

Museum in Fort Myers, Florida, for historic preservation, restoration, and maintenance of the historic home and chemical laboratory of Thomas A. Edison;

Edison Institute—Up to one-eighth to the Edison Institute, otherwise known as “Greenfield Village” in Dearborn, Michigan, for use in maintaining and expanding displays and educational programs associated with Thomas A. Edison; and

Edison Memorial Tower—Up to one-eighth to the Edison Memorial Tower in Edison, New Jersey, for the preservation, restoration, and expansion of the tower and museum.

It is important that we allow these organizations that were selected to receive proceeds from the sale of the commemorative coins to receive the funds that will financially support their efforts to honor the legacy of Thomas A. Edison.

I urge my colleagues to support H.R. 188 to provide a new effective date for the applicability of certain provisions of law to Public Law 105–331.

Mr. BACHUS. Madam Speaker, I am happy to rise today in strong support of H.R. 188, legislation “to provide a new effective date for certain provisions of law in Public Law 105–331,” introduced by the gentleman from New Jersey, Mr. PALLONE.

Enacted in 1998, Public Law 105–331 provided for the issuance in 2004 of the Thomas Alva Edison Commemorative Coin, commemorating the 125th anniversary of Edison’s invention of the light bulb.

In the years between the passage of that legislation and now, leadership of the group that operates the Edison Memorial Tower in Edison, New Jersey made plans to comply with statutory requirements to raise funds to match one-eighth of the surcharges raised from the sales of the coins—about \$380,000—and thus claim the surcharge funds. Unfortunately, through a series of miscommunications, it was not made clear to the board that these must be non-governmental funds.

When the error was discovered, the group moved quickly, seeking an extension of the 2-year time limit to raise those funds. Madam Speaker, on November 16 of last year, the House passed legislation similar to that which we are considering today that would have permitted an extension until the end of June. Unfortunately, during the wrap-up of the 109th Congress, the other body did not consider the legislation. However, I am confident that when the House sends this version of the bill to the Senate, it will quickly pass.

It is for these reasons, and because the invention of the light bulb is as good a thing to commemorate as I can imagine, that I urge immediate passage of this legislation.

Mrs. BIGGERT. Madam Speaker, I have no further speakers, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. SCOTT) that the House suspend the rules and pass the bill, H.R. 188.

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

A motion to reconsider was laid on the table.

AUTHORITY TO CONTINUE TO INSURE HOME EQUITY CONVERSION MORTGAGES

Mr. SCOTT of Georgia. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 391) to authorize the Secretary of Housing and Urban Development to continue to insure, and to enter into commitments to insure, home equity conversion mortgages under section 255 of the National Housing Act.

The Clerk read as follows:

H.R. 391

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

SECTION 1. AUTHORITY TO INSURE HOME EQUITY CONVERSION MORTGAGES.

The Secretary of Housing and Urban Development may, until the date specified in section 106(3) of the Continuing Appropriations Resolution, 2007 (Division B of Public Law 109–289; 120 Stat. 1313), insure and enter into commitments to insure mortgages under section 255 of the National Housing Act (12 U.S.C. 1715z–20), without regard to the limitation in the first sentence of such section 255(g), as amended by section 131 of the Continuing Appropriations Resolution, 2007 (120 Stat. 1316).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. SCOTT) and the gentlewoman from Illinois (Mrs. BIGGERT) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia.

Mr. SCOTT of Georgia. Madam Speaker, I yield myself such time as I may need.

First of all, H.R. 391 is a bill sponsored by my good friend and colleague from Utah (Mr. MATHESON). H.R. 391 would prevent any shutdown of the Federal Housing Administration, FHA, reverse mortgage program. This program is also known as the Home Equity Conversion Mortgage program, or the HECM program.

As we are all aware, the Federal Government is currently operating with temporary funding authority that expires on February 15, 2007. The FHA can insure no more than 275,000 FHA reverse mortgages cumulatively nationwide under this authority.

A reverse mortgage is a unique loan that enables senior homeowners to remain in their homes and remain financially independent by converting part of their home equity into income without having to sell their home, give up title, or take on a new monthly mortgage payment.

Reverse mortgage is an apt name because the payment stream is reversed. Instead of making monthly payments to the lender, as with a regular mortgage, the lender makes payments to the homeowner. Payments to the borrower come in the form of a lump sum, monthly payments, a line of credit, or a combination thereof. Thus, the funds can be adapted to the financial needs of the senior taking out that particular loan.

Mr. MATHESON’s bill is necessary because surging FHA reverse mortgage

loan volume could result in this current national volume cap of FHA reverse mortgage loans being reached before February 15.

The FHA HECM program is the oldest and most popular reverse mortgage product, accounting for 90 percent of the total market. It has been available since 1989 to homeowners aged 62 or older. HECM loans are insured by the Federal Government through the Federal Housing Administration at the Department of Housing and Urban Development, HUD.

The HECM program was created to serve our seniors who are cash poor but equity rich. The majority of loan recipients are elderly widows. The funds from a reverse mortgage can be used for anything: daily living expenses; home repairs or modifications; health care expenses, including prescription drugs or in-home care; existing debts; and other needs. This is extraordinarily important and timely legislation for our seniors.

The HUD HECM program has proven to be a growing success, serving its mission, while actually making money for the Federal Government. Its rapid pace of growth created a near crisis in 2005 when the number of FHA reverse mortgage loans began to near a statutory volume cap on the number of reverse mortgages that FHA could insure, leaving the program on the edge of suspension.

However, emergency appropriations legislation for fiscal year 2005 raised the volume cap from 150,000 to 250,000. Last fall, in the face of a similar concern, the limit was increased a little further to 275,000. However, current projections show a very real risk that the cap will be met before February 15.

In 2006, the House passed a bill that included a provision eliminating the FHA reverse mortgage volume cap, but unfortunately, the Senate did not act on this bill. As a result, in the short term, the statutory cap needs to be kept above the actual number of loans, or HUD will be required under law to suspend the program. That is why we need this very important piece of legislation passed.

Madam Speaker, I reserve the balance of my time.

Mrs. BIGGERT. Madam Speaker, I yield myself such time as I may consume.

I rise today in support of H.R. 391, legislation that would temporarily remove the cap on the number of home equity conversion mortgages that may be insured by the Department of Housing and Urban Development’s FHA program. I would like to thank my colleagues, Congressman JIM MATHESON, and Congresswoman GINNY BROWN-WAITE, for introducing this important bill.

This legislation is similar to H.R. 2892, the Reverse Mortgages to Help America’s Seniors Act, which was approved by the House by voice vote in the previous Congress.

Madam Speaker, this legislation would enable senior homeowners to

continue to tap into an important source of cash, the equity in their own homes. Nicknamed "reverse mortgages," these HECMs allow Americans age 62 and older to maintain financial independence while staying in their own homes.

The reverse mortgage is a unique loan that allows seniors who are homeowners to convert part of the equity in their homes into tax-free income without having to sell their home, give up title, or take on new mortgage payments.

The funds collected from a reverse mortgage can be used for whatever needs a senior may have, including home repairs, health care costs, debts or simple daily living expenses.

Instead of making monthly payments to the lender, as with a regular or forward mortgage, the senior can receive payments or a payment from the lender. Under the reverse mortgage, senior homeowners can receive a lump sum, fixed monthly payments, a line of credit or a combination of the three, depending on their individual situations.

The program ensures that the reverse mortgage is paid back when they move or when they pass away, and the homeowner will never owe more than the house is worth.

With a reverse mortgage, senior homeowners who are house rich but cash poor can access cash for their needs while keeping their homes.

When the Home Equity Conversion Mortgage program was initially made permanent, the number of such loans that the FHA program could handle at any given time was capped so that HUD and Congress could determine the safety and soundness of the program.

Nearly 10 years later, we now know the program is successful. In my home State of Illinois alone, the number of FHA-insured reverse mortgages has nearly doubled since 2004 to just short of 2,000 in 2006.

With the removal of the cap, more seniors will be able to put the equity in their homes to work for them.

Under this bill, the cap only will be removed through February 15, as was noted. It is my hope that by temporarily removing this cap, which currently limits the number of outstanding loans to 275,000, another measure that we will consider later could expand the removal further, eventually leading to a permanent fix.

According to the AARP, a leading supporter of this bill, only the complete removal of the volume cap will prevent the possibility of detrimental program disruptions in the future.

Living in the home that may have seen the raising of children and the joy of grandchildren should be an option for seniors well into retirement. I urge my colleagues to join me in supporting this important bill that will protect the ability of seniors to stay in their homes and provide them with economic security.

Madam Speaker, I reserve the balance of my time.

Mr. SCOTT of Georgia. Madam Speaker, I yield 3 minutes to the distinguished gentleman from Utah (Mr. MATHESON), who has provided sterling leadership on this issue and is an outstanding leader in the Financial Services Committee.

Mr. MATHESON. Madam Speaker, I really would like to first thank Chairman FRANK and Ranking Member BACHUS for their help in moving ahead with this bill. I am pleased to have worked with the Financial Services Committee on this legislation, and I appreciate leadership's prompt scheduling of this bill today for consideration.

I would also like to thank some of the Financial Services Committee members who have worked with me on this legislation, including Congresswoman GINNY BROWN-WAITE of Florida who introduced the bill with me. It is a good, bipartisan bill.

There are many members of the committee who have cosponsored the bill, including Chairman FRANK, Ranking Member BACHUS, Chairwoman WATERS and Ranking Member BIGGERT, members GEOFF DAVIS and GARY MILLER.

I want to thank the staff of the Financial Services Committee as well. They have been very helpful in moving this legislation along.

You have heard a description of this. It is quite frankly a rather simple bill. It will temporarily lift the statutory limitation, or cap, on the number of home equity conversion mortgages that the FHA may insure. As you have heard, the current limit right now is at 275,000 HECM mortgages, and it is important we are considering this legislation right now because we are approaching that limit. In fact, as I understand it, right now the portfolio stands at over 260,000 today, and there are many more loans in the pipeline waiting for HUD endorsement for insurance. So this is a timely bill.

My bill would lift the cap in order to prevent FHA lending to shut down this very popular and necessary program, and my bill would suspend the cap through the time covered under the current continuing resolution.

This bill is a good step to take today, but it is just one step. We are going to need to go further. Along with many of my colleagues who are on the floor with me today, I plan to introduce a separate bill that will permanently eliminate the cap.

Now, this program, you have heard the description from both Mr. SCOTT and Mrs. BIGGERT, it helps so many seniors who really have a need.

□ 1515

It is such an important program, and it is great that we have an opportunity right now to eliminate what would be an unnecessary impediment to having seniors take advantage of this opportunity.

We should provide stability to this program, and we should avoid any disruption and uncertainty in the market-

place by passing this bill today and moving ahead on the broader legislation in the near future.

So I encourage my colleagues to join me in supporting H.R. 391 and providing seniors with the assurance that they can utilize this important program and not face an arbitrary deadline by hitting the cap. I urge passage of this bill.

Mr. SCOTT of Georgia. Madam Speaker, I have no further speakers at this time.

Let me just say in concluding, this is vitally important, this is vitally important to all Americans, but it most certainly is extraordinarily important to our seniors, and especially those that are widowed, so that we can lift this cap to save this program. It is a very, very important program.

Again, I commend Mrs. BIGGERT and all of those on the House Financial Services, and Mr. MATHESON for the brilliant leadership he has provided us with, and the fact that we all stand ready to assist Mr. MATHESON when he brings the other bill back so that we can permanently solve this problem.

GENERAL LEAVE

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

The SPEAKER pro tempore (Ms. SOLIS). Is there objection to the request of the gentleman from Georgia?

There was no objection.

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

Mrs. BIGGERT. Madam Speaker, in closing let me just say that the number of elderly people in America continues to rise, and with advances in health care and technology seniors will continue to represent a larger percentage of the population. It is important that these citizens have as many economic resources as possible to support them in the future.

Further, studies show that given the chance seniors overwhelmingly desire to live out their lives in their own homes. The reverse mortgage is an important tool that can help in addressing the needs of seniors today and in the years to come.

I thank the gentleman from Utah for introducing this bill, and I thank the gentleman from Georgia for managing the bill. I urge support of this legislation.

Mr. BACHUS. Madam Speaker, I rise today in support of H.R. 391, sponsored by my colleagues Congresswoman GINNY BROWN-WAITE and Congressman JIM MATHESON, which would temporarily remove the cap on the number of reverse mortgages that may be insured by the Federal Housing Administration (FHA).

The FHA reverse mortgage program, known as HUD's Home Equity Conversion Mortgage Program, or "HECM," is the oldest and most popular reverse mortgage program in the country, accounting for 90 percent of the total market. It has been available since 1989 to

homeowners age 62 and older and is an important tool providing seniors with much-needed cash flow.

By 2010, the number of elderly Americans is expected to top 40 million. Over the next 35 years, the expected number of older seniors—those age 85 and older—will quadruple from 3.5 million to 14 million. Besides finding safe and affordable housing, seniors face the challenge of paying for daily expenditures and rising healthcare costs. These growing financial responsibilities are coupled with a diminishing income and cash flow.

The reverse mortgage product fills in this gap by enabling senior homeowners to remain in their homes and maintain financial independence. Through this program, seniors convert part of the equity in their homes into tax-free income without having to sell the home, give up title, or take on a new monthly mortgage payment. Previously, the only way for a homeowner to extract cash from their home was to sell it, or to borrow against it and begin making monthly payments.

The HECM program was created to serve our seniors who are “cash poor” but “equity rich,” and the majority of loan recipients are elderly widows. The funds from a reverse mortgage can be used for anything: daily living expenses; home repairs or modifications; health care expenses, including prescription drugs or in-home care; existing debts; prevention of foreclosure; and other needs.

For example, a 75-year-old with a home worth \$100,000 could receive a reverse mortgage loan that could payout \$500 per month for almost 12 years. This loan is then repaid when the borrower dies or the home is sold.

Not only do seniors face a shortage of affordable housing, but surveys show that most seniors prefer to live out their lives in the own homes. According to a study by AARP, over 80 percent of respondents indicated that they wanted to stay in their current residence as long as possible. Further, according to the National Council on the Aging, of the over 27 million households in the U.S. over 62 years of age, 82 percent live in homes that they own and over 74 percent own those homes free and clear.

In 1998, Congress adopted legislation making the HECM program permanent, but set a cap of 150,000 loans that could be outstanding at any one time. Because production of HECM loans began to bump up against that cap, Congress first increased the authorization cap to 250,000 in 2005 and then to 275,000 in late 2006. However, there are indications that this increase may not be sufficient, and that this cap will stifle the ability of seniors to tap into this important equity as a way of addressing everyday needs. According to the Wall Street Journal, in Fiscal Year 2006, homeowners took out a record 76,351 reverse mortgages, which represents an increase of 77 percent over the previous year.

This legislation will remove the cap on the number of reverse mortgages that can be insured by the HECM program through February 15, the date on which the current Continuing Resolution expires. This measure is similar to H.R. 2892, the “Reverse Mortgages to Help America’s Seniors Act,” which was passed by the House by voice vote in the last Congress. While only a temporary fix, today’s bill will pave the way for removal of the cap through the end of 2007.

For most seniors, and most Americans, a home represents more than just a place to

live. It holds treasured memories and provides economic security to support increasingly longer lives. I urge Members to unanimously support this bill so that seniors can maintain their independence and stay in their homes.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. SCOTT) that the House suspend the rules and pass the bill, H.R. 391.

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

A motion to reconsider was laid on the table.

STUDENT LOANS

(Ms. WATSON asked and was given permission to address the House for 1 minute.)

Ms. WATSON. Madam Speaker, this week Democrats will continue to meet the needs of the American people by introducing the legislation to cut student loans interest rates in half.

The cost of attending college continues to skyrocket, putting college out of reach for more and more students. Tuition and fees at public universities have increased by 41 percent after inflation since the 2000–2001 academic year, and fees at private universities have jumped 17 percent after inflation. Today, the typical student borrower graduates from college with \$17,500 in debt. According to the Department of Education, the rising cost of higher education will prevent 4.4 million high school graduates from attending a 4-year college over the next decade.

Madam Speaker, more than ever the health of our economy rests on having a highly skilled and educated workforce. College access is key to America’s future, and cutting student loan interest rates is key to making college more affordable to millions of Americans.

HONORING THE MARE ISLAND ORIGINAL 21ERS

Mr. GEORGE MILLER of California. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 31) honoring the Mare Island Original 21ers for their efforts to remedy racial discrimination in employment at Mare Island Naval Shipyard.

The Clerk read as follows:

H. CON. RES. 31

Whereas over 45 years ago African-American workers employed by the Mare Island Naval Shipyard in Vallejo, California, despite having work experiences and qualifications comparable to their counterparts, experienced racial discrimination resulting in the denial of opportunities in employment, training, and apprenticeship positions, supervisory positions, promotions, and awards;

Whereas in March 1961 President John F. Kennedy issued Executive Order 10925 estab-

lishing the President’s Committee on Equal Employment Opportunity and reaffirming the prohibition of discrimination against any employee of, or applicant for employment by, the Federal Government because of race, color, religion, or national origin;

Whereas Executive Order 10925 laid the foundation for title VII of the Civil Rights Act of 1964;

Whereas on November 17, 1961, 21 African-American shipyard workers at Mare Island Naval Shipyard filed a racial discrimination complaint with the Committee on Equal Employment Opportunity;

Whereas the complaint outlined nine allegations of racial discrimination in employment at Mare Island Naval Shipyard and requested that the Committee investigate and correct the deplorable conditions at Mare Island Naval Shipyard;

Whereas the filing of this complaint along with other similar complaints of racial discrimination led to an acknowledgment by then Defense Secretary Robert McNamara in 1963 that there was employment discrimination based on race in the military;

Whereas on November 8, 1963, the Original 21ers Club was officially recognized with the purpose of elevating qualified minorities in every phase of Mare Island employment, creating a better relationship between management and employees and better acquainting their membership with the working conditions of every occupation;

Whereas the actions and persistence of the Original 21ers provided the means for overturning racial discrimination in employment at Mare Island Naval Shipyard and resulted in new employment opportunities for African-American workers at Mare Island Naval Shipyard;

Whereas the Original 21ers went on to organize for equal employment opportunities in other local military facilities in the San Francisco Bay Area of California; and

Whereas the heroic deeds of the Original 21ers have remained heretofore unacknowledged: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring),

(1) that the Congress recognizes the historic accomplishments of the Mare Island Original 21ers in combating racial discrimination in employment as envisioned in title VII of the Civil Rights Act of 1964 and providing equal employment opportunities for African-American shipyard workers;

(2) that the Congress recognizes the importance of the Committee on Equal Employment Opportunity as a forerunner to the Equal Employment Opportunity Commission which continues the fight in resolving complaints of racial discrimination in employment; and

(3) that the Congress recognizes the importance of title VII of the Civil Rights Act of 1964 as a powerful and ongoing tool for eliminating racial discrimination in employment.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. GEORGE MILLER) and the gentleman from Minnesota (Mr. KLINE) each will control 20 minutes.

The Chair recognizes the gentleman from California.

Mr. GEORGE MILLER of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, yesterday on the occasion of his birthday people across this country took time to honor and celebrate the life of Dr. Martin Luther King. Many of us participated in acts of community service and community rallies or took time out to listen to the