

Union Calendar No. 13

112TH CONGRESS
1ST SESSION

H. R. 830

[Report No. 112-25]

To rescind the unobligated funding for the FHA Refinance Program and to terminate the program.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 28, 2011

Mr. DOLD (for himself, Mr. BACHUS, and Mrs. BIGGERT) introduced the following bill; which was referred to the Committee on Financial Services

MARCH 7, 2011

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To rescind the unobligated funding for the FHA Refinance Program and to terminate the program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “FHA Refinance Pro-
5 gram Termination Act”.

6 **SEC. 2. RESCISSION OF FUNDING FOR FHA REFINANCE**
7 **PROGRAM.**

8 Effective on the date of the enactment of this Act,
9 there are rescinded and permanently canceled all unex-
10 pended balances remaining available as of such date of en-
11 actment of the amounts made available under title I of
12 the Emergency Economic Stabilization Act (Public Law
13 110–343; 12 U.S.C. 5211 et seq.) that have been allocated
14 for use under the FHA Refinance Program (pursuant to
15 Mortgagee Letter 2010–23 of the Secretary of Housing
16 and Urban Development) of the Making Home Affordable
17 initiative of the Secretary of the Treasury.

18 **SEC. 3. TERMINATION OF FHA REFINANCE PROGRAM.**

19 (a) **TERMINATION OF MORTGAGEE LETTER.**—The
20 Mortgagee Letter referred to in section 2 shall be void and
21 have no effect and the Secretary of Housing and Urban
22 Development may not issue any regulation, order, notice,
23 or mortgagee letter based on or substantially similar to
24 such Mortgagee Letter.

1 (b) TREATMENT OF REMAINING FUNDS.—Notwith-
2 standing subsection (a) of this section, any amounts made
3 available for use under the Program referred to in section
4 2 of this Act and expended before the date of the enact-
5 ment of this Act shall continue to be governed by the
6 Mortgagee Letter specified in subsection (a) of this sec-
7 tion, and any other provisions of law, regulations, orders,
8 and notices, applicable to such amounts, as in effect imme-
9 diately before such date of enactment.

10 (c) TERMINATION.—After the enactment of this Act,
11 the Secretary of Housing and Urban Development may
12 not newly insure any mortgage under the FHA Refinance
13 Program referred to in section 2 of this Act except pursu-
14 ant to a commitment to insure made before such enact-
15 ment, and upon the completion of all activities with re-
16 spect to such commitments under the provisions of law,
17 regulations, orders, notices, and mortgagee letters referred
18 to in subsection (b) of this section, the Secretary of Hous-
19 ing and Urban Development shall terminate the FHA Re-
20 finance Program referred to in section 2.

21 **SECTION 1. SHORT TITLE.**

22 *This Act may be cited as the “FHA Refinance Pro-*
23 *gram Termination Act”.*

1 **SEC. 2. RESCISSION OF FUNDING FOR FHA REFINANCE**
2 **PROGRAM.**

3 *Effective on the date of the enactment of this Act, there*
4 *are rescinded and permanently canceled all unexpended*
5 *balances remaining available as of such date of enactment*
6 *of the amounts made available under title I of the Emer-*
7 *gency Economic Stabilization Act (Public Law 110–343; 12*
8 *U.S.C. 5211 et seq.) that have been allocated for use under*
9 *the FHA Refinance Program (pursuant to Mortgagee Letter*
10 *2010–23 of the Secretary of Housing and Urban Develop-*
11 *ment) of the Making Home Affordable initiative of the Sec-*
12 *retary of the Treasury.*

13 **SEC. 3. TERMINATION OF FHA REFINANCE PROGRAM.**

14 (a) *TERMINATION OF MORTGAGEE LETTER.—The*
15 *Mortgagee Letter referred to in section 2 shall be void and*
16 *have no effect and the Secretary of Housing and Urban De-*
17 *velopment may not issue any regulation, order, notice, or*
18 *mortgagee letter based on or substantially similar to such*
19 *Mortgagee Letter.*

20 (b) *TREATMENT OF REMAINING FUNDS.—Notwith-*
21 *standing subsection (a) of this section, any amounts made*
22 *available for use under the Program referred to in section*
23 *2 of this Act and expended before the date of the enactment*
24 *of this Act shall continue to be governed by the Mortgagee*
25 *Letter specified in subsection (a) of this section, and any*
26 *other provisions of law, regulations, orders, and notices, ap-*

1 *plicable to such amounts, as in effect immediately before*
2 *such date of enactment.*

3 (c) *TERMINATION.*—*After the enactment of this Act, the*
4 *Secretary of Housing and Urban Development may not*
5 *newly insure any mortgage under the FHA Refinance Pro-*
6 *gram referred to in section 2 of this Act except pursuant*
7 *to a commitment to insure made before such enactment, and*
8 *upon the completion of all activities with respect to such*
9 *commitments under the provisions of law, regulations, or-*
10 *ders, notices, and mortgagee letters referred to in subsection*
11 *(b) of this section, the Secretary of Housing and Urban De-*
12 *velopment shall terminate the FHA Refinance Program re-*
13 *ferred to in section 2.*

14 (d) *STUDY OF USE OF PROGRAM BY MEMBERS OF THE*
15 *ARMED FORCES, VETERANS, AND GOLD STAR RECIPI-*
16 *ENTS.*—

17 (1) *STUDY.*—*The Secretary of Housing and*
18 *Urban Development shall conduct a study to deter-*
19 *mine the extent of usage of the FHA Refinance Pro-*
20 *gram referred to in section 2 by, and the impact of*
21 *such program on, covered homeowners.*

22 (2) *REPORT.*—*Not later than the expiration of*
23 *the 90-day period beginning on the date of the enact-*
24 *ment of this Act, the Secretary shall submit to the*
25 *Congress a report setting forth the results of the study*

1 *under paragraph (1) and identifying best practices,*
2 *with respect to covered homeowners, that could be ap-*
3 *plied to the FHA Refinance Program.*

4 (3) *COVERED HOMEOWNER.—For purposes of*
5 *this subsection, the term “covered homeowner” means*
6 *a homeowner who is—*

7 (A) *a member of the Armed Forces of the*
8 *United States on active duty or the spouse or*
9 *parent of such a member;*

10 (B) *a veteran, as such term is defined in*
11 *section 101 of title 38, United States Code; or*

12 (C) *eligible to receive a Gold Star lapel pin*
13 *under section 1126 of title 10, United States*
14 *Code, as a widow, parent, or next of kin of a*
15 *member of the Armed Forces person who died in*
16 *a manner described in subsection (a) of such sec-*
17 *tion.*

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