the actions of the elites at the so-called Consumer Financial Protection Bureau. It shouldn't be done.

It is time to reject this motion to recommit. It is time to stand for low- and moderate-income Americans. It is time to stand for affordable housing. It is time for us to vote for H.R. 1699.

Mr. Speaker, 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 question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Ms. MAXINE WATERS of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on:

Passage of the bill, if ordered; and

Agreeing to the Speaker's approval of the Journal, if ordered.

The vote was taken by electronic device, and there were—yeas 193, nays 227, not voting 13, as follows:

[Roll No. 650]

YEAS—193

Adams
Aguilar
Amodei
Barragán
Bass
Beatty
Bera
Beyer
Bishop (GA)
Blum
Blumenauer
Blunt Rochester
Bonamici
Boyle, Brendan F.
Brady (PA)
Brown (MD)
Brownley (CA)
Bustos
Butterfield
Capuano
Carbajal
Cárdenas
Carson (IN)
Cartwright
Castor (FL)
Castro (TX)
Chu, Judy
Cicilline
Clark (MA)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly
Cooper
Correa
Costa
Courtney
Crist
Crowley
Cuellar
Cummings
Davis (CA)
Davis, Danny
DeFazio
DeGette
Delaney
DeLauro
DelBene
Demings
DeSaulnier
Deutch
Dingell
Doggett
Doyle, Michael F.
Ellison
Engel
Eshoo
Espaillat
Esty (CT)
Evans
Foster
Frankel (FL)
Fudge
Gabbard
Gallego
Garamendi
Gomez
Gonzalez (TX)
Gottheimer
Green, Al
Green, Gene
Grijalva
Gutiérrez
Hanabusa
Hastings
Heck
Higgins (NY)
Himes
Hoyer
Huffman
Jackson Lee
Jayapal
Jeffries
Johnson (GA)
Johnson, E. B.
Jones
Kaptur
Keating
Kelly (IL)
Khanna
Kihuen
Kildee
Kilmer
Kind
Krishnamoorthi
Kuster (NH)
Langevin
Larsen (WA)
Larson (CT)
Lawrence
Lawson (FL)
Lee
Levin
Lewis (GA)
Lieu, Ted
Lipinski
Loebsack
Lofgren
Lowenthal
Lowey
Lujan Grisham, M.
Luján, Ben Ray
Lynch
Maloney, Carolyn B.
Maloney, Sean
Matsui
McCollum
McEachin
McGovern
McNerney
Meeks
Meng
Moore
Moulton
Murphy (FL)
Nadler
Napolitano
Neal
Nolan
Norcross
O'Halleran
O'Rourke
Pallone
Panetta
Pascrell
Payne
Pelosi
Perlmutter
Peters
Peterson
Pingree
Polis
Price (NC)
Raskin
Rice (NY)
Richmond
Rosen
Roybal-Allard
Ruiz
Ruppersberger
Rush
Ryan (OH)
Sánchez
Sarbanes
Schakowsky
Schiff
Schneider
Schrader
Scott (VA)
Scott, David
Serrano
Sewell (AL)
Shea-Porter
Sherman
Sinema
Sires
Slaughter
Smith (WA)
Soto
Speier
Suozzi
Swalwell (CA)
Takano
Thompson (CA)
Thompson (MS)
Titus
Tonko
Torres
Tsongas
Vargas
Veasey
Vela
Velázquez
Visclosky
Walz
Wasserman Schultz
Waters, Maxine
Watson Coleman
Welch
Wilson (FL)
Yarmuth

NAYS—227

Abraham
Aderholt
Allen
Amash
Arrington
Babin
Bacon
Banks (IN)
Barletta
Barr
Barton
Bergman
Biggs
Bilirakis
Bishop (MI)
Bishop (UT)
Black
Blackburn
Bost
Brady (TX)
Brat
Brooks (AL)
Brooks (IN)
Buchanan
Buck
Bucshon
Budd
Burgess
Byrne
Calvert
Carter (GA)
Carter (TX)
Chabot
Cheney
Coffman
Cole
Collins (GA)
Collins (NY)
Comer
Comstock
Conaway
Cook
Costello (PA)
Cramer
Crawford
Culberson
Curbelo (FL)
Curtis
Davidson
Davis, Rodney
Denham
Dent
DeSantis
DesJarlais
Diaz-Balart
Donovan
Duffy
Duncan (SC)
Duncan (TN)
Dunn
Emmer
Estes (KS)
Farenthold
Faso
Ferguson
Fitzpatrick
Fleischmann
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gaetz

Gallagher
Garrett
Gianforte
Gibbs
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (LA)
Graves (MO)
Griffith
Grothman
Guthrie
Handel
Harper
Harris
Hartzler
Hensarling
Herrera Beutler
Hice, Jody B.
Higgins (LA)
Hill
Holding
Hollingsworth
Hudson
Huizenga
Hultgren
Hunter
Hurd
Issa
Jenkins (KS)
Jenkins (WV)
Johnson (LA)
Johnson (OH)
Johnson, Sam
Jordan
Joyce (OH)
Katko
Kelly (MS)
Kelly (PA)
King (IA)
King (NY)
Kinzinger
Knight
Kustoff (TN)
LaHood
LaMalfa
Lamborn
Lance
Latta
Lewis (MN)
LoBiondo
Long
Loudermilk
Love
Lucas
Luetkemeyer
Marino
Marshall
Massie
Mast
McCarthy
McCaul
McClintock
McHenry
McKinley
McMorris Rodgers
McSally
Meadows
Meehan
Messer
Mitchell
Moolenaar
Mooney (WV)
Mullin
Newhouse
Noem
Norman
Nunes
Olson
Palazzo
Palmer
Paulsen
Pearce
Perry
Pittenger
Poe (TX)
Poliquin
Ratcliffe
Reed
Reichert
Rice (SC)
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rohrabacher
Rokita
Rooney, Francis
Rooney, Thomas J.
Ros-Lehtinen
Roskam
Ross
Rothfus
Rouzer
Royce (CA)
Russell
Rutherford
Sanford
Scalise
Schweikert
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson
Smith (MO)
Smith (NE)
Smith (NJ)
Smith (TX)
Smucker
Stefanik
Stewart
Stivers
Tenney
Thompson (PA)
Thornberry
Tiberi
Tipton
Trott
Turner
Upton
Valadao
Wagner
Walberg
Walden
Walker
Walorski
Walters, Mimi
Weber (TX)
Wenstrup
Westerman
Williams
Wilson (SC)
Wittman
Womack
Woodall
Yoder
Yoho
Young (AK)
Young (IA)
Zeldin

NOT VOTING—13

Bridenstine
Conyers
Flores
Kennedy
Labrador
MacArthur
Marchant
Pocan
Posey
Quigley
Renacci
Taylor
Webster (FL)

□ 1059

Messrs. FASO, CALVERT, GOODLATTE, KATKO, WITTMAN, and COOK changed their vote from ''yea'' to ''nay.''

Messrs. CASTRO of Texas, CICILLINE, McEACHIN, KILMER, SCHNEIDER, DOGGETT, Mrs. LAWRENCE, Messrs. ELLISON, SARBANES, and GONZALEZ of Texas changed their vote from ''nay'' to ''yea.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. AMODEI. Mr. Speaker, I intended to vote "nay" on rollcall No. 650.

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

Ms. MAXINE WATERS of California. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 256, noes 163, not voting 14, as follows:

[Roll No. 651]

AYES—256

Abraham
Aderholt
Allen
Amash
Amodei
Arrington
Babin
Bacon
Banks (IN)
Barletta
Barr
Barton
Bergman
Biggs
Bilirakis
Bishop (GA)
Bishop (MI)
Bishop (UT)
Black
Blackburn
Blum
Bost
Brady (TX)
Brat
Brooks (AL)
Brooks (IN)
Buchanan
Buck
Bucshon
Budd
Burgess
Byrne
Calvert
Carbajal
Carter (GA)
Carter (TX)
Chabot
Cheney
Coffman
Cole
Collins (GA)
Collins (NY)
Comer
Comstock
Conaway
Cook
Correa
Costa
Costello (PA)
Cramer
Crawford
Cuellar
Culberson
Curbelo (FL)
Curtis
Davidson
Davis, Rodney
DeFazio
Delaney
Denham
Dent
DeSantis
DesJarlais
Diaz-Balart
Donovan
Duffy
Duncan (SC)
Duncan (TN)
Dunn
Emmer
Estes (KS)
Farenthold
Faso
Ferguson
Fitzpatrick
Fleischmann
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gaetz
Gallagher
Garrett
Gianforte
Gibbs
Gohmert
Gonzalez (TX)
Goodlatte
Gosar
Gottheimer
Gowdy
Granger
Graves (GA)
Graves (LA)
Graves (MO)
Griffith
Grothman
Guthrie
Handel
Harper
Harris
Hartzler
Hensarling
Herrera Beutler
Hice, Jody B.
Higgins (LA)
Hill
Holding
Hollingsworth
Hudson
Huizenga
Hultgren
Hunter
Hurd
Issa
Jenkins (KS)
Jenkins (WV)
Johnson (LA)
Johnson (OH)
Johnson, Sam
Jordan
Joyce (OH)
Katko
Kelly (MS)
Kelly (PA)
Kind
King (IA)
King (NY)
Kinzinger
Knight
Kustoff (TN)
LaHood
LaMalfa
Lamborn
Lance
Latta
Lewis (MN)
LoBiondo
Long
Loudermilk
Love
Lucas
Luetkemeyer
Marino
Marshall
Massie
Mast
McCarthy
McCaul
McClintock
McHenry
McKinley
McMorris Rodgers
McSally
Meadows
Meehan
Meeks
Messer
Mitchell
Moolenaar
Mooney (WV)
Moulton
Mullin
Murphy (FL)
Newhouse
Noem
Norman
Nunes
O'Halleran
Olson
Palazzo
Palmer
Panetta
Paulsen
Pearce
Perry
Peters
Peterson
Pittenger
Poe (TX)
Poliquin
Polis
Ratcliffe
Reed
Reichert
Rice (NY)
Rice (SC)
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rohrabacher
Rokita
Rooney, Francis
Rooney, Thomas J.
Ros-Lehtinen
Rosen
Roskam
Ross
Rothfus
Rouzer
Royce (CA)
Ruppersberger
Russell
Rutherford
Sanford
Scalise
Schneider
Schweikert
Scott, Austin
Scott, David
Sensenbrenner
Sessions
Sewell (AL)
Sherman
Shimkus
Shuster
Simpson
Sinema
Smith (MO)
Smith (NE)
Smith (NJ)
Smith (TX)
Smucker
Stefanik
Stewart
Stivers
Suozzi
Tenney
Thompson (PA)
Thornberry
Tiberi
Tipton
Trott
Turner
Upton
Valadao
Wagner
Walberg
Walden
Walker
Walorski
Walters, Mimi
Weber (TX)
Wenstrup
Westerman
Williams
Wilson (SC)
Wittman
Womack
Woodall
Yoder
Yoho
Young (AK)
Young (IA)
Zeldin

NOES—163

Adams
Aguilar
Barragán
Bass
Beatty
Bera
Beyer
Blumenauer
Blunt Rochester
Bonamici
Boyle, Brendan F.
Brady (PA)
Brown (MD)
Brownley (CA)
Bustos
Butterfield
Capuano
Cárdenas
Carson (IN)
Cartwright
Castor (FL)
Castro (TX)
Chu, Judy
Cicilline
Clark (MA)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen
Connolly
Cooper
Courtney
Crist
Crowley
Cummings
Davis (CA)
Davis, Danny
DeGette
DeLauro
DelBene
Demings
DeSaulnier
Deutch
Dingell
Doggett
Doyle, Michael F.
Ellison
Engel
Eshoo
Espaillat
Esty (CT)
Evans
Foster
Fudge
Gabbard
Gallego
Garamendi
Gomez
Green, Al
Green, Gene
Grijalva
Gutiérrez
Hanabusa
Hastings
Heck
Higgins (NY)
Himes
Hoyer
Huffman
Jackson Lee
Jayapal
Jeffries
Johnson (GA)
Johnson, E. B.
Jones
Kaptur
Keating
Kelly (IL)
Khanna
Kihuen
Kildee
Kilmer
Krishnamoorthi
Kuster (NH)
Langevin
Larsen (WA)
Larson (CT)
Lawrence
Lawson (FL)
Lee
Levin
Lewis (GA)
Lieu, Ted
Lipinski
Loebsack
Lofgren
Lowenthal
Lowey
Lujan Grisham, M.
Luján, Ben Ray
Lynch
Maloney, Carolyn B.
Maloney, Sean
Matsui
McCollum
McEachin
McGovern
McNerney
Meng
Moore
Nadler
Napolitano
Neal
Nolan
Norcross
O'Rourke
Pallone
Pascrell
Payne
Pelosi
Perlmutter
Pingree
Price (NC)
Raskin
Richmond
Roybal-Allard
Ruiz
Rush
Ryan (OH)
Sánchez
Sarbanes
Schakowsky
Schiff
Schrader
Scott (VA)
Serrano
Shea-Porter
Sires
Slaughter
Smith (WA)
Soto
Speier
Swalwell (CA)
Takano
Thompson (CA)
Thompson (MS)
Titus
Tonko
Torres
Tsongas
Vargas
Veasey
Vela
Velázquez
Visclosky
Walz
Wasserman Schultz
Waters, Maxine
Watson Coleman
Welch
Wilson (FL)
Yarmuth

NOT VOTING—14

Bridenstine
Conyers
Flores
Frankel (FL)
Kennedy
Labrador
MacArthur
Marchant
Pocan
Posey
Quigley
Renacci
Taylor
Webster (FL)

□ 1110

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 against:

Ms. FRANKEL of Florida. Mr. Speaker, I must leave for a funeral. Had I been present, I would have voted "nay" on rollcall No. 651.

PERSONAL EXPLANATION

Mr. WEBSTER of Florida. Mr. Speaker, I missed Friday's votes to be in Florida with my wife while she had surgery. Had I been present, I would have voted "nay" on rollcall No. 650 and "yea" on rollcall No. 651.

THE JOURNAL

The SPEAKER pro tempore. The unfinished business is the question on agreeing to the Speaker's approval of the Journal, which the Chair will put de novo.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

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