Mr. Upton moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2419 (an Act to provide for the continuation of agricultural programs through fiscal year 2012) be instructed to recede to the provisions proposed to be added to Section 9001 of the Farm Security and Rural Investment Act of 2002 in the form of a definition of ''Renewable Biomass.''

APPOINTMENT AS MEMBERS TO COMMISSION ON THE PREVENTION OF WEAPONS OF MASS DESTRUCTION PROLIFERATION AND TERRORISM

The SPEAKER pro tempore (Mr. SERRANO). Pursuant to section 1853(a) of the Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110–53), and the order of the House of January 4, 2007, the Chair announces the Speaker's appointment of the following members on the part of the House to the Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism:

Mr. Timothy J. Roemer, Great Falls, Virginia

Ms. Wendy R. Sherman, Bethesda, Maryland

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 5818, 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.

NEIGHBORHOOD STABILIZATION ACT OF 2008

The SPEAKER pro tempore. Pursuant to House Resolution 1174 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 5818.

□ 1950

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 5818) to authorize the Secretary of Housing and Urban Development to make loans to States to acquire foreclosed housing and to make grants to States for related costs, with Mrs. TAUSCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentlewoman from California (Ms. WATERS) and the gentlewoman from West Virginia (Mrs. CAPITO) each will control 30 minutes.

The Chair recognizes the gentlewoman from California.

Ms. WATERS. Madam Chairman, I yield myself as much time as I may consume.

Madam Chairman, I would like to first thank Chairman FRANK and all of the members of the Financial Services Committee, and particularly those members who serve on the subcommittee that I chair, the Subcommittee on Housing and Community Opportunity. I'm thanking Members on both sides of the aisle for helping to bring this bill to the floor today.

H.R. 5818, the Neighborhood Stabilization Act, authorizes a $15 billion HUD administrative grant and loan program to State and local governments to purchase, rehabilitate and resell or rent foreclosed homes. To understand the urgent need to enact this legislation, one need only consider the sobering figures on foreclosures recently released by RealtyTrac, which show that foreclosure filings during the first quarter of 2008 are 112 percent higher than 1 year ago, and that actual bank repossessions of homes during March were a shocking 129 percent above March 2007.

The human reality behind these numbers is revealed if you visit, as I have the past year, cities and communities in cities like Cleveland, Ohio; Detroit, Michigan; or the San Bernardino and Stockton metropolitan areas in California, where block after block is dotted by foreclosed properties, many of them suffering from neglect or actual vandalism. These abandoned and foreclosed properties drag down the value of homes still occupied by working families, and contribute to a cascade effect whereby plummeting home prices erode the tax base of State and local governments and cause real estate related industries such as the construction trades to suffer.

States and most local governments must balance their budgets each year and, as a result, 20 States have already had to make or are proposing budget cuts due largely to revenue losses resulting from the subprime crisis, which further reduces demand in the economy and deepens the recession.

On April 10, the Financial Services Committee heard from Mayor Thomas Menino of Boston, Governor Martin O'Malley of Maryland, and others, that despite severe physical constraints, many States and cities are already dedicating their own shrinking tax revenues to purchase foreclosed properties and attempt to stabilize these neighborhoods. But they are overwhelmed by the scale of the problem in comparison to their shrinking tax revenues. For this reason, the National Governors Association has stated that a ''one-time Federal funding commitment to support the acquisition and rehabilitation for foreclosed properties is vital.''

The Governors are joined in their support for the stimulus contained in H.R. 5818 by the U.S. Conference of Mayors, National Association of Counties, National Association of Local Housing Finance Agencies, and the National Council of State Housing Finance Agencies. H.R. 5818 is also endorsed by nearly 40 civil rights, community development, labor and low income housing groups, including the AFL–CIO, Catholic Charities, Lutheran Services of America, the NAACP, the National Urban League, the National Low Income Housing Coalition, and the National Foreclosure Prevention and Neighborhood Stabilization Task Force.

This bill targets assistance where it is most needed. The $7.5 billion in grants and $7.5 billion in loans would be allocated to States based on two factors: The number of foreclosures, and the number of subprime loans 90 days delinquent. This is then subject to a limited adjustment for median home prices, a bipartisan compromise that was worked out in mark-up with the committee's members from Ohio, which, like many midwestern States, has faced skyrocketing foreclosures but did not experience an extraordinary run up in housing prices.

Second, the bill puts flexible resources in the hands of government with the capacity to address the crisis and put funds on the street quickly enough to stimulate the economy. Rather than expect HUD to process plans from 1,200 entitlement jurisdictions, the balance we struck at mark-up was to allocate funding to States and to the Nation's largest 100 cities, largest 50 counties, and cities over 50,000 with especially high foreclosure rates. The areas of States outside of those cities and counties would be addressed in the State's plans.

Under the bill's timelines, fund obligation must begin within 6 months of enactment, be completed within a year, and fully spent within 2 years of enactment. This is no ''big government,'' immortal program, as our colleagues across the aisle suggest. Rather, it is a timely, targeted and temporary shot in the economy's arm, exactly where one is needed.

Indeed, using well-accepted construction activity multipliers, the National Foreclosure Prevention and Neighborhood Stabilization Task Force calculates that the bill's proposed $15 billion investment will generate at least $38 billion in direct and ripple effect economic activity nationwide, employ about 120,000 people, and restore nearly $225 million per year in local real estate tax collections.

Some Republicans have tried to frame this bill as a bailout bill for investors. This simply is not so. Government and their nonprofit partners will drive a hard bargain with property owners because they are highly incentivized to make this money go as far as possible in their efforts to stabilize neighborhoods where many of them have been working for years, and because they must pay the government back any funds used to purchase homes.

In no event, moreover, can they pay more than 110 percent of the average