

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 3192, HOMEBUYERS ASSISTANCE ACT, AND PROVIDING FOR PROCEEDINGS DURING THE PERIOD FROM OCTOBER 12, 2015, THROUGH OCTOBER 19, 2015

The SPEAKER pro tempore. The unfinished business is the vote on adoption of the resolution (H. Res. 462) providing for consideration of the bill (H.R. 3192) to provide for a temporary safe harbor from the enforcement of integrated disclosure requirements for mortgage loan transactions under the Real Estate Settlement Procedures Act of 1974 and the Truth in Lending Act, and for other purposes, and providing for proceedings during the period from October 12, 2015, through October 19, 2015, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 238, nays 181, not voting 15, as follows:

[Roll No. 537]

YEAS—238

Abraham	Dold	Jolly
Aderholt	Donovan	Jones
Allen	Duffy	Jordan
Amash	Duncan (SC)	Joyce
Amodei	Duncan (TN)	Katko
Babin	Ellmers (NC)	Kelly (MS)
Barletta	Emmer (MN)	Kelly (PA)
Barr	Farenthold	King (IA)
Barton	Fincher	King (NY)
Benishkek	Fitzpatrick	Kinzinger (IL)
Bilirakis	Fleischmann	Kline
Bishop (MI)	Fleming	Knight
Bishop (UT)	Flores	Labrador
Black	Fortenberry	LaHood
Blackburn	Fox	LaMalfa
Blum	Franks (AZ)	Lamborn
Bost	Frelinghuysen	Lance
Boustany	Garrett	Latta
Brady (TX)	Gibbs	LoBiondo
Brat	Gibson	Long
Bridenstine	Gohmert	Loudermilk
Brooks (AL)	Goodlatte	Love
Brooks (IN)	Gosar	Lucas
Buchanan	Gowdy	Luetkemeyer
Buck	Graves (GA)	MacArthur
Bucshon	Graves (LA)	Marchant
Burgess	Graves (MO)	Marino
Byrne	Griffith	Massie
Calvert	Grothman	McCarthy
Carter (GA)	Guinta	McCaul
Carter (TX)	Guthrie	McClintock
Chabot	Hanna	McHenry
Chaffetz	Hardy	McKinley
Clawson (FL)	Harper	McMorris
Coffman	Harris	Rodgers
Cole	Hartzler	McSally
Collins (GA)	Heck (NV)	Meadows
Collins (NY)	Hensarling	Meehan
Comstock	Herrera Beutler	Messer
Conaway	Hice, Jody B.	Mica
Cook	Hill	Miller (FL)
Costello (PA)	Holding	Miller (MI)
Cramer	Huelskamp	Moolenaar
Crawford	Huizenga (MI)	Mooney (WV)
Crenshaw	Hultgren	Mullin
Culberson	Hunter	Mulvaney
Curbelo (FL)	Hurd (TX)	Murphy (PA)
Davis, Rodney	Hurt (VA)	Neugebauer
Denham	Issa	Newhouse
Dent	Jenkins (KS)	Noem
DeSantis	Jenkins (WV)	Noeng
DesJarlais	Johnson (OH)	Nunes
Diaz-Balart	Johnson, Sam	Olson

Palazzo	Roskam
Palmer	Ross
Paulsen	Rothfus
Pearce	Rouzer
Perry	Royce
Pittenger	Russell
Pitts	Ryan (WI)
Poe (TX)	Salmon
Poliquin	Sanford
Pompeo	Scalise
Posey	Schweikert
Price, Tom	Scott, Austin
Ratcliffe	Sensenbrenner
Reed	Sessions
Reichert	Shimkus
Renacci	Shuster
Ribble	Simpson
Rice (SC)	Smith (MO)
Rigell	Smith (NE)
Roby	Smith (NJ)
Roe (TN)	Stefanik
Rogers (AL)	Stewart
Rogers (KY)	Stivers
Rohrabacher	Stutzman
Rokita	Thompson (PA)
Rooney (FL)	Thornberry
Ros-Lehtinen	Tiberi

NAYS—181

Adams	Frankel (FL)	Murphy (FL)
Aguiar	Fudge	Nadler
Ashford	Gabbard	Napolitano
Bass	Gallego	Neal
Beatty	Garamendi	Nolan
Becerra	Graham	Norcross
Bera	Grayson	O'Rourke
Beyer	Green, Al	Pallone
Bishop (GA)	Green, Gene	Pascrell
Blumenauer	Grijalva	Pelosi
Bonamici	Gutiérrez	Perlmutter
Boyle, Brendan F.	Hahn	Peters
Brady (PA)	Hastings	Peterson
Brown (FL)	Heck (WA)	Pingree
Brownley (CA)	Higgins	Pocan
Bustos	Himes	Polis
Butterfield	Honda	Price (NC)
Capps	Hoyer	Quigley
Capuano	Huffman	Rangel
Cárdenas	Israel	Rice (NY)
Carney	Jackson Lee	Richmond
Carson (IN)	Jeffries	Roybal-Allard
Cartwright	Johnson (GA)	Ruiz
Castor (FL)	Johnson, E. B.	Ruppersberger
Castro (TX)	Kaptur	Rush
Chu, Judy	Keating	Ryan (OH)
Ciçilline	Kelly (IL)	Sánchez, Linda T.
Clark (MA)	Kennedy	Sanchez, Loretta
Clarke (NY)	Kildee	Sarbanes
Clay	Kilmer	Schakowsky
Cleaver	Kind	Schiff
Clyburn	Kirkpatrick	Schrader
Cohen	Kuster	Scott, David
Connolly	Langevin	Serrano
Conyers	Larsen (WA)	Sewell (AL)
Cooper	Larson (CT)	Sherman
Costa	Lawrence	Sires
Courtney	Lee	Slaughter
Crowley	Levin	Smith (WA)
Cuellar	Lewis	Swalwell (CA)
Cummings	Lieu, Ted	Takai
Davis (CA)	Lipinski	Takano
Davis, Danny	Loeb sack	Takagi
DeFazio	Loftgren	Thompson (CA)
DeGette	Lowenthal	Thompson (MS)
Delaney	Lowe	Titus
DeLauro	Lujan Grisham	Tonko
DeBene	(NM)	Torres
DeSaulnier	Luján, Ben Ray	Tsongas
Deutch	(NM)	Van Hollen
Doggett	Lynch	Vargas
Doyle, Michael F.	Maloney, Sean	Veasey
Duckworth	Maloney, Sean	Vela
Edwards	Matsui	Visclosky
Ellison	McCollum	Walz
Engel	McDermott	Wasserman
Eshoo	McGovern	Schultz
Esty	McNerney	Waters, Maxine
Farr	Meeks	Watson Coleman
Fattah	Meng	Welch
Foster	Moore	Wilson (FL)
	Moulton	Yarmuth

NOT VOTING—15

Dingell	Lummis	Speier
Forbes	Payne	Velázquez
Granger	Scott (VA)	Walberg
Hinojosa	Sinema	Walorski
Hudson	Smith (TX)	Williams

□ 1421

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO POSTPONE ADOPTION OF MOTION TO RECOMMIT ON H.R. 3192, HOMEBUYERS ASSISTANCE ACT

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that the question of adopting a motion to recommit on H.R. 3192 may be subject to postponement as though under clause 8 of rule XX.

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

There was no objection.

HOMEBUYERS ASSISTANCE ACT

Mr. HENSARLING. Mr. Speaker, pursuant to House Resolution 462, I call up the bill (H.R. 3192) to provide for a temporary safe harbor from the enforcement of integrated disclosure requirements for mortgage loan transactions under the Real Estate Settlement Procedures Act of 1974 and the Truth in Lending Act, 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 462, the bill is considered read.

The text of the bill is as follows:

H.R. 3192

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 “Homebuyers Assistance Act”.

SEC. 2. ENFORCEMENT SAFE HARBOR.

The integrated disclosure requirements for mortgage loan transactions under section 4(a) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2603(a)), section 105(b) of the Truth in Lending Act (15 U.S.C. 1604(b)), and regulations issued under such sections may not be enforced against any person until February 1, 2016, and no suit may be filed against any person for a violation of such requirements occurring before such date, so long as such person has made a good faith effort to comply with such requirements.

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 in which to revise and extend their remarks and

submit extraneous materials 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, I rise today in strong support of H.R. 3192, the Homebuyers Assistance Act. It is a very modest act, and it also happens to be a very bipartisan act, that would bring some temporary relief to mortgage market participants who are attempting to secure financing and close on their homes. It will help allow there to be a transition period for a very complicated rule that has been promulgated by the Consumer Financial Protection Bureau that went into effect Saturday.

Mr. Speaker, we want to make sure that hardworking Americans do not lose out on the opportunity for their portion of the American Dream, including home ownership, as this new rule is brought to bear.

Now, let me be the first to say that as a Member of this body who finds very little good to be found in the Dodd-Frank Act, directing the CFPB to try to make disclosures more simple and more easily and readily understandable is a good thing. But the problem, Mr. Speaker, is in trying to integrate something called TILA, the Truth in Lending Act, disclosures with something called RESPA, the Real Estate Settlement Procedures Act, two different acts.

To try to reconcile those two, the CFPB promulgated a 1,888-page rule, complete with guidance. So now those who are involved in the marketplace trying to help finance homes are left with this behemoth to try to put into their computer systems, their IT systems, into training. Being able to streamline disclosures is a very, very important thing to do, but it is fairly difficult to do when there are almost 2,000 pages of complex, compound, complicated language.

We know that when these new systems are put into place, Mr. Speaker, there can be glitches. There can be temporary setbacks. Sometimes the software doesn't quite work as intended. Just ask those in charge of the ObamaCare rollout. ObamaCare was on the books as law for many, many years before the rollout came, and it was a disastrous rollout. I have no doubt people were operating in good faith, but they rolled it out and it failed.

So all over America, title agencies and mortgage lenders are having to change their software, having to change their process and procedures. We don't want low- and moderate-income people who finally put enough money away for a down payment to be set back in their attempt to get their mortgage.

I want to thank the gentleman from Arkansas (Mr. HILL), who is the author of the bill. It is, again, a very, very bi-

partisan bill. I want to thank him for his leadership. And before that, the gentleman from New Mexico (Mr. PEARCE) had been very, very engaged in this issue. I want to thank them for their leadership, because without it, again, what we are looking at here is people losing out on the opportunity to close on their homes.

And so the bill is a simple bill. It says: You know what? For 4 months let's create a temporary, trial period and safe harbor for those who act in good faith in trying to implement this new 1,888-page behemoth rule. Let's allow a little bit of a transition period to hold these people harmless if they act in good faith.

Again, Mr. Speaker, if they are acting in good faith.

Yes, I assume the CFPB, which promulgated the rule, acted in good faith. But guess what, Mr. Speaker, they violated the law in rolling out this rule, and yet they were held harmless in their so-called trial period. Can't we do the same for those who are trying to make the American Dream of home ownership come true?

If we do not pass this bill, I am afraid what we will hear is what I have heard from different people back in my home State of Texas. What I heard from one Texas land title man is:

No question, more conservative lending in sales volumes will result. This will impact both buyers and sellers. And the new rules could have a cost impact. Lenders may decide to raise fees to cover potential exposure.

□ 1430

Another real estate individual in Texas went on to say large lenders have already announced they are not going to do one-time closings anymore due to the uncertainty.

We are hearing all kinds of language, and that is one of the reasons that 255 Members of this body, Mr. Speaker, including 91 Democrats, wrote to the head of the CFPB asking him to do exactly what this bill would do.

It is not just limited to the House side. Forty-one Senators signed almost an identical letter asking the CFPB director for this very short period of time for people who operate in good faith to be held harmless and not to be sued, not to be fined, not to be persecuted, so that the American people can enjoy their right of home ownership.

It is a modest bill. It is a bipartisan bill. It is for the homeowner. I urge its adoption.

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

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself 5 minutes for an opening statement.

I rise today in opposition to H.R. 3192, a proposal that I believe erodes consumers' ability to have their day in court and that undermines efforts to comply with the CFPB's new TILA-RESPA Integrated Disclosure act.

When I say TILA and RESPA, I am talking about the Truth in Lending

Act and the Real Estate Settlement Procedures Act.

Mr. Speaker, I stand in full support of the Consumer Financial Protection Bureau's decision to engage in restrained enforcement of the new disclosure rules until 2016, and I support the FFIEC's recent announcement that prudential regulators' supervision of financial institutions' compliance with the new rules will recognize the scope and scale of the changes necessary for financial institutions and other affected entities to effectively comply.

Simply speaking, when the business community and Democrats and Republicans all basically said, "We believe that these integrated rules are complicated. It is going to take industry time to get up to speed," they have got to change their paper. They have got to train their employees, et cetera, et cetera. We all agree that there should be a grace period.

So, with that, my support for a temporary period of restrained administrative enforcement and supervision reflects the recognition of the massive undertaking that lenders and other settlement providers have undergone in preparation for the new disclosure rules.

Now, given the administrative liability that lenders would face under both the Real Estate Settlement Procedures Act and the Truth in Lending Act, I fully understand the real concerns that affected entities have, given the scale and scope of the changes called for under the new disclosure rules.

Mr. Speaker, industry requests to date that the Bureau and other Federal regulators take a more thoughtful approach with respect to their enforcement and supervision is reasonable.

My support for the actions taken to date by regulators to consider good faith compliance efforts by lenders and other entities affected by the new disclosure rules does not, however, extend to suspending, even temporarily, one of the more important consumer protections available to the Truth in Lending Act, which is a consumer's right to bring an action protecting themselves in the event that a lender makes an inaccurate, untimely, misleading disclosure.

Basically, what we are talking about now is who is going to protect the consumer in all of this. We are saying that there is a need to protect consumers. Those who oppose the amendment that I tried to bring to the floor to do just that are saying they are not on the side of the consumer.

While the good faith provision in H.R. 3192 does allow consumers to bring actions in response to egregious violations of the Truth in Lending Act, consumers can still rely on inaccurate or misleading disclosure errors that are made in good faith.

Under current law, borrowers can bring an action where a disclosure is inaccurate or misleading, even if the error is made in good faith, and the burden under current law is on the

lender to prove that their disclosure is consistent with the Truth in Lending Act.

Now we have a change. In contrast, under H.R. 3192, this legislation, the burden is placed on the consumer to demonstrate from the onset of an action that the error was not made in good faith, a bar that is virtually impossible for most consumers to overcome. That is a drastic departure from current law.

The private right of action under the Truth in Lending Act serves two important purposes:

First, it allows consumers to protect themselves from inaccurate, untimely, or misleading mortgage disclosures.

Second, through the act's provision of statutory and class-action damages, as well as attorneys' fees and court costs, TILA also provides clear incentives for lenders to ensure that the disclosures they provide are timely and accurate.

I just want to take a look at what the TILA-RESPA Integrated Disclosure would require. Let us take a look at what we are talking about.

In this document, they identify the amounts for the loan, the interest rates, the monthly principal and interest, whether or not there are prepayment penalties, whether or not there is a balloon payment, on and on and on. It gets down to exactly what is being disclosed to the consumer.

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

Mr. HENSARLING. Mr. Speaker, I yield myself 30 seconds just to say that, if the ranking member is supportive of a safe harbor, she has a funny way of showing it.

I would remind her that there is no private right of action under RESPA. There is one under TILA. But under TILA, there is an exception, a safe harbor for unintentional violations and bona fide errors, which will be found in section 1640 of title 15.

There is another safe harbor for good faith compliance with rule regulation and interpretation.

Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas (Mr. HILL), the sponsor of the bill.

Mr. HILL. Mr. Speaker, I thank the chairman for yielding me some time on this important measure.

Mr. Speaker, I rise today in support of H.R. 3192, the Homebuyers Assistance Act, this commonsense, bipartisan bill which will provide certainty for the short transition period for the real estate industry, preventing costly market disruptions and delays for American homebuyers.

I thank Mr. SHERMAN for his help in design and leadership. I also thank my friends, Mr. VARGAS and Mr. PEARCE, who worked on this bill as well.

This straightforward measure will provide a temporary hold harmless period from enforcement action and litigation during the initial implementation of this new TILA-RESPA Integrated Disclosure form. This rule, by

the way, became effective this past Saturday.

Companies out in the real world are trying to get this closing regime right and have spent billions of dollars in updating their systems and hundreds of man-hours training employees to comply with this 1,800-page rule.

Again, I remind my colleagues that, at the height of the Depression, in re-writing all of America's banking laws, the Banking Act of 1933 consumed only 37 pages.

There is no opportunity to test. This is a bright-line rule that just turns on. You have to have new forms and new, substantive changes, and these compliance challenges are many.

This temporary grace period will allow the industry to work with the CFPB to ensure a smooth transition. As previously noted, 300 bipartisan Members have urged this grace period, including the ranking member.

We are here today by the inadequate response of the CFPB to a lot of concerns across our Nation, from Realtors, mortgage lenders, title companies, people in the appraisal business.

Mr. Cordray could have provided this certainty, just like HUD did for the revised RESPA disclosures back in 2010. But statements from Mr. Cordray like the industry can "read between the lines" doesn't constitute certainty in the real world.

It might here in the Beltway. But as a Member of Congress who until the end of 2014 was CEO of a community bank, I can assure you that kind of "read between the lines" certainty doesn't work in the real world.

A recent survey by the American Bankers Association indicated over 40 percent of institutions have not yet received compliance software needed to implement TRID. It is very frustrating to Members on both sides of the aisle, particularly after the number of years that we have talked about a new TRID form. But, nonetheless, it is a fact. Ninety percent of institutions were still testing the incorporation into their lending platforms.

I can tell you this is more complicated than it looks to someone who is a bureaucrat in Washington. You have got a loan operating system and a loan doc prep system typically from two different vendors. Both require software changes.

Three-quarters of those surveyed in the mortgage banking industry said they needed an additional 3 weeks to 4 months for additional debugging and testing. So this commonsense bill will allow them to perform that task, not disrupt closings, and allow people to have a safe harbor from potential litigation or enforcement penalties.

One bank in Arkansas called me Monday, 2 days after TRID went live, to say they are still not expected to get the final fix from their software providers until Thanksgiving.

In addition to these kinds of operating implementation issues, many are still out there waiting for clarification from the CFPB on certain issues.

The chairman mentioned one-time close. One of the most popular products in banking today, particularly among community banks, is a construction-to-permanent mortgage closing, where one can build their home and go to a permanent loan closing all with one application and one set of forms and a single closing.

But because of confusion over how to properly disclose information under the new TRID form, I think this is a problem. Several banks, as noted, are going to cease one-time construction-to-permanent loan making, again, one of the most popular products in community banking.

I want to emphasize that this temporary protection only applies to those making a good faith effort to comply to this very complex rule. It in no way alters the underlying rule.

While I disagree with much of Dodd-Frank, I support the general purpose of this rule, which is to attempt to streamline and simplify mortgage disclosures for consumers, albeit, comparing the forms side by side, I don't know if that was accomplished or not. But it is absolutely a worthy objective.

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

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

Mr. HILL. Our title companies, bankers, and others in the industry who are earnestly trying to comply with these new TRID rules need to have the confidence and certainty that they can go into this closing regime giving excellent customer service, and not be looking over their shoulder for an inadvertent penalty or civil litigation.

Mr. Speaker, we are pro-consumer. 400,000 consumers buy a home every month in this country, and over 230,000 consumers refinance a mortgage. All will be positively impacted by this temporary measure. I urge its consideration.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. CAROLYN B. MALONEY).

Mrs. CAROLYN B. MALONEY of New York. Mr. Speaker, I thank the gentlewoman for yielding, and for her leadership as ranking member on the Financial Services Committee.

I rise in opposition to H.R. 3192. The Democrats have worked very hard to protect consumers and, in fact, in Dodd-Frank, created the Consumer Financial Protection Bureau, which has already returned \$11 billion to 25 million consumers in just the first 4 years of its existence. Their goal is to protect consumers, and that is what they have done in the new rule that they came out with.

Democrats believe that consumers deserve easy-to-understand disclosures of the cost of buying and financing a home. So, in response to the mortgage crisis, the Consumer Financial Protection Bureau has proposed to streamline and combine the disclosures that consumers get when they are buying a

home so it is easier for them to understand.

□ 1445

They used to get multiple disclosure forms, some under the Truth in Lending Act and some under the Real Estate Settlement Procedures Act, or RESPA. Now the CFPB has streamlined them into a new Integrated Disclosure, which is important because it will make it far easier for Americans to understand the loan terms and the fees that they are paying when they buy a home.

But implementing a brand-new Integrated Disclosure form will also be complicated, and it will take the industry some time to adjust to the new rules. And industry raised those concerns to us.

This bill would give lenders a safe harbor from the CFPB's Integrated Disclosure rule until February 21, 2016.

While I think that this bill addresses an important issue because implementing the new Integrated Disclosure forms will be complex, the truth is that the CFPB has already given the industry significant relief on the rule. They have already done it.

Along with my colleague and very good friend from Kentucky, Mr. BARR, we led a bipartisan letter which was signed by 254 Members of this body, including Ranking Member WATERS, requesting a grace period on the Integrated Disclosure requirement.

I include for the RECORD the letter that the gentleman from Kentucky and I circulated with all 254 signatures, as well as the letter we received in response.

CONGRESS OF THE UNITED STATES,
Washington, DC, May 20, 2015.

Hon. RICHARD CORDRAY,
Director, Consumer Financial Protection Bureau.

DEAR DIRECTOR CORDRAY: The undersigned Members of Congress acknowledge that the Consumer Financial Protection Bureau (CFPB or Bureau) has done significant work on the TILA-RESPA Integrated Disclosure (TRID) regulation. Nevertheless, this complicated and extensive rule is likely to cause challenges during implementation, which is currently scheduled for August 1, 2015, that could negatively impact consumers. As you know, the housing market is highly seasonal, with August, September, and October consistently being some of the busiest months of the year for home sales and settlements. By contrast, January and February are consistently the slowest months of the year for real estate activity. We therefore encourage the Bureau to announce and implement a "grace period" for those seeking to comply in good faith from August 1st through the end of 2015.

Even with significant advance notice, understanding how to implement and comply with this regulation will only become clear when the industry gains experience using these new forms and processes in real-life situations. As the TRID regulation does not provide lenders an opportunity to start using the new disclosure form prior to the August 1st implementation date, market participants will not be able to test their systems and procedures ahead of time, which increases the risk of unanticipated disruptions on August 1st. That is why we believe that a

grace period for those seeking to comply in good faith from August 1st through the end of 2015 would be particularly useful in these circumstances. During this time, industry can provide data to the CFPB on issues that arise so that the Bureau and industry can work together to remove impediments to the effectiveness of the rule.

Thank you for your time and consideration. If we may be of assistance, please do not hesitate to contact us.

Sincerely,

SIGNED: 254 MEMBERS OF CONGRESS.

CONSUMER FINANCIAL
PROTECTION BUREAU,
Washington, DC, June 3, 2015.

Hon. ANDY BARR,
House of Representatives, Washington, DC.

Hon. CAROLYN B. MALONEY,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVES BARR AND MALONEY: Thank you for your letter about implementation of the TILA-RESPA Integrated Disclosure Rule, which we finalized nineteen months ago to carry out the law enacted by Congress. We share your desire for a smooth and successful implementation of the Rule, and we continue to work closely with all stakeholders to support that goal. Like you, we recognize that successful implementation poses challenges to industry and benefits both industry and consumers, but in any event requires close collaboration between industry and the Consumer Financial Protection Bureau.

As you may know, the Bureau has taken many steps to support industry implementation and to help creditors, vendors, and others affected by the Rule to better understand, operationalize, and prepare to comply with the Rule's new streamlined disclosures. Since the Rule was first published in November 2013, we have made it a point to engage directly and intensively with financial institutions and vendors through a formal regulatory implementation project. The Bureau's regulatory implementation project for the Rule includes the following:

Inter-agency coordination. In-depth exam procedures were approved by the Federal Financial Institutions Examination Council in February 2015 and published by CFPB on April 1, 2015. The Bureau's own examination procedures incorporating the FFIEC exam procedures were published on May 4, 2015.

Publish "readiness guide," plain-language guides, and other resources. The "readiness guide" includes a broad check-list of things for industry to do prior to the Rule's effective date. The Bureau has also published a compliance guide, a guide to the new integrated disclosure forms, and an illustrative timeline.

Publish amendments and updates to the Rule in response to industry requests. In January 2015, after extensive outreach to stakeholders, the Bureau adopted two minor modifications and technical amendments to the Rule to smooth compliance for industry.

Provide unofficial staff guidance. Bureau staff attorneys have provided oral guidance in response to over 750 regulatory interpretation inquiries, received from trade associations and through the CFPB_RegInquiries@cfpb.gov email address since the Rule was issued.

Engage with stakeholders. Bureau staff have provided remarks and addressed questions about the Rule and related implementation matters at over 40 formal events and over 50 informal stakeholder meetings since the Rule was issued.

Cmiduct webinars. The Bureau has conducted a series of five free, publicly available webinars, available for viewing through the Bureau's website, that provide guidance on how to interpret and apply specific provisions.

Clarify misunderstandings. Today we are releasing a fact sheet explaining the limited circumstances when the Rule requires that the consumer be provided an additional three-day review period. Only three specific changes require an additional three-day review period: (1) an increase in the APR of greater than 1/8 of a percentage point for a fixed-rate loan or 1/4 of a percentage point for an adjustable-rate loan (decreases in the APR based on a decrease in the interest rate or fees charged do not trigger a delay); (2) the addition of a prepayment penalty; and (3) changes in the loan product, from a fixed-rate to an adjustable-rate loan, for example. Importantly, no other changes require a delay for re-disclosure.

Your letter raises a further important matter. As you have suggested, the Bureau's work to support the implementation of the Rule does not end on the effective date of August 1, as we continue to work with industry, consumers, and other stakeholders to answer questions, provide guidance, and support a smooth transition for the mortgage market. As we do so, and in response to considerable input we have received from you and your constituents, I have spoken with our fellow regulators to clarify that our oversight of the implementation of the Rule will be sensitive to the progress made by those entities that have squarely focused on making good-faith efforts to come into compliance with the Rule on time. My statement here of this approach is intended to ease some of the concerns we have heard about this transition to new processes in the coming months and is consistent with the approach we took to implementation of the Title XIV mortgage rules in the early months after the effective dates in January 2014, which has worked out well.

As always, thank you for your strong interest in the Bureau's work, and I personally appreciate your oversight efforts. I hope you can see, here again, that we listen closely and consider carefully how we can best address the issues that you raise as we all pursue this important advance in consumer protection and disclosure authorized by Congress. Please contact me if you have any additional questions or Bureau staff can meet with your staff, should that be helpful to you.

Sincerely,

RICHARD CORDRAY,
Director.

Mrs. CAROLYN B. MALONEY of New York. Within 2 weeks, we received a letter back from the CFPB, promising that they would do a grace period.

I thank Director Cordray for responding so quickly to the gentleman from Kentucky's concerns and my concerns.

The grace period that the Bureau did for the qualified mortgage rule, which they gave earlier, was very successful, and I have no doubt that the grace period for the Integrated Disclosure rule will be just as successful.

In fact, the Integrated Disclosure rule took effect last Saturday, which means that the grace period that Director Cordray promised—which this bill would codify—is already in effect. The grace period is happening right now, and that is why this bill is just absolutely not necessary.

It is also important to note that the bill would prohibit consumers from suing for improper disclosure during the grace period. Now, that is of deep concern to me because that takes a right away from consumers.

I certainly did not come to Congress to vote in any way to limit or roll back consumer protections. So this was something that I am incredibly uncomfortable with because I don't think it is a good idea to suspend both public enforcement and private enforcement through lawsuits at the same time. I don't think that is good policy because it takes away all the guardrails for consumers during this grace period.

This is also something that the White House strongly opposes. In fact, they have issued a veto threat on this bill because they feel so strongly about maintaining consumers' private right to sue.

And I will place into the RECORD a statement from President Obama's White House, stating that he is opposed to rolling back any rights of consumers.

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

Washington, DC, October 6, 2015.

STATEMENT OF ADMINISTRATION POLICY
H.R. 3192—HOMEBUYERS ASSISTANCE ACT
(Rep. Hill, R-AR, and one cosponsor)

Americans deserve clear and easy to understand disclosures of the cost of buying and financing a home, which is why the Dodd-Frank Wall Street Reform and Consumer Protection Act directed the Consumer Financial Protection Bureau (CFPB) to streamline conflicting disclosures that were required under the Truth in Lending Act and the Real Estate Settlement Procedures Act. The Know Before You Owe regulation issued by the CFPB almost two years ago fulfills this mandate by requiring mortgage lenders and settlement agents to provide homebuyers with simpler forms that explain the true cost of buying their home at least three days before closing. This summer, the CFPB extended the effective date for these requirements by two months, to last Saturday, October 3, 2015, to provide for a smooth transition and avoid unnecessary disruptions to busy families seeking to close on a new home at the beginning of the school year.

H.R. 3192 would revise the effective date for the Know Before You Owe rule to February 1, 2016, and would shield lenders from liability for violations for loans originated before February 1 so long as lenders made a good faith effort to comply.

The CFPB has already clearly stated that initial examinations will evaluate good faith efforts by lenders. The Administration strongly opposes H.R. 3192, as it would unnecessarily delay implementation of important consumer protections designed to eradicate opaque lending practices that contribute to risky mortgages, hurt homeowners by removing the private right of action for violations, and undercut the Nation's financial stability.

If the President were presented with H.R. 3192, his senior advisors would recommend that he veto the bill.

Mrs. CAROLYN B. MALONEY of New York. So while I am very sympathetic to the concerns that motivated this bill, I have to oppose the bill because I believe it is unnecessary.

They say the purpose is to codify it. Mr. Cordray responded to Congress' request. They responded to industry's request, and they granted the grace period. We have it. So this bill does nothing but roll back consumer protections.

I would urge my colleagues to vote against this bill. I applaud my col-

leagues that signed the letter that led to the relief we have today.

Mr. HENSARLING. Mr. Speaker, I yield myself 10 seconds to say we certainly don't see a grace period from Mr. Cordray. We see "I am going to be sensitive and read between the lines."

So the worst charge here is this bill is redundant. This bill does nothing to constrain consumer rights, but what it does do is constrain trial lawyers who are going to take away home ownership opportunities.

I yield 2 minutes to the gentleman from New Jersey (Mr. GARRETT), the chairman of the Capital Markets and Government Sponsored Enterprises Subcommittee.

Mr. GARRETT. Mr. Speaker, I guess we have a new definition. We just heard that the CFPB has streamlined things for local banks. I guess this is Washington's version of streamlining regulations: 1,888 pages. My gosh.

So I come to the floor today to commend the chairman of the committee and the gentleman from Arkansas (Mr. HILL) for moving this legislation before us, H.R. 3192, and for Members on both side of the aisle who have supported this type of legislation as well.

Let us understand what this legislation does not do. It does not remove any authority from the CFPB to take enforcement actions against bad actors under the new Integrated Disclosure rules. Secondly, it does not remove any kind of incentives for lenders to comply with the new rule.

So I think it is important that we recognize what it does not do, despite some of the claims that we are hearing from the other side of the aisle.

So what does the bill do? It simply provides a grace period, if you will, for lenders, your local bankers, if you will, who act in good faith to comply with this 1,888-page simplification of the new rules that the CFPB has put out there.

I think it is ironic that the CFPB took over 1,800 pages of rulemaking authority and analysis and all the time, yet the agency is unwilling to provide the lenders—your local banks, if you will—a brief period in order to comply with all the rigamarole, the red tape, the technology, the compliance for them to get up to speed on this.

Clearly, the length of the rulemaking suggests it was a complicated project for the CFPB. It took them a long time to complete it. So why are they not willing to in writing basically say: Here, you folks, you local bankers, you also will have the same leniency as well?

This is a very straightforward and simple bill. It is intended to provide a brief, 4-month grace period for your banks, lenders that act in good faith to comply, nothing more, nothing less.

At the end of the day, who are we really helping here? No. It is not the bankers. It is not the lenders. Really, who we are really helping is all the American people who are trying to get a loan, who are trying to go and get financing. Those are the people that this legislation would help.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Ms. VELÁZQUEZ), the ranking member of the Small Business Committee.

Ms. VELÁZQUEZ. I thank the gentlewoman for yielding.

Mr. Speaker, I rise in opposition to H.R. 3192 to protect Americans' investment in their homes.

The new TILA-RESPA disclosure rules are critical consumer protections that will provide consumers with expanded information before buying a home.

What we are doing today with this legislation is to use dilatory tactics to prevent CFPB from doing their job in protecting consumers.

This legislation, however, is a solution in search of a problem. Just last week, before a Financial Services Committee hearing, Consumer Financial Protection Bureau Director Cordray indicated that the agency will implement a hold harmless period so that the industry could implement rules without risk of enforcement.

H.R. 3192, which will further extend the grace period, is, therefore, unnecessary. The Consumer Financial Protection Bureau has already indicated a willingness to work hand in hand with the industry. But I guess that is not enough.

If this bill is enacted, the private right of action will be blocked, denying consumers their basic right to a day in court. That is not right, and this body should not stand for it. This will undermine the intent of the Integrated Disclosure, which is to provide clear, straightforward information to consumers regarding their mortgage.

How could you call this piece of legislation "Protect Americans' Investment in Their Homes" and, yet, use all these dilatory tactics to prevent consumers from having their right in court and from having the information that they need in order to make a wise decision?

We are trying to make the process better for consumers, and there is already a path before us that strikes a balance between the needs of industry and millions of homebuyers.

I am confident that CFPB Director Cordray will not deviate from this course. If he does, then we can hold the agency accountable. For these reasons, I urge the Members of this House to oppose this bill.

Mr. HENSARLING. Mr. Speaker, I yield myself 30 seconds.

I would be happy to yield to any of my Democratic colleagues who would show me where Director Cordray has ever used the words "hold harmless," where he has ever used the words "grace period."

I continue to hear these words bandied about. But he has appeared before the House Financial Services Committee, the Senate Banking Committee. He has written letters, conducted interviews. He has never said this, never said this.

So, at worst, again, Mr. Speaker, the bill is redundant. If so, if my colleagues will yield back their time, I will be happy to yield back my time. We will have the vote, and we will get on with the other business of the House if the worst they can say is this bill is redundant.

Mr. SHERMAN. Will the gentleman yield?

You said you would yield to a Democrat who could quote Mr. Cordray.

Mr. HENSARLING. I said I would yield to a Democrat who can give me the Cordray quote where he says he will "hold harmless" or uses the term "grace period."

So if the gentleman has the quote, I would be glad to yield to him.

Mr. SHERMAN. I am so close to that, you should yield to me.

Mr. HENSARLING. I yield to the gentleman from California.

Mr. SHERMAN. He has responded to my question and said of this grace period, so it will "be diagnostic and corrective, not punitive, and there will be time for them to work to get it right."

Mr. HENSARLING. Reclaiming my time, so I continue to hear "diagnostic" and read between the lines. So, again, at worst, the bill is redundant.

Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. NEUGEBAUER), the chairman of the Financial Institutions and Consumer Credit Subcommittee.

Mr. NEUGEBAUER. I thank the distinguished chairman for his work on this important piece of legislation as well as my good friend from Arkansas (Mr. HILL).

Mr. Speaker, for a good portion of my life before Congress I was in the housing business and had the opportunity to help a lot of American families buy their first home and sometimes their second home. I had the opportunity to buy my first home.

I was thinking earlier today that, when you look at the history of the closings over the years since I have been in the housing business, the first house I bought was in 1973.

I came away with six pieces of paper: a copy of the note that I signed that said I would promise to pay monthly payments of x; the deed of trust, which gave the bank security for the loan that I was taking out; a copy of the closing statement, which was on one page.

And over the years, I watched that grow and grow and grow until today—and I wish I had had an opportunity to do that—that, in many cases, the families walked out of closings with hundreds of pages of closing documents because we have gotten more and more new regulations and nuances into the buying a home process.

But let me talk about what I hear a lot of my colleagues on the other side say that this bill does.

Let me tell you what it doesn't do. It doesn't do one thing that inhibits the protections that are in TILA and RESPA for home buyers in this country. It does nothing.

What it also does not do is it does not give anybody safe harbor if they are not acting in good faith. Basically, what this bill says is: Look, we have got a new process.

And I think it was a good idea. I have supported it. In fact, I worked on working together to see if we could come up with one disclosure statement because two are sometimes confusing to the home buyer. So one made a lot of sense.

What didn't make sense was to take 1,888 pages to describe what we ought to do on one form, a combined form.

But what this does do is it says: We have got a very sophisticated process now because we have added all of these documents to closings and all of these disclosures. What it says is: Now, effective Saturday, we are going to implement a new system, and that new system is complicated. It has a lot of moving parts.

And buying a home can have a lot of different parts because each borrower, each buyer of a home, has different circumstances and different verifications that are needed and different transactional pieces of that. And trying to bring those all together in a new environment with new software is very difficult.

So what we said is: Look, if you are trying to act in good faith and you are trying to implement this and you are working on all the glitches in your processes and in your computer system possibly and you are doing that and if, for some reason, you missed one of the guidelines in this combined statement, we are not going to give you a penalty.

□ 1500

I think that makes sense. The American people are tired of an oppressive government. They are tired of the government being the enemy. What we need for the CFPB to be doing in this circumstance is working with the financial industry to make sure that this process is smooth. If there are nuances or glitches in the system, hey, it makes the system better when we share those.

So with that, Mr. Speaker, I support H.R. 3192 and encourage my colleagues to vote for it.

Ms. MAXINE WATERS of California. Mr. Speaker and Members, my friends on the opposite side of the aisle keep making the argument about the grace period. That should not even be discussed here because we have agreed, Mr. Cordray from the Consumer Financial Protection Bureau has agreed and everybody has agreed, that there should have been a grace period. That is not what my amendment was about that they would not allow me to take up on the floor.

Mr. Speaker, my amendment is about consumer protection. They know it, and they are trying to keep people misled by coming in here with their props and saying that this bill is 1,800 pages when, in fact, it is not. So I want everybody to be clear that this is not

about the grace period, and this is not about not giving the industry an opportunity to get its act together. Really, the debate should be about whether or not they protect consumers, and they don't.

Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, back in the old days, this bill would have just passed on suspension. It is bipartisan, it is small, and it is temporary. Both sides have praised the CFPB's efforts in coming out with this rule. Both sides believe in a grace period, and the question before us is whether we should codify that grace period and apply it to trial lawyer enforcement, or whether we should have it be more vague than the chairman would want, and whether this grace period should apply to private enforcement or only government enforcement.

Mr. Speaker, 91 Democrats called for this grace period. Half the Democrats on the committee voted for the bill. The bill applies only until the end of January. It is small, it is temporary, and it applies only to lenders who operate in good faith. I said until the end of January. Some would say it applies until February 1. Either way, it is a temporary bill.

I know the pressure the Democrats are under. Anybody who shows up at Democratic club meetings, they are thinking that any bill, no matter how small, temporary, or practical, that is favored by the financial services industry must be a complete sellout to banks. Well, as one of the leaders against the \$700 billion TARP bill, I can go to any Democratic club holding my head up high even if I vote for bills that are practical and yet may clash with some ideology.

The CFPB recognized the importance of this grace period, saying in the letter of October 1:

We recognize that the industry needs to make significant systems and operational changes.

They document all those changes and review them. That is why they provide for a grace period which they have indicated may last longer than 4 months. So why are smaller participants in the industry, small escrow companies and small lenders, backing away, abandoning consumers to only the biggest who know how to comply with this complicated 1,888-page regulation without worrying about a period of a shake-down cruise to get organized? Why? Because although they have got the restrained administrative enforcement that has been praised, they don't have the restrained trial lawyer enforcement.

This bill effectuates what the CFPB is trying to do: let people go, do a shakedown cruise, make sure that things operate correctly, and do so knowing that if they act in good faith, they won't face retribution. But the CFPB can do that only with regard to governmental enforcement. It is up to

this Congress to make sure that it applies to private enforcement. That is the purpose of this bill.

Let us achieve the purpose that the CFPB had when they issued their letter of October 1. Let us make sure that those who act in good faith will not face retribution. Let us make sure that the smaller mortgage lenders and smaller escrow companies can continue to operate if they try to do so in good faith. Let us not hand a huge competitive advantage to those players in the industry that have the most lawyers and the most sophisticated computer programmers.

If we are going to have a grace period, it needs to apply to both private enforcement through lawsuits as well as public enforcement through the CFPB. That is why I hope that Members will vote for this bill.

Madam Speaker, I enter into the RECORD this letter of October 1.

CONSUMER FINANCIAL
PROTECTION BUREAU,
Washington, DC, October 1, 2015.

Re Your inquiry regarding supervisory practices.

FRANK KEATING,
President and CEO, American Bankers Association, Washington, DC 20036

DEAR MR. KEATING: Thank you for your letters of August 12th and, with the trade associations copied below, September 8th regarding the Consumer Financial Protection Bureau's Know Before You Owe TILA-RESPA Integrated Disclosure Rule (the Rule). The letters request that the FFIEC articulate its policy for its member agencies' examination and supervision of financial institutions for the initial months after the Rule becomes effective on October 3, 2015.

The member agencies of the FFIEC recognize that the mortgage industry has needed to make significant systems and operational changes to adjust to the requirements of the Rule, and that implementation requires extensive coordination with third parties. We recognize that the mortgage industry has dedicated substantial resources to understand the requirements, adapt systems, and train affected personnel, and that additional technical and other questions are likely to be identified once the new forms are used in practice after the effective date.

During initial examinations for compliance with the Rule, the agencies' examiners will evaluate an institution's compliance management system and overall efforts to come into compliance, recognizing the scope and scale of changes necessary for each supervised institution to achieve effective compliance. Examiners will expect supervised entities to make good faith efforts to comply with the Rule's requirements in a timely manner. Specifically, examiners will consider: the institution's implementation plan, including actions taken to update policies, procedures, and processes; its training of appropriate staff; and, its handling of early technical problems or other implementation challenges.

As you may recall, this is similar to the approach the member agencies took in initial examinations for compliance with the mortgage rules that became effective at the beginning of January, 2014. Our experience at that time was that our institutions did make good faith efforts to comply and were typically successful in doing so.

Again, thank you for your letter.

Sincerely,

RICHARD CORDRAY,
Director, Consumer Financial
Protection Bureau.

cc: American Land Title Association; American Escrow Association; The Appraisal Firm Coalition; Appraisal Institute; Collateral Risk Network; Consumer Bankers Association; Community Home Lenders Association; Consumer Mortgage Coalition; Community Mortgage Lenders; Credit Union National Association; Housing Policy Council; Independent Community Bankers of America; Mortgage Bankers Association; National Association of Home Builders; National Association of Mortgage Brokers; National Association of REALTORS; Real Estate Services Providers Council, Inc.

Mr. SHERMAN. I do want to quote out of it. The CFPB recognizes that "the mortgage industry has needed to make significant systems and operational changes to adjust to the requirements of the Rule."

It goes on to set forward why we need this grace period; and we need to make sure the grace period applies to both private and public enforcement.

Mr. HENSARLING. Madam Speaker, I yield 2½ minutes to the gentleman from Michigan (Mr. HUIZENGA), the chairman of the Monetary Policy and Trade Subcommittee.

Mr. HUIZENGA of Michigan. Madam Speaker, I rise in support of H.R. 3192.

Madam Speaker, just to reinforce what my colleague from California was just talking about, this is a period here where we are going to be moving forward to make sure what the CFPB is doing with its 1,888-page—sorry, that is me straining trying to pick all that up—rule is moving forward.

I would ask what is more pro-consumer: moving forward with a clarified rule that grants certainty to those businesses and those individuals like Realtors—I am a former Realtor, and mortgage folks like myself, I used to be in the business—or not doing the deal and not doing the closing. Because that is what is going to happen. That is what is going to happen is you are going to see these companies say: Wait a minute. We are not sure what our legal exposure is here.

Mr. Cordray, the head of the CFPB, has said that he will give a certain grace and understanding and, I believe the word was "sensitivity" to this moving forward. That is not a grace period. That is not clarity. Anybody who has a lawyer advising them or a CPA or anybody else who has a fiduciary responsibility to make sure that their client understands what is happening in the intent would not say that that is going to stand up in court.

I also know as a former Realtor that the home-buying process, buying or selling, can be one of the most challenging, confusing, and stressful times, especially for a first-time home buyer. The three most stressful points in life are marriage, death, and changing where you live. That is a very difficult time.

As we are moving forward on this, there often has to be this domino effect of homes closing to then get that closing settled, to then move beyond to the next deal, and you will have two, three, four, five, sometimes five or six homes

all lined up, five or six families waiting for this one closing to happen. What that is going to do is just cause more confusion.

Madam Speaker, I support the intent and the spirit of the rule because I have sat at that closing table having to go through form after form after form. Everybody gets writer's cramp signing their name on all of these different forms. This was a good thing about Dodd-Frank, and combining these various forms and these various legal documents that have to be signed makes total sense.

The SPEAKER pro tempore (Ms. ROS-LEHTINEN). The time of the gentleman has expired.

Mr. HENSARLING. Madam Speaker, I yield the gentleman an additional 30 seconds.

Mr. HUIZENGA of Michigan. Madam Speaker, I thank the gentleman.

Madam Speaker, as I was saying, the intent and the spirit of the rule makes a lot of sense. Having something that is going to negatively impact those home buyers, especially those first-time home buyers, is not pro-consumer. It is not pro-growth. What we are trying to do with this particular bill—and I applaud my new colleague for this—is to allow the stakeholders, which is the buyer, the seller, and the companies that have the legal responsibility to do this closing properly to move forward and make sure that this is done in the proper way for those consumers.

Ms. MAXINE WATERS of California. Madam Speaker, I yield 1 minute to the gentlewoman from California (Ms. PELOSI), our distinguished leader.

Ms. PELOSI. Madam Speaker, I thank the gentlewoman for yielding and salute her for her relentless championing of the rights of consumers in our country as our ranking member on the Financial Services Committee.

I come to the floor on this legislation because it is something that runs deep in terms of our commitment and our responsibility to the consumers in our country.

It is very curious to me that this is called the Homeowners Assistance Act because it is exactly the opposite of that. I say that with regret because I think that there could have been some good features of this bill—and there had been that we all agreed on, that if there is legislation, as there has been, Dodd-Frank, and the regulations that spring from it, as there must be, that we have adequate time for the regulations to be implemented, to listen to the private sector, to say: What are the ramifications of these regulations, and do you need more time? We all subscribe that a certain amount of time, not an amount of time that is going to deter ever implementing the regulations, but a good faith attempt to come to terms.

What is unfortunate about this legislation, though, Madam Speaker, is that in taking that goodwill and turning it into a bill, what the Republicans have decided to do is to take away the right of private action for a homeowner, for a consumer. They are trying to destroy homeowners' rights to be heard in court when they think they have been tricked or misled in any kind of a transaction.

This is so really important. It was in September of 2008 when we had a meeting in my office then at the time, Democrats and Republicans, House and Senate, to talk about what was happening to the financial institutions in our country. There was a meltdown of such seriousness as was described by the Secretary of the Treasury that when I asked the chairman of the Fed, who was in the room, Mr. Bernanke, did he agree with that characterization of the situation we were in, he said: If we do not act immediately, we may not have an economy by Monday.

This was Thursday night.

So we went forward, largely with Democratic votes, to support a Republican President, President Bush, whose administration put forth legislation, and we worked together to make it something that we could pass on the floor, overwhelmingly Democratic votes supporting a Republican President in order to protect our economy.

What we couldn't do in that legislation or since was include the ability for a homeowner to declare bankruptcy—not that we wanted them to, and not that we hoped they ever needed to, but they had the leverage, they had the leverage in a negotiation with their lender to do so. Many of them were seriously abused by bundling and all kinds of other things that had happened that it was no longer my home loan from my neighborhood banker or my community banker or something like that. These notes, these mortgages, were sold and sold and sold, so nobody even knew who their lender was. But we, the Congress, refused to give them the right of bankruptcy.

Here we are again, Madam Speaker, these years later since September of 2008 to October of 2015, 7 years later. We have passed that bill that pulled back the financial institutions from their serious meltdown, helping Main Street as well as our financial institutions necessary for our economy. We passed the TARP bill, and we passed Dodd-Frank to make sure that the abuses that occurred that caused that meltdown in 2008 would not happen again because of what it did to our economy, to our working families, and to our financial institutions in our country.

So with Dodd-Frank, we had something that was really a breakthrough to protect the consumers, that Financial Consumer Protection Agency, and there is something really important, to protect average people, consumers. So when the regulations are released and the private sector said they needed

more time, take more time. The administrator of the agency said: Okay, take more time. Then our Republican friends said: Oh, no, let's bring it to the floor and turn it into a bill to take more time. But then, to put this, like a Trojan horse, this bill comes in here with this underbelly of taking away the right of private action for a consumer.

□ 1515

How many people have we heard from, one reason or another engaged in a contract, a financial transaction, where not the devil was in the details, hell was in the details. Terrible for them, and they had no right of private action. This just isn't right.

So we may have our differences of opinion as to the amount of regulation or the timing of regulation. That is a legitimate debate for us to have, and to listen to the private sector in our public-private discussions to make sure that the intent of Congress and the intent of protecting the American people is intact. I don't paint everyone in the private sector with the same brush as I come out against those who say let's take away that right for consumers to have their day in court.

So I ask my colleagues, think about the consumer, what it means to the consumer to have his or her day in court. We are not supposed to be constricting leverage for the consumer in our country; we are supposed to be expanding opportunity for them so that when they engage in a transaction, they are respected because they have leverage at the table. Don't diminish their leverage by passing this legislation.

I am so pleased that the President's staff has said that they would recommend a veto should this bill come to the President's desk. Remove all doubt in the consumers' mind. We are not here to deter them, but to empower them.

I thank the gentlewoman again for her leadership and the members of the committee who have been so protective of America's consumers, because do you know what? The consumers are the lifeblood of our economy. We are a consumer economy. And until consumers have the consumer confidence to invest, to spend, to buy a home, to inject demand into the economy, our economy will never turn around.

We are a middle class economy. We are a consumer economy. Let's strengthen that by voting "no" on this bill and saying "yes" to consumers. We want them to be as strong at the negotiating table as they can be.

With that, I commend the gentlewoman from California, Ranking Member WATERS.

Mr. HENSARLING. Madam Speaker, may I inquire how much time is remaining on each side?

The SPEAKER pro tempore. The gentleman from Texas has 9¼ minutes remaining. The gentlewoman from California has 11½ minutes remaining.

Mr. HENSARLING. Madam Speaker, I yield myself 10 seconds just to say, I know it is the custom of my friends on the other side of the aisle to want to vote on a bill before they read a bill, but I would suggest if they actually read H.R. 3192, they will discover the private right of action is preserved. There is merely a hold harmless section for those who act in good faith. I would commend to the distinguished minority leader and all Democrats they actually read the bill and they might discover that.

I now yield 2 minutes to the gentleman from Wisconsin (Mr. DUFFY), the chairman of our Oversight and Investigations Subcommittee.

Mr. DUFFY. Madam Speaker, I want to thank the sponsor of this bill, Mr. HILL, for his good work and our chairman for driving this legislation. It is bipartisan.

Listening to the remarks that just took place from the minority leader, I know there is a comment, Madam Speaker, about consumers, but I think this is more of a play for the trial bar. Because if this 4-month hold harmless doesn't move forward, it is the consumers who are going to get hurt. It is the divorcee who needs the proceeds from the sale of her home from her husband to actually work on putting her life back together that now won't have that sale go through.

In communities like mine in rural America where you don't have really large lenders and large title companies and large Realtors, we have small institutions. It is those communities that are going to be hurt the worst if we don't have this 4-month hold harmless. You have given up your lease. You expect to close on a house, and that closing is not going to happen. Or you are getting a new job and you are moving to rural America and you didn't secure a lease because you are buying a house, but you can't buy a house because you have the whole sector of this base that is not willing to take the risk.

We are beating a horse here of 1,800-plus pages. It is a significant rule. It is very complex, and it baffles me that we wouldn't make sure that, as the system is implemented, we have a hold harmless provision, as long as those folks who are imposing new systems are making a good faith effort to comply.

I think you were listening to the debate. We are all saying the same thing. We want to make sure we protect consumers. We want to make sure the private sector can actually implement the rule effectively.

Mr. Cordray has come forward and indicated he is in support of a hold harmless, but I think the gentleman from California made a good point. It is not just the exposure that you have on the governmental side. It is also the exposure that you have the private side from private litigation.

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

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

Mr. DUFFY. And so I am concerned that we will have consumers who are set to buy a home who won't have that sale go through, and it is those families who are hurt the worst.

There is a lot of stuff that we have to fight about that we disagree on, but it seems like we are so close on this one. Let's just go forward and do what is right for the consumers and right for the private sector and make sure that we have a 4-month hold harmless provision.

Ms. MAXINE WATERS of California. Madam Speaker, I yield 4 minutes to the gentleman from Minnesota (Mr. ELLISON).

Mr. ELLISON. Madam Speaker, I thank the ranking member of the committee for her hard work on this.

I urge Members to vote "no," and the reason why is that we have been considering and considering and trying to implement Dodd-Frank for such a long time. Every step of the way we have seen delay. Every step of the way we have seen things that just couldn't happen now for all these good reasons. But the fact of the matter is that what brought us to Dodd-Frank were serious abuses in the financial industry, and this bill and all the rules associated need to be implemented.

Now, the Know Before You Owe rule is a huge victory for home buyers. It is a good thing for home buyers to know exactly what is going on before they execute on a home loan. Anyone who has bought a home remembers the anxiety of wondering if they are going to have enough cash to close, to cover all the expenses. They also remember feeling bewildered by all of the various fees of \$100 or \$200, all these surprises. Home buyers need access to clear disclosures in plenty of time to comparison shop and challenge junk fees.

The bill we consider today would remove the legal right of homeowners to seek legal redress if they do not receive accurate disclosures until February 2016. The consumer protections are already in place now. We shouldn't postpone them.

If we really want to "assist" home buyers—and this bill is ironically called the Homebuyer Assistance Act—don't postpone what is already in the law today. Home buyers should get a clear home estimate when they apply for the loan. Home buyers should get their actual closing costs 3 days prior to settlement. And if a home buyer is mistreated in the closing process, the home buyer should retain the right to go to court and seek a remedy.

I remain concerned that home buyers are overcharged at closing. Not all; I am not one of those who paints with a broad brush. I believe many of our folks in the industry are excellent, but there are enough exceptions to that to concern all of us.

I strongly oppose a lot of lenders, mortgage brokers, builders who receive a financial benefit for a referral. Affiliated business arrangements and reverse competition are not good for

home buyers. Consumers need information to protect themselves from overcharges and kickback schemes.

Please stand up for home buyers and vote "no" on H.R. 3192.

Mr. HENSARLING. Madam Speaker, I now yield 2 minutes to the gentleman from New Hampshire (Mr. GUINTA).

Mr. GUINTA. Madam Speaker, I thank Chairman HENSARLING.

Madam Speaker, I would like to thank the gentleman from Arkansas (Mr. HILL) for introducing this very important and significant piece of legislation.

H.R. 3192 acknowledges the learning curve that accompanies implementation of any new Federal regulation.

The TILA-RESPA Integrated Disclosure rule has been in effect now for 4 days. At this early stage, agencies are unable to protect the industry from liability risk that will follow during the early days of compliance, and Director Cordray has acknowledged that compliance would be difficult during these days of implementation. The loss should take into account Director Cordray's statement and protect home buyers, sellers, and the industry from regulatory and civil liability as they make good faith efforts to comply with the latest CFPB requirements.

I met with New Hampshire bankers, credit unions, and Realtors in September. They shared their concerns about what could happen if, misinterpreting the new rules, they made an unfortunate or unintentional error.

Compliance costs from other CFPB rules currently in effect have hobbled New Hampshire's financial institutions. The risks of this new rule could even lead some to quit the residential lending business, and that has already happened in one circumstance in my district. That means less consumer choice and fewer options for home buyers in a shrinking real estate market, inevitably raising the price for the very consumer we try to protect.

Madam Speaker, I want to remind everyone that the private right of action is preserved in this piece of legislation and that this bill passed the House Financial Services Committee on a strong bipartisan vote of 45-13.

I want to thank Mr. HILL and Mr. SHERMAN for this legislation.

I urge my colleagues to vote in favor of it to prevent frustrating and costly delays for the American consumer.

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

I think it is important for us all to really understand what is taking place here today.

First of all, I want to warn against misleading information. When we keep hearing that those stack of papers represent the bill—that the bill is 1,800 pages long—that is not the case. As a matter of fact, the chairman of the committee knows that 171 pages are simply sample model forms to say to the banks: These are the kind of forms that you need, and you can take these

samples and use them: 63 pages are description of the rationale behind the rule, why do we have this rule; 15 pages are summarizing the rulemaking process; 308 pages with section-by-section analysis.

So that is not the bill, those pages that you see, the props that are being used.

If we go to the beginning of this, you have to understand that it was Dodd-Frank that decided they wanted to make this process more easily understood by the consumers. Out of the Dodd-Frank legislation, they are the ones that combined both TILA and RESPA into this integrated disclosure form to make it simpler.

So despite the fact that the banks and the industry have—particularly the big banks—thousands of employees, millions of dollars, doing big trades, et cetera, et cetera, they said: We really can't get our act together in the length of time that is given us with this rule.

So for some of us who thought, well, you know, they are very well-staffed, they have a lot of money, they could really do this, but we will take them at their word. And not only that, some of us on the Democratic side said we would take them at their word, Mr. Cordray led the effort in saying, all right, there should be a grace period.

I don't care what my chairman said. If Mr. Cordray did not say it in the exact words the way that he wanted him to say it, that is just too bad; but the fact of the matter is he did say it, that he would support a grace period, and that is what we have all done.

So given that he has said that, given that we have support for it on the Democratic side and the Republican side, really, there is no need for the bill. This is just taking up precious time and energy for something that is not needed.

I think I know why there is such a fight for this legislation. Because it includes in it something that would protect the lenders even when they make a big mistake.

□ 1530

We talk about good faith, but I want to tell you what is included in this Integrated Disclosure. People are talking about real issues here.

Will the loan amount be the same that the consumer has agreed upon? Will the interest rate be the same? Or will somehow there be a little mistake; instead of 3.8 in interest rates, it is going to end up 4.2 or 4.3? If that happens, what can the consumer do if you don't give them the right to go into court? Basically, they can do nothing, and the lender can say "too bad about that."

We cannot treat consumers that way. We have to give them the right to have their day in court. And even with the burden being on the consumer to have to prove that the lender acted in good faith, the consumer needs to have the right to go and make the case.

And so my amendment that was not allowed in the Rules Committee and we

did not get a chance to come to the floor and debate it because they closed down the rule simply means that my friends on the opposite side of the aisle said: We don't care what you are saying about protecting the consumers. We know that there could be some mistakes. However, we say, if those mistakes are made, it was in good faith. They didn't really mean to do it and, no, the consumer doesn't have a right to go into the court and make the case.

That is not right. It should not happen.

As our leader has said, we have gone through a period of time where this country almost had a depression. We certainly did have a recession because the big banks and too many of the banks and financial institutions in this country came up with all of these exotic products. People were misled. They signed on the dotted line for mortgages that many of them could not afford. These mortgages reset, and people ended up paying higher interest rates 6 months or a year after they signed on the dotted line. They didn't know. They didn't understand.

So you can say that the banks who treated the consumers this way were acting in good faith and they didn't intend to do it, but we know enough now that we cannot depend on representations of "I didn't mean it." If you didn't mean it, you shouldn't have done it. And if you did it, you need to be able to be dealt with in a court of law.

So here we are with this legislation. And if you had not put that part in the legislation, there would not even have to be a discussion. You are absolutely right; it could have been on suspension or there could not have been a bill at all.

But, no, the concern about the consumer is not what appears to be foremost in the minds of those who would dismiss their opportunity to go to court. We should not treat our consumers that way. We should have learned our lesson. We should have learned our lesson.

Folks who are buying a home maybe for the first time and this is the biggest decision and this is the biggest credit action that they are going to make in their lifetime, they need to have some assurances that they are being treated right.

Why do you think we have all of these disclosure laws? Before these disclosure laws were developed, people were misled. They ended up with balloon payments, prepayment penalties, on and on and on.

We are saying, yes, let's have a grace period; let's allow the banks to use this time to get their house in order. They can train their staff. They can get their papers together. We agree to all of that. That is not an issue, and we say it over and over again because we don't want anybody to be misled that somehow we are standing in the way of the great spirit. We are not doing that. We agree to that. What we are standing

in the way of is abuse of our consumers.

We created this Consumer Financial Protection Bureau because our consumers did not have the protection that they needed. Our regulators didn't pay attention to consumers. They were supposed to be there, not only to deal with the possible risks in the system, et cetera, and the consumers, but nobody was looking out for the consumers.

So this is the centerpiece of Dodd-Frank reforms, the Consumer Financial Protection Bureau. The centerpiece of Dodd-Frank is to protect consumers and not allow them to be tricked, not allow them to be misled, not allow them to be prevented from going to court. You can describe it any way that you want to describe it, but the fact of the matter is you are either with the consumers or you are not.

We on this side of the aisle, for the most part, are telling you over and over again that we are with the great spirit. We are not with your actions and that part of the bill that will not allow our consumers to be protected.

And you can protest all you want. You cannot tell me if Ms. Jones, in signing on the dotted line, ends up with a higher interest rate than she thought she was getting and if she does not have the right to go into court, what happens. Who is going to protect her if she does not have the right to go into court and make the case and show that this is not simply an error of a comma or a period? This is an action that does not show good faith. This is an action that will cause me to pay hundreds of more dollars for my loan that I had not anticipated.

Consumers should not be treated that way. Consumers should be protected in every possible way that we can because, in the final analysis, that is why they send us to Congress, to be able to be their voice, to speak for them. We on this side of the aisle will continue to do that in spite of the tricks of the trade that are being employed by others.

I yield back the balance of my time.

Mr. HENSARLING. Madam Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from Texas has 4½ minutes remaining.

Mr. HENSARLING. Madam Speaker, I yield myself the balance of my time.

H.R. 3192, the Homebuyers Assistance Act, is bipartisan. Half of the Democrats on the House Financial Services Committee supported it. Over 200 Members of this body wrote to the head of the CFPB asking for a hold harmless period.

So what we have is a modest, bipartisan bill that says, you know what? For 120 days—actually, fewer than 120 days now, Madam Speaker—for those who in good faith are trying to implement the most dramatic changes in our disclosure laws in a decade, if they act in good faith, you know what, for 120 days we are going to let you get your

systems in. We are going to hold you harmless as long as you are acting in good faith.

If you purposely violate the law, if you intentionally violate the law, that is something different. But if you are acting in good faith, you know, during this transition period, during this rollout, we are going to hold you harmless because we want to help people close their homes.

We want people to be able to partake in that portion of the American Dream, which is home ownership. And whether you call it rule, guidance, forms, there are 1,888 pages of text from the CFPB that must be digested by all kinds of very expensive attorneys that have to be integrated into the information technology systems. There are 1,888 pages, courtesy of the CFPB, in order to simplify forms.

Madam Speaker, it is a good idea to simplify forms. I am not sure the CFPB got it right. The bottom line is the CFPB prevented people in the industry from even having a trial of their systems. They were not allowed to go live before October 3. So this is the first time they have had to do it.

If anything, the Federal Government ought to know something about failed rollouts. Look at ObamaCare. Yet, somehow, those people were held harmless for the mistakes they made on rolling out something that was very complex.

What is going to happen here if we don't pass this bill? Again, I have talked to people in Texas involved in the industry. What I heard at a workshop dealing with this Integrated Disclosure rule, a gentleman from El Paso indicated their institution was going to stop residential mortgage lending for a time "until they could get a good feeling for how the regulations were going to be officially interpreted."

I know my friends on the other side of the aisle keep talking about this grace period from Mr. Cordray. I don't see it. He appeared before our committee just days ago and said, "I don't think it is appropriate for me to say I won't enforce the law when my job is to enforce the law." I didn't find the words "grace period" anywhere there, Madam Speaker, so it doesn't exist. And if it did, the worst they can say about this bill is it is redundant.

People who have been wronged by those who act purposely have a right to private litigation, but that doesn't appear in RESPA; it only appears in TILA. And you can't tell me, in these new forms, which is which. You can't tell me, and so it is completely confusing.

So it comes down to this, Madam Speaker: Whose side are you on? Are you on the side of the wealthy, litigious trial lawyers who are looking for their next big class-action payday? Are you looking to help low-and moderate-income people who have worked hard to put together a nest egg to finally save for their piece of the American Dream? Who are you for?

Well, I am happy that at least half of the Democrats on this committee that serve with the ranking member have said: You know what? We want to be with the homeowner. We don't necessarily want to be with the litigious trial attorneys. So that is really the choice we are making here. It is, again, Madam Speaker, such a modest bipartisan bill.

I have heard the ranking member say it is a waste of time. Well, then, why didn't she yield back her time?

This should be on what we call the suspension calendar. Something that is bipartisan and modest should have been on the suspension calendar and should have already been taken care of. But somebody wishes to protect the wealthy trial attorneys.

So you have got to make a choice, Madam Speaker, and I hope that the House today comes down thoroughly on the side of the American home buyer and enacts H.R. 3192 from the gentleman from Arkansas.

I yield back the balance of my time. Mr. LUETKEMEYER. Madam Speaker, there is no doubt reform of TILA and RESPA is needed. Change has been advocated by all parties, and by Members on both sides of the aisle.

Like many of you, I continue to hear from lenders, real estate professionals, and title insurance companies in my district that third parties were not frilly prepared for the October 3rd implementation of TRID. This is particularly true for small businesses with fewer resources.

Beyond preparedness issues, there remain questions over TRID processes and associated liability. Countless concerns have also been raised over the lack of a formalized restrained enforcement period. A hold harmless period would allow a better understanding of the changes associated with TRID, and help to ensure consumer confidence and stability in the housing market.

In addition to a wide array of financial services industries, a bipartisan group of lawmakers has expressed the need for a hold harmless period like the one included in H.R. 3192. In fact, more than 250 Members of Congress, 92 of whom were Democrats, expressed strong support for the idea in a letter led by Mr. BARR of Kentucky and Mrs. MALONEY of New York.

CFPB Director Richard Cordray indicated in an April 22nd letter that the Bureau "expects to continue working with industry . . . to answer questions, provide guidance, and evaluate any issues . . .", but that he would not use his authority to institute a grace period.

This summer, a bipartisan group of Financial Services Committee members met with Director Cordray to make an appeal for a commonsense approach to implementation of this rule. The request was reiterated at a Committee hearing just last week. In both instances, Director Cordray indicated that he would institute a hold harmless period; and in both instances, despite assurances, he failed to do so.

The changes to the home-buying process in TRID will affect millions of Americans. We owe it to consumers to ensure that the rule put in place serves its purpose without causing unintended consequences.

The practice of buying or selling a home is confusing. Buyers and sellers put pen to paper on pages they've not read and don't understand. Make no mistake, we all believe the procedure needs to change; but, on something this important, CFPB needs to move slowly and deliberately, taking into account concerns from consumer groups and industry alike.

It's my sincere hope that implementation of this rule moves forward without complication; however, the unfortunate reality is that a change of this magnitude will create issues for consumers, lenders, and the CFPB alike.

I want to thank the gentleman from Arkansas, Mr. HILL, and the gentleman from California, Mr. SHERMAN, for their work on this legislation, as well as the many other Members, including Mr. PEARCE of New Mexico, for their leadership on this front.

This is not a partisan issue; it's a consumer issue, a small business issue. I ask my colleagues for their support of H.R. 3192.

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

Pursuant to House Resolution 462, the previous question is ordered on the bill.

The question is on engrossment and third reading of the bill.

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

MOTION TO RECOMMIT

Mr. MOULTON. Madam Speaker, I have a motion to recommit at the desk.

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

Mr. MOULTON. Madam Speaker, I am opposed in its current form.

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

The Clerk read as follows:

Mr. Moulton moves to recommit the bill H.R. 3192 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 of the bill the following new section:

SEC. 3. PROTECTING SERVICEMEMBERS AND OTHERS.

The safe harbor provided by section 2 shall not apply to private suits filed by servicemembers, veterans, seniors, students, and family members of servicemembers, veterans, seniors, and students.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Massachusetts is recognized for 5 minutes in support of his motion.

Mr. MOULTON. Madam Speaker, this is the final amendment to the bill. It will not kill the bill or send it back to committee. If adopted, the bill will proceed immediately to final passage as amended.

We all agree that the men and women who serve in our Nation's military should be afforded every opportunity to live the American Dream that they risked their lives to defend. Unfortunately, too often our servicemembers, veterans, and their families fall victim to unfair and abusive financial practices.

In 2014 alone, the Consumer Financial Protection Bureau received more

than 17,000 complaints from servicemembers, veterans, and their families on a variety of issues, from deceptive subprime auto lending to troublesome credit card fees and predatory mortgage loans. That same year, the CFPB was able to return more than \$1.6 million to these families. The CFPB is a vital watchdog for American consumers.

□ 1545

The bill before us today would delay the enforcement of the CFPB's rule regarding disclosures that mortgage lenders must provide to home buyers. Additionally, the bill would permanently eliminate a borrower's ability to enforce his or her legal rights if a lender fails to disclose or obscures important information for all loans originated over the next 5 months so long as the error is made "in good faith," a term that the bill does not define and that substantially narrows existing protections for consumers afforded under the Truth in Lending Act.

The mortgage industry has had nearly 2 years to implement these new disclosure requirements and was given an additional grace period this year. Despite assurances from the CFPB Director that the agency would implement a restrained enforcement process that takes into account the industry's good faith effort to comply, this legislation could leave millions of American home buyers without the legal protections to which all citizens are entitled.

The amendment I am offering today would allow our servicemembers, veterans, seniors, and students—some of our Nation's most vulnerable populations—with the opportunity to seek their day in court if a mortgage lender acts in bad faith.

As we learned following the 2008 financial crisis, far too often the people with the fewest resources pay the heaviest price when they are deceived by bad actors in the financial marketplace.

While reasonable people can disagree on the merits of the underlying bill, I hope we can all agree that our servicemembers, veterans, students, and seniors deserve the consumer financial protections the CFPB offers.

That is what this amendment would help to achieve, and I urge your support.

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

Mr. HENSARLING. Madam Speaker, I rise in opposition to the motion.

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

Mr. HENSARLING. Madam Speaker, again, this underlying bill, H.R. 3192, modest, bipartisan. Grace period for those who act in good faith in trying to implement the most dramatic changes in our real estate disclosure laws in a decade, 1,888 pages worth.

We know, Madam Speaker, if we do not enact this bill, people are going to be denied homeownership opportunities. We have already heard within our

committee. We have heard from our constituents already. For example:

Large lenders have already announced they are not going to do one-time closings anymore due to the uncertainty.

That comes from an individual in Tyler, Texas.

I quoted earlier one from El Paso, who stated:

Presented in El Paso, an institution is going to stop residential mortgage lending for a time until they can get a good feeling on how the regulation is going to be officially interpreted.

Americans are being denied homeownership opportunities, and all the gentleman from Arkansas (Mr. HILL), the author of H.R. 3192, says is: Let's have, for those who operate in good faith, a temporary grace period in trying to roll this out.

So what the motion to recommit does—and I know this is not the gentleman's purpose, but what his motion to recommit does, if adopted by the House, is actually discriminate against the very people that he says he wishes to help because now, all of a sudden, it is going to be our servicemembers, our veterans, our seniors, our students, and family members of servicemembers, veterans, seniors, and students who are going to be denied their homeownership opportunities.

Now, maybe in the gentleman's district they prefer the lawsuit. In my district, in the Fifth District of Texas, they prefer the homeownership opportunity. Any bad actors can still be sued under TILA in a private right-of-action, but when we are trying to ensure that people are not denied their homeownership opportunities, why would we want to discriminate against our servicemembers and veterans? Because all of a sudden, then, there is extra liability.

So everybody will know now that if you are going to lend on a home mortgage to a veteran, you are going to have extra liability. Are you going to make that loan? Are you going to charge them more? This House should reject any discrimination against our servicemembers, veterans, seniors, students, and family members of servicemembers, veterans, seniors, and students, and reject this motion to recommit.

Madam 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.

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the order of the House of today, further proceedings on this question will be postponed.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Byrd, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1735) "An Act to authorize appropriations for fiscal year 2016 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes."

PROVIDING FOR CONSIDERATION OF ESTABLISHING A SELECT INVESTIGATIVE PANEL OF THE COMMITTEE ON ENERGY AND COMMERCE

Ms. FOXX. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 461 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 461

Resolved, That there is hereby established a Select Investigative Panel of the Committee on Energy and Commerce (hereinafter "select panel").

SEC. 2. (a) The select panel shall be composed of not more than 13 Members, Delegates, or the Resident Commissioner appointed by the Speaker, of whom not more than five shall be appointed on the recommendation of the minority leader. Any vacancy in the select panel shall be filled in the same manner as the original appointment.

(b) Each member appointed to the select panel shall be treated as though a member of the Committee on Energy and Commerce for purposes of the select panel.

(c) No member may serve on the select panel in an ex officio capacity.

(d) The Speaker shall designate as chair of the select panel a member elected to the Committee on Energy and Commerce.

SEC. 3. (a) The select panel is authorized and directed to conduct a full and complete investigation and study and issue a final report of its findings (and such interim reports as it may deem necessary) regarding—

(1) medical procedures and business practices used by entities involved in fetal tissue procurement;

(2) any other relevant matters with respect to fetal tissue procurement;

(3) Federal funding and support for abortion providers;

(4) the practices of providers of second and third trimester abortions, including partial birth abortion and procedures that may lead to a child born alive as a result of an attempted abortion;

(5) medical procedures for the care of a child born alive as a result of an attempted abortion; and

(6) any changes in law or regulation necessary as a result of any findings made under this subsection.

(b) The chair of the Committee on Energy and Commerce shall cause any such report to be printed and made publicly available in electronic form.

SEC. 4. Rule XI and the rules of the Committee on Energy and Commerce shall apply to the select panel in the same manner as a subcommittee except as follows:

(1) The chair of the select panel may authorize and issue subpoenas pursuant to

clause 2(m) of rule XI in the investigation and study conducted pursuant to section 3, including for the purpose of taking depositions.

(2) The chair of the select panel, upon consultation with the ranking minority member, may order the taking of depositions, under oath and pursuant to notice or subpoena, by a member of the select panel or a counsel of the select panel. Such depositions shall be governed by the regulations issued by the chair of the Committee on Rules pursuant to section 3(b)(2) of House Resolution 5, One Hundred Fourteenth Congress, and printed in the Congressional Record. The select panel shall be deemed to be a committee for purposes of such regulations.

(3) The chair of the select panel may, after consultation with the ranking minority member, recognize—

(A) members of the select panel to question a witness for periods longer than five minutes as though pursuant to clause 2(j)(2)(B) of rule XI; and

(B) staff of the select panel to question a witness as though pursuant to clause 2(j)(2)(C) of rule XI.

SEC. 5. Service on the select panel shall not count against the limitations in clause 5(b)(2)(A) of rule X.

SEC. 6. The select panel shall cease to exist 30 days after filing the final report required under section 3.

The SPEAKER pro tempore. The gentleman from North Carolina is recognized for 1 hour.

Ms. FOXX. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Ms. FOXX. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks.

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

There was no objection.

Ms. FOXX. Madam Speaker, H. Res. 461 provides for the creation of a select investigative panel of the Committee on Energy and Commerce. The resolution ensures the House exercises one of its most fundamental constitutional responsibilities: oversight of the use of Federal funds and compliance with Federal law.

Undercover investigations have revealed that an organization that receives hundreds of millions of taxpayer dollars annually, Planned Parenthood, has also been taking the remains of unborn children and selling them to tissue collection firms.

Its staff has reportedly even altered their medical procedures to more effectively dismember unborn children, with one abortionist saying: "We have been very good at getting heart, lung, liver...because we know that, so I'm not gonna crush that part, I'm gonna basically crush below, I'm gonna crush above, and I'm gonna see if I can get it all intact."

There are also allegations that children may have been born alive and left to die in order to harvest their tissue.