

Mr. FRANK of Massachusetts. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. NEY. Mr. Speaker, I have no further speakers. I just want to again thank the gentlewoman from California, MAXINE WATERS; Mr. BARNEY FRANK of Massachusetts; MIKE OXLEY, the Chair; and PAT TIBERI, of course, the author of the bill.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. NEY. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, the chairman of the full committee, the gentleman from Ohio (Mr. OXLEY), is, as has been announced, retiring. I do want to say that I am very proud of the extent to which our committee has worked together cooperatively.

There are obviously points of difference. There are legitimate differences between Democrats and Republicans and liberals and conservatives.

But without subsuming those or without anybody sort of abandoning his or her principles, we have been able to find that area where there is common ground like this. I do think that the chairman of the full committee deserves an enormous amount of credit for creating the atmosphere in which we were able to both pursue our differences in a civil way and then come together where we did not have differences, but had common ground.

Mr. NEY. Mr. Speaker, reclaiming my time, this is a good day for all people throughout the United States that want to achieve homeownership.

Mr. DUNCAN. Mr. Speaker, I am in strong support of H.R. 4804, the FHA Manufactured Housing Loan Modernization Act of 2006.

Manufactured homes play an important role in serving housing needs for many Americans, especially in the district I represent in East Tennessee.

I am very proud to have a leader in the manufactured housing industry, Clayton Homes, headquartered in my district. They are a company of integrity and are now operating in over 40 states across the country.

More and more people each year are moving into my district, which is one of the fastest growing areas in the country. I can understand why so many want to move there. It is a great place to live, raise a family or start a business.

All of this growth is contributing to a crisis in affordable housing. Manufactured home prices have increased over 50 percent since 1992. In 1992 FHA Title I insured over 30,000 Title I loans. In 2004, that number was below 2,000.

Options for financing manufactured homes are very limited. Today, there are only two private lenders that participate in the FHA program. This bill will encourage more private sector participation, creating more competition with lower interest rates and costs.

The bill increases the amount that can be insured on a loan. It removes a cent portfolio cap that only allows 10 percent of the dollar value of the lender's portfolio to be insured.

Under the proposed system in H.R. 4804, a practical program will encourage more private sector participation and increase accessibility to manufactured home loans. Making these loans more accessible will help many get out of a renting situation.

This bill will allow many a chance to own a home, a very important part of the American dream. I urge my colleagues to support H.R. 4804.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. GILLMOR) that the House suspend the rules and pass the bill, H.R. 4804, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

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

The yeas and nays were ordered.

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

GENERAL LEAVE

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

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

There was no objection.

EXPANDING AMERICAN HOMEOWNERSHIP ACT OF 2006

Mr. NEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5121) to modernize and update the National Housing Act and enable the Federal Housing Administration to use risk-based pricing to more effectively reach underserved borrowers, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5121

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Expanding American Homeownership Act of 2006".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

- Sec. 1. Short title and table of contents.
- Sec. 2. Findings and purposes.
- Sec. 3. Maximum principal loan obligation.
- Sec. 4. Extension of mortgage term.

Sec. 5. Cash investment requirement.

Sec. 6. Temporary reinstatement of down-payment requirement in event of increased defaults.

Sec. 7. Mortgage insurance premiums.

Sec. 8. Rehabilitation loans.

Sec. 9. Discretionary action.

Sec. 10. Insurance of condominiums.

Sec. 11. Mutual Mortgage Insurance Fund.

Sec. 12. Hawaiian home lands and Indian reservations.

Sec. 13. Conforming and technical amendments.

Sec. 14. Home equity conversion mortgages.

Sec. 15. Conforming loan limit in disaster areas.

Sec. 16. Participation of mortgage brokers and correspondent lenders.

Sec. 17. Sense of Congress regarding technology for financial systems.

Sec. 18. Savings provision.

Sec. 19. Implementation.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) one of the primary missions of the Federal Housing Administration (FHA) single family mortgage insurance program is to reach borrowers who are underserved, or not served, by the existing conventional mortgage marketplace;

(2) the FHA program has a long history of innovation, which includes pioneering the 30-year self-amortizing mortgage and a safe-to-seniors reverse mortgage product, both of which were once thought too risky to private lenders;

(3) the FHA single family mortgage insurance program traditionally has been a major provider of mortgage insurance for home purchases;

(4) the FHA mortgage insurance premium structure, as well as FHA's product offerings, should be revised to reflect FHA's enhanced ability to determine risk at the loan level and to allow FHA to better respond to changes in the mortgage market;

(5) during past recessions, including the oil-patch downturns in the mid-1980s, FHA remained a viable credit enhancer and was therefore instrumental in preventing a more catastrophic collapse in housing markets and a greater loss of homeowner equity; and

(6) as housing price appreciation slows and interest rates rise, many homeowners and prospective homebuyers will need the less-expensive, safer financing alternative that FHA mortgage insurance provides.

(b) PURPOSES.—The purposes of this Act are—

(1) to provide flexibility to FHA to allow for the insurance of housing loans for low- and moderate-income homebuyers during all economic cycles in the mortgage market;

(2) to modernize the FHA single family mortgage insurance program by making it more reflective of enhancements to loan-level risk assessments and changes to the mortgage market; and

(3) to adjust the loan limits for the single family mortgage insurance program to reflect rising house prices and the increased costs associated with new construction.

SEC. 3. MAXIMUM PRINCIPAL LOAN OBLIGATION.

Paragraph (2) of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended—

(1) by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

“(A) not to exceed the lesser of—

“(i) in the case of a 1-family residence, the median 1-family house price in the area, as determined by the Secretary; and in the case of a 2-, 3-, or 4-family residence, the percentage of such median price that bears the same ratio to such median price as the dollar amount limitation in effect under section