

that Rep. Justin Amash has resigned as a member of the House Republican Conference.
Sincerely,

LIZ CHENEY,
Chair, House Republican Conference.

COMMUNICATION FROM THE
SPEAKER

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

SPEAKER OF THE HOUSE,
July 9, 2019.

Hon. ELIJAH CUMMINGS,
*Rayburn House Office Building,
Washington, DC.*

DEAR CHAIRMAN CUMMINGS: This letter is to advise you that Representative JUSTIN AMASH's election to the Committee on Oversight and Reform has been automatically vacated pursuant to clause 5(b) of rule X effective today.

Best regards,

NANCY PELOSI,
Speaker of the House.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 4:30 p.m. today.

Accordingly (at 2 o'clock and 6 minutes p.m.), the House stood in recess.

□ 1631

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CUELLAR) at 4 o'clock and 31 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or votes objected to under clause 6 of rule XX.

The House will resume proceedings on postponed questions at a later time.

PROTECTING AFFORDABLE MORTGAGES FOR VETERANS ACT OF 2019

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1988) to clarify seasoning requirements for certain refinanced mortgage loans, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1988

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 "Protecting Affordable Mortgages for Veterans Act of 2019".

SEC. 2. SEASONING REQUIREMENTS FOR CERTAIN REFINANCED MORTGAGE LOANS.

(a) GINNIE MAE.—Paragraph (1) of section 306(g) of the National Housing Act (12 U.S.C.

1721(g)(1)) is amended by striking the second sentence (as added by section 309(b) of Public Law 115-174).

(b) VETERANS LOANS.—Section 3709 of title 38, United States Code, is amended by striking subsection (c) and inserting the following:

“(c) LOAN SEASONING.—Except as provided in subsection (d) and notwithstanding section 3703 of this title or any other provision of law, a loan to a veteran for a purpose specified in section 3710 of this title that is a refinancing may not be guaranteed or insured under this chapter until the date that is the later of—

“(1) the date on which the borrower has made at least six consecutive monthly payments on the loan being refinanced; and

“(2) the date that is 210 days after the first payment due date of the loan being refinanced.”.

(c) RULE OF CONSTRUCTION.—Nothing in this Act may be construed to restrict or otherwise modify the authorities of the Government National Mortgage Association.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Kentucky (Mr. BARR) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

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

There was no objection.

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

Mr. Speaker, last year, when Congress passed S. 2155, it included as section 309 a bill sponsored by Senators TILLIS and WARREN titled Protecting Veterans from Predatory Lending Act of 2018.

That provision put new requirements in place to protect veteran borrowers from the aggressive and deceptive marketing practices of lenders pushing mortgage refinancing deals.

However, the drafting of this provision caused some unintended consequences; specifically, an estimated 2,500 loans that were in full compliance with all requirements at the time were later denied Ginnie securitization simply because they were in the process of being refinanced or securitized when the law became effective.

Senators WARREN and TILLIS weighed in with Ginnie Mae, stating that it was not their intention to orphan those loans and have urged Ginnie Mae to address the issue.

However, Ginnie believes legislation is needed to grandfather these orphaned loans and address other administrative issues that have resulted from the slight differences between the new requirements in S. 2155 and Ginnie's prior requirements.

That is why we are here today with the bill from the gentleman from Georgia, H.R. 1988, which is a reasonable

step to address what were clearly unintended consequences of the previous legislation. I am pleased to support this bill.

Mr. Speaker, I thank Mr. SCOTT and Mr. ZELDIN for introducing this bill, urge Members to vote "yes," and I reserve the balance of my time.

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

Mr. Speaker, I rise in support of H.R. 1988, the Protecting Affordable Mortgages for Veterans Act, introduced by my friend, the gentleman from Georgia (Mr. DAVID SCOTT).

This bill is an important continuation of work that our colleague LEE ZELDIN from Long Island, who is a lieutenant colonel in the Army Reserve, started last Congress to better protect our Nation's veterans from financial fraud.

This Congress, I was pleased to join Congressmen SCOTT and ZELDIN as an original cosponsor of this legislation, along with my colleague on the House Veterans' Affairs Committee, Congressman LEVIN, to assist with advancing this bill through both this committee, the Financial Services Committee, and the House Veterans' Affairs Committee.

Last year, Congress enacted S. 2155, the most pro-growth banking bill in a generation. Section 309 of that legislation included a provision to impose a new seasoning requirement for the securitization of loans insured by the VA.

This provision addresses the questionable practice of churning; that is, the refinancing of a home loan over and over again just to generate fees and profits for lenders with a slight short-term benefit for the borrower but at an increased life-of-the-loan cost.

Unfortunately, that provision created a technical issue for a group of VA loans that fell into no-man's land, if you will, between the date on which the mortgage was issued and the technical requirements of the new law, increasing the risk to lenders and making the loans less attractive to investors.

Congressmen ZELDIN and SCOTT took quick action to correct this unintended consequence, but Congress ran out of time last year and it did not become law.

The bill we are considering today, H.R. 1988, is a continuation of their efforts to address this unintended problem and ensure that these VA loans receive the equitable treatment they deserve.

To some, this bill today might seem to be just a technical fix, but it is an important one. Our Nation's veterans should not be subject to suspect practices like churning.

I am pleased that this bill, along with the ongoing efforts of the VA loan securitizer Ginnie Mae, will stamp out churning and better protect veterans.

Mr. Speaker, I urge my colleagues to support H.R. 1988 and, once again, commend my colleague from Georgia (Mr.

DAVID SCOTT), and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. DAVID SCOTT), a senior member of the Committee on Financial Services and sponsor of H.R. 1988.

Mr. DAVID SCOTT of Georgia. Mr. Speaker, I thank Chairwoman WATERS for her support and encouragement to us to continue this.

Mr. Speaker, I want to make this opening statement because it is very important for us to realize the importance of this bill because, today, according to the latest data from the Veterans Administration, we are losing 20 of our military veterans every single day to suicide.

This is a clarion call from our veterans for help, and what we are doing today is one small step. But, as I will explain as I go on, we are doing much, much more because we need to bring this suicide rate to a stop.

So much of it is caused by disappointment, discouragement, and giving up. But, after today, with this vote, we will send a powerful message to this Nation and especially to our precious veterans that help is indeed on the way.

Now, I first of all want to thank my bipartisan friends Mr. ANDY BARR, Mr. ZELDIN, all of them, for this is truly a bipartisan effort, and I thank them for their support as we move forward with this.

Now, Mr. Speaker, I want to take my time and I want to go through this, and I want folks to really understand why this is so important. Mr. BARR touched on it.

Last year, when Congress passed S. 2155, which was called the Economic Growth, Regulatory Relief, and Consumer Protection Act, it included a set of bipartisan reforms to refinancing requirements for loans to protect our veterans from the predatory act of loan churning.

Mr. Speaker, this shows you the deviousness of it, that here you have these predatory lenders who are out here targeting our veterans and charging them over and over for the same payment on these refinancings.

How devious—how evil—can you be to do this to our veterans over and over again? And they do this to generate these fees and profits for these predatory lenders, while offering little to no benefit for our veteran homeowners—just using them.

So, in order to prevent this, S. 2155 codified new refinancing requirements, requiring lenders to demonstrate a material benefit to consumers when financing their mortgages and allowing for the initial loan to mature for at least 210 days before a borrower can refinance.

Now, these reforms were necessary to ensure that our veterans are adequately protected from these bad actors, these predatory lenders, so that our veterans can have access to the

safe and affordable homeownership opportunities that they have earned and deserve.

Upon implementation of S. 2155, however, as Mr. BARR mentioned, a technical error in the language of S. 2155 caused a deviation in how this 210-day seasoning period was calculated, between what was written in the text and the requirement in place at Ginnie Mae.

For those who may not know, Ginnie Mae is the Government National Mortgage Association.

Now, this, combined with the lack of clarity around time lines to implement these new requirements, has caused 2,500 refinanced veteran loans that met Federal requirements at the time of closing and were guaranteed by the VA to be barred from this Government National Mortgage Association, Ginnie Mae's securitization, which resulted in making these veteran loans orphan loans.

They are there but no longer eligible for the secondary investment market opportunities that they deserve, despite meeting all Federal requirements, as well as backing from the VA, and it is clear that it was not the intent of Congress to orphan these veteran loans.

But, rather, our intent when we passed the Senate bill was to ensure that there were strong and enduring protections in place to prevent future loan churning.

Can you imagine somebody sending you a bill and you paying for the same thing over and over? How evil is that?

This bill that we have today will put a stop to that predatory type lending and the abuse that it has caused our veterans.

And this is also necessary, Mr. Speaker, because it preserves liquidity while maintaining strong refinancing requirements to keep these bad actors out and ensuring that our veterans, our men and women of the military who have served our country through their outstanding bravery, their courage, their great sacrifice for us, have access now to safe and affordable home ownership opportunities.

□ 1645

Mr. Speaker, without this needed legislative fix, VA lenders may need to sell or refinance these mortgages at a loss, causing damage to the VA home loan market and potentially hindering their ability to originate similar loans in the future or raising borrowing costs and rates for other qualified veterans who will be suffering the same abuse.

Mr. Speaker, as I mentioned before, I am especially proud to have worked with my colleagues on this: Mr. LEE ZELDIN on the Financial Services Committee; Ms. WATERS, our chairwoman; and Mr. ANDY BARR, who sits on this committee. I also want to mention Mr. MIKE LEVIN, who sits on the Committee on Veterans' Affairs.

We provided bipartisan common sense to fix this for our beloved vet-

erans. Through this bipartisan work of my colleagues on these two committees, we have been able to move this bill through the House, ensuring that the dream of homeownership continues to be preserved for our Nation's precious veterans, to whom we owe the deepest debt of gratitude.

Mr. Speaker, I mentioned in my remarks about this great tragedy, and I want to take this opportunity to let veterans who may be hearing this discussion this afternoon know that this Congress stands with and around them, and there are Members of Congress that have many bills and many different programs to get financial resources.

Dr. BUCSHON, my Republican colleague, and I, for example, have a process going where we are addressing the shortage of psychiatrists. We are working with the American Psychiatric Association and the American Medical Association to pay those doctors' student tuitions and give them scholarships so that they can come into the VA to work.

For the project I am working on with my good friend, Senator JOHNNY ISAKSON over in the Senate, we are trying to get more resources to open up more health clinics for our VA. And there are other things going.

I want people to know that down in my home State of Georgia, in my district, in the next month, on August 10, the doctors, nurses, and hospitals all over Atlanta, Georgia, are coming together, giving their time, along with the top administrators from the VA. They will be there in Jonesboro at Mundy's Mill High School.

We can cut down this suicide rate. It is a shame. It is a disgrace for this country. We are doing something about it in this Congress. Members on both sides of the aisle understand that this isn't a Democratic problem or a Republican problem. It is America's problem, and our veterans deserve our help.

Mr. BARR. Mr. Speaker, again, I thank my friend, the gentleman from Georgia, for his bipartisanship and his willingness to fight for veterans. I appreciate that.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. ZELDIN), my Republican colleague on the House Financial Services Committee, a veteran himself and a servicemember who has been a champion on legislating this fix.

Mr. ZELDIN. Mr. Speaker, I thank Ranking Member BARR for his leadership, not just for yielding time. This is something that he has been working on himself, putting a lot of heart, passion, and thought into.

I thank Congressman DAVID SCOTT for his incredible leadership on this important bipartisan effort. He laid it out so eloquently just now, the many aspects of not just this issue but the need to fight for veterans.

There are many people who are here in the gallery, millions of people at home watching C-SPAN, shocked at

what they are seeing, as Republicans and Democrats in the House and the Senate work together to get a bill through committee, through the Chambers, and to the President's desk to become law. The beneficiaries will be our Nation's veterans.

I rise today to urge passage of H.R. 1988, the Protecting Affordable Mortgages for Veterans Act. It provides more than a technical fix. It is important for recently issued loans refinanced by the Department of Veterans Affairs to remain eligible for the secondary market.

This fix is essential to prevent a liquidity crisis in the veterans home loan market and ensure that the brave men and women who have served our Nation in uniform have access to affordable mortgages.

Through passage of this bill, we can ensure that VA home loans are not adversely impacted by issues in the veterans mortgage market created by the unintended consequences of S. 2155.

The Economic Growth, Regulatory Relief, and Consumer Protection Act, S. 2155, became law in May 2018 and contained some very important bipartisan reforms to protect veterans from predatory lending and deceptive marketing. These provisions are essential to protect the VA home loan market, but unclear timelines laid out in the legislation, and the way that Ginnie Mae chose to implement the requirements of the new law, have left an estimated 2,500 or more VA home loans boxed out of the secondary market.

These mortgages are now considered orphan loans because they are no longer eligible for Ginnie Mae securitization, even though they met all Federal requirements and are backed by the VA.

This bill would prevent a government-triggered liquidity crisis in the VA mortgage market by fixing this problem and restoring eligibility for these orphaned loans.

Addressing this issue ensures that veteran homeowners or prospective home buyers who have earned access to the VA home loan program through their military service aren't hurt by a fluke in S. 2155.

Without this bill, potential damage to the overall VA home loan market is likely because VA lenders may have to sell or finance these orphaned mortgages at a loss. This would have a negative impact on the brave men and women who have served our country and deserve a path to homeownership in order to achieve the American Dream.

If lenders aren't able to securitize VA home loans through Ginnie Mae, closing costs and borrowing costs could go up, and opportunities to borrow or refinance could go down.

Mr. Speaker, veterans have some of the lowest default and foreclosure rates in the Nation. They have earned access to VA home loans through their selfless service to our country.

Even one VA home loan negatively impacted by a minor mistake is one

too many when it comes to giving our veterans access to homeownership. That is why we must pass this bipartisan bill and send it to the President's desk to become law as soon as possible.

Again, I thank my lead bipartisan cosponsors, Congressmen DAVID SCOTT and ANDY BARR, and MIKE LEVIN. I thank Chairwoman WATERS for her efforts and Ranking Member MCHENRY. This was a truly bipartisan effort from the committee. Everyone came together and worked together to get to this important point, a huge bipartisan, bicameral win coming for our Nation's veterans.

I urge adoption of this important bipartisan bill.

The SPEAKER pro tempore. Members are reminded to avoid references to occupants of the gallery.

Ms. WATERS. Mr. Speaker, I would inquire, through the Chair, if my colleague has any remaining speakers on his side.

Mr. BARR. Mr. Speaker, I am prepared to close.

Ms. WATERS. Mr. Speaker, I have no further speakers, and I am prepared to close.

I reserve the balance of my time.

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

Once again, I thank the sponsor of this legislation, the gentleman from Georgia (Mr. DAVID SCOTT).

I thank the gentleman from New York (Mr. ZELDIN) for his continued leadership on this legislation.

I thank the gentleman from California (Mr. LEVIN), whom I have the privilege of serving with on the Veterans Affairs' Committee as well, for his leadership in getting this bipartisan legislation to the House floor and to this point.

I thank the chairwoman of our full committee, the gentlewoman from California (Ms. WATERS), for her leadership in helping navigate this legislation forward.

Mr. Speaker, in conclusion, this is an important piece of legislation. It is bipartisan recognition of a problem created unintentionally by a law passed last year, and it is about providing two basic protections for veterans: protecting veterans who are seeking the dream of homeownership from predatory practices and from this practice of churning, and preserving liquidity in the secondary market for VA loans, which, in a nutshell, means that our veterans will have access to more affordable housing.

Mr. Speaker, I thank my friends on the other side of the aisle, and I thank Mr. ZELDIN for his leadership.

I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

H.R. 1988 will address some unintended administrative complications that resulted from implementing laws that were put in place to help protect veterans from unscrupulous lenders.

I thank Mr. SCOTT and Mr. ZELDIN for working in a bipartisan manner to

bring H.R. 1988 before the House. I urge my colleagues to join me in supporting this bill.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 1988, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

WHISTLEBLOWER PROTECTION REFORM ACT OF 2019

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2515) to amend the Securities and Exchange Act of 1934 to amend the definition of whistleblower, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2515

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 "Whistleblower Protection Reform Act of 2019".

SEC. 2. WHISTLEBLOWER.

Section 21F of the Securities Exchange Act of 1934 (15 U.S.C. 78u-6) is amended—

(1) in subsection (a)(6)—

(A) by striking "(6) WHISTLEBLOWER.—The term" and inserting the following:

"(6) WHISTLEBLOWER.—

"(A) IN GENERAL.—The term"; and

(B) by adding the following new subparagraph at the end:

"(B) SPECIAL RULE.—Solely for the purposes of subsection (h)(1), the term 'whistleblower' shall also include any individual who takes an action described in subsection (h)(1)(A), or 2 or more individuals acting jointly who take an action described in subsection (h)(1)(A)."; and

(2) in subsection (h)(1)(A)—

(A) in clause (ii), by striking "or" at the end;

(B) in clause (iii), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(iv) in providing information regarding any conduct that the whistleblower reasonably believes constitutes a violation of any law, rule, or regulation subject to the jurisdiction of the Commission to—

"(I) a person with supervisory authority over the whistleblower at the whistleblower's employer, where such employer is an entity registered with or required to be registered with the Commission, a self-regulatory organization, or a State securities commission or office performing like functions; or

"(II) such other person working for the employer described under subclause (I) who has the authority to investigate, discover, or terminate misconduct.".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Kentucky (Mr. BARR) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.