added as cosponsors of S. 1524, a bill to strengthen the capacity, transparency, and accountability of United States foreign assistance programs to effectively adapt and respond to new challenges of the 21st century, and for other purposes.

S. 1628

At the request of Mr. UDALL of Colorado, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of S. 1628, a bill to amend title VII of the Public Health Service Act to increase the number of physicians who practice in underserved rural communities.

S. 1632

At the request of Mrs. BOXER, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1632, a bill to require full and complete public disclosure of the terms of home mortgages held by Members of Congress.

S. 1640

At the request of Mr. WYDEN, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 1640, a bill to amend title XVIII of the Social Security Act to provide coverage of intensive lifestyle treatment.

S. 1647

At the request of Mr. REED, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 1647, a bill to provide for additional emergency unemployment compensation, and for other purposes.

S. 1675

At the request of Mr. AKAKA, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 1675, a bill to implement title V of the Nuclear Non-Proliferation Act of 1978 and to promote economical and environmentally sustainable means of meeting the energy demands of developing countries, and for other purposes.

S. 1678

At the request of Mr. CARDIN, the names of the Senator from New York (Mr. SCHUMER) and the Senator from Ohio (Mr. BROWN) were added as cosponsors of S. 1678, a bill to amend the Internal Revenue Code of 1986 to extend the first-time homebuyer tax credit, and for other purposes.

S. 1683

At the request of Mr. BENNET, the name of the Senator from Colorado (Mr. UDALL) was added as a cosponsor of S. 1683, a bill to apply recaptured taxpayer investments toward reducing the national debt.

S. 1688

At the request of Mr. BENNETT, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of S. 1688, a bill to prevent congressional reapportionment distortions by requiring that, in the questionnaires used in the taking of any decennial census of population, a checkbox or other similar option be included for respondents to indicate citizenship status or lawful presence in the United States.

S. 1699

At the request of Mr. REED, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 1699, a bill to amend the Supplemental Appropriations Act, 2008 to provide for the temporary availability of certain additional emergency unemployment compensation, and for other purposes.

AMENDMENT NO. 2259

At the request of Mr. SANDERS, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Ohio (Mr. BROWN) were added as cosponsors of amendment No. 2259 proposed to H.R. 2997, a bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2010, and for other purposes.

AMENDMENT NO. 2555

At the request of Mr. JOHANNS, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of amendment No. 2555 proposed to H.R. 3326, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2010, and for other purposes.

AMENDMENT NO. 2567

At the request of Mr. BARRASSO, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of amendment No. 2567 intended to be proposed to H.R. 3326, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2010, and for other purposes.

AMENDMENT NO. 2574

At the request of Mr. FEINGOLD, his name was added as a cosponsor of amendment No. 2574 intended to be proposed to H.R. 3326, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2010, and for other purposes.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FRANKEN (for himself, Mr. ROCKEFELLER, Mr. WHITEHOUSE, and Mr. SANDERS):

S. 1730. A bill to provide for minimum loss ratios for health insurance coverage; to the Committee on Health, Education, Labor, and Pensions.

Mr. FRANKEN. Mr. President, I am pleased today to introduce the Fairness in Health Insurance Act. This bill will hold health insurance companies accountable by requiring that at least 90 percent of your premium dollars go toward health services, not profits or administrative waste. As we move forward in health reform, it is essential that health insurance companies know that their top priority must be serving beneficiaries, not taking care of shareholders or CEOs.

This bill is inspired by the unique culture of health care in Minnesota, which includes the Mayo Clinic, cooperative models like HealthPartners, and visionary public health leadership from State legislators. Heath care in our State is also distinguished by the fact that 90 percent of Minnesotans are served by a nonprofit health plan. These plans outperform their national peers and are able to put 91 cents of every premium dollar toward actual health care services.

In other plans throughout the nation, though, you may find less than 60 percent of your premium is put toward health care; the rest is for overhead, marketing and profits. By taking the profits out of the health insurance industry, Minnesota health plans do a better job helping our residents to live healthier, longer lives. The Fairness in Health Insurance Act will help us hold all health plans to the same standards we've set in Minnesota by requiring that 90 percent of premium dollars actually pay for health services.

But while millions of Americans struggle to pay for health care, insurance executives continue to make obscene salaries. Last year, three top health insurance executives saw boosts in their total compensation—some of them making almost $10 million. I believe in fair competition but I do not support companies making obscene profits off of health care. The Fairness in Health Insurance Act will force insurance companies to prioritize health services for beneficiaries over bonus packages for CEOs.

In fact, the current reality is that most of us don't know where our health insurance premiums go. It's challenging enough to understand a billing statement from your health insurance company, much less track where your money is being spent. The Fairness in Health Insurance Act also requires transparent reporting of how health insurance companies are spending your money. This transparency is especially important as we move to cover all Americans in health reform. Clear reporting will help us hold insurance companies accountable for every dollar we invest in health insurance.

Now, although Minnesota outperforms most states in health care, I know we can continue to do better as well. When I talk with Minnesotans, I hear again and again that people are living in fear about health care. They are afraid of losing their health insurance, or worried about getting sick and going bankrupt. The reality is that 50 percent of bankruptcies today are caused by health costs and 80 percent of these Americans actually have health insurance.

Passing national health reform this year is my top priority because I have listened to Minnesotans across the State. They have told me, loud and clear, that the current health insurance system is not working for them. The Fairness in Health Insurance Act of 2009 is an important part of my health reform strategy that also includes cost containment, simplifying paperwork, focusing on prevention, pushing for a public option and making

sure that all Americans have access to affordable, secure health insurance.

I urge my colleagues to work with me to ensure that these commonsense strategies are included in our health reform bill when it comes to the floor. Taken together, these elements will bring our country into a new era in which high-quality—and affordable—health care is a reality for all Americans.

Mr. President, I ask for unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 1730

*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 ''Fairness in Health Insurance Act''.

**SEC. 2. REQUIREMENT OF MINIMUM LOSS RATIO OF 90 PERCENT FOR HEALTH INSURANCE COVERAGE.**

(a) IN GENERAL.—A health insurance issuer shall not offer health insurance coverage unless the issuer demonstrates that such coverage has a medical loss ratio of at least 90 percent.

(b) MEDICAL LOSS RATIO.—

(1) IN GENERAL.—In this section, the term ''medical loss ratio'' has the meaning given such term by the Secretary of Health and Human Services. The Secretary shall establish a uniform definition of medical loss ratio and methodology for determining how to calculate the medical loss ratio. Such methodology shall take into account the circumstances of different plans and activities related to health services such as chronic disease management and quality assurance.

(2) REPORT.—Not later than December 31, 2010, the Secretary of Health and Human Services shall publish a report that describes the definition developed under paragraph (1) and the elements with respect to such definition.

(c) TRANSPARENCY.—

(1) SUBMISSION OF DATA.—Beginning in plan year 2011, a health insurance issuer shall provide the Secretary of Health and Human Services with data to enable the Secretary to determine whether the issuer is in compliance with subsection (a) with respect to health insurance coverage offered by such issuer.

(2) DEVELOPMENT OF ELEMENTS AND DEFINITIONS.—Not later than December 31, 2010, the Secretary of Health and Human Services shall develop, publish in a report, and implement the standardized data elements and definitions to be used by health insurance issuers in the reporting of data necessary for the calculation of the medical loss ratio under paragraph (1).

(d) REBATES.—Each health insurance issuer that offers health insurance coverage shall provide that for any plan year in which the coverage has a medical loss ratio below 90 percent, the issuer shall provide, in a manner specified by the Secretary, for rebates to enrollees of payments sufficient with respect to such loss ratio.

(e) ENFORCEMENT.—The Secretary shall promulgate regulations for enforcing the provisions of this section and may provide for appropriate penalties.

(f) DEFINITION.—In this section, the terms ''health insurance coverage'' and ''health insurance issuer'' shall have the meanings given such terms in section 2791 of the Public Health Service Act (42 U.S.C. 300gg–91).

By Mr. REED (for himself, Mr. DURBIN, Mr. WHITEHOUSE, and Mr. MERKLEY):

S. 1731. A bill to require certain mortgagees to make loan modifications, to establish a grant program for State and local government mediation programs, to create databases on foreclosures, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. REED. Mr. President, today I introduce the Preserving Homes and Communities Act of 2009. I thank Senators DURBIN, WHITEHOUSE, and MERKLEY for joining me as original cosponsors of this bill. In the last year the Federal Government has taken decisive action and devoted substantial financial resources to shoring up financial markets, averting a potential national and global financial meltdown. However, the current foreclosure crisis continues to pose a threat to the wellbeing of individual families, local communities, and the broader economy. We must take similarly aggressive actions to stabilize the housing markets.

Despite efforts to forestall the current crisis, the number of foreclosures is alarming. A reported 1.5 million properties were in the foreclosure process during the first 6 months of 2009, on pace to surpass last year's foreclosure filings by more than a third. Meanwhile, economist Mark Zandi suggests that the number of mortgages in default could rise to 4 million this year.

The situation in my own State of Rhode Island is particularly dire. Moody's Economy.com reports that 22 percent of Rhode Island mortgages are underwater, and the State has the highest rate of foreclosure starts in New England. More than one in eight mortgages are at least one payment past due, suggesting that the situation may be getting worse. Indeed, as foreclosures dipped nationally in August, they continued to rise in Rhode Island.

These numbers are more than statistics. They represent children uprooted from schools, life savings evaporated, and families faced with the daunting prospect of starting over. For communities, these numbers can translate into cycles of blight, disinvestment, and crime that weaken neighborhoods and damage the property values of the families struggling to retain their homes.

This did not happen overnight. As we all know, during the past several years, housing prices in cities and States around the country far outpaced any increase in wages. Some families stretched themselves financially to become homeowners, but many others were steered towards alternative or exotic mortgage loan products to purchase their homes. However, as home prices have declined, many people who took out these and other exotic loans are now finding they owe more than the value of their property and that they cannot sustain the sharp monthly payment increases their alternative mortgages require.

However, as unemployment has risen, so has the number of foreclosures among homeowners with more traditional mortgages. According to the Mortgage Bankers Association, more than a third of the overall increase in the start of foreclosures in the second quarter was attributable to prime, fixed rate loans. More and more households are finding that even with a fixed rate mortgage that they could afford in normal times, they are just one pink slip away from losing their biggest investment.

I am introducing the Preserving Homes and Communities Act to address this crisis. First, it establishes a new mortgage payment assistance program to help homeowners who, with temporary financial assistance, would be able to hold onto their homes. Specifically, it authorizes $6.375 billion in formula funding to enable states to offer grants or subsidized loan funds to qualified families who have suffered significant decreases in income. My bill outlines requirements to ensure that states will carefully steward Federal dollars by evaluating applicants' prospects for future employment, targeting middle class homeowners, prohibiting payments that reward predatory lenders, and capping maximum loan or grant amounts. Yet the criteria are flexible enough that states can design programs that will most effectively meet local needs.

My bill also takes aim at the slow progress that servicers and lenders have made in implementing the administration's foreclosure prevention programs. A September report on the Home Affordable Modification Program indicated that just 12 percent of eligible homeowners with delinquent mortgages had been granted trial modifications. Too many homeowners are waiting too long—weeks, months, or longer—to get answers to their loan modification applications. In the meantime, they are still subject to costly foreclosure proceedings that can make it more difficult for them to eventually qualify for assistance.

The Preserving Homes and Communities Act creates an incentive for lenders to more quickly evaluate whether homeowners qualify for modifications by requiring that homeowners be evaluated for a loan modification that conforms with the Administration's programs before a bank can initiate foreclosure. It also states that homeowners who qualify must be offered a modification. My bill prevents costly fees from piling up while qualified homeowners wait to be granted more affordable mortgages, and no longer will homeowners be left out in the cold if their particular loan servicer chooses not to participate in the government program. And if lenders fail to follow the rules, this bill will allow homeowners to use servicers' noncompliance as a defense to foreclosure. The bill also places prudent

limits on the fees that homeowners can be charged—particularly foreclosure-related fees.

My legislation provides $80 million as an incentive for more States and local governments to create strong mediation programs, an additional tool to help homeowners facing foreclosure. Mediation programs allow homeowners and servicers to meet, face to face, to try to find an alternative to foreclosure. These programs have shown promise in several state and local settings for helping homeowners avoid foreclosure, and this legislation will provide matching funds to help establish new mediation initiatives. This bill also sets aside $5 million for the creation of a Federal database on defaults and foreclosures to improve oversight of public and private efforts to sustain homeownership.

Finally, we know that these tough economic times are impacting renters as well. Competition for already-scarce affordable housing has increased. With the poverty rate at its highest level in 11 years, more individuals and families with limited incomes are at risk of homelessness. For this reason, the Preserving Homes and Communities Act uses proceeds from the warrant provisions I crafted for the financial rescue package to capitalize the National Housing Trust Fund. These warrant provisions are allowing taxpayers to benefit from the upside of our investments in faltering financial institutions. My view is that some of these returns from providing a firmer foundation for our financial institutions would be put to good use by providing a firmer foundation for affordable housing in our country. The National Housing Trust Fund, which I worked to establish in the Housing and Economic Recovery Act, will enable the building, preservation, and rehabilitation of affordable housing.

I am introducing the Preserving Homes and Communities Act because when homes get foreclosed on, it does not just affect individual borrowers and lenders. Whole neighborhoods pay the price. Housing industry experts estimate that for every foreclosure within an eighth of a mile of a house, two and a half city blocks in every direction, the property value of surrounding homes drops by about 1 percent.

I believe that the Federal Government has a role to play in ensuring that millions of Americans, including neighbors who avoided risky loans and have sacrificed and saved to pay their bills on time, are protected from further declines in property values and the blight of abandoned homes.

This legislation is targeted relief that will help more families keep their homes and protect communities from even greater losses. The Preserving Homes and Communities Act will set us on the path to stabilizing the housing sector as a foundation of lasting economic recovery. I hope my colleagues will join me and Senators DURBIN, WHITEHOUSE, and MERKLEY in supporting this bill and other foreclosure prevention efforts.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 1731

*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 ''Preserving Homes and Communities Act of 2009''.

**SEC. 2. LOAN MODIFICATION REQUIREMENTS.**

(a) DEFINITIONS.—In ths section—

(1) the term ''covered mortgagee'' means—

(A) a mortgagee under a federally related mortgage loan; and

(B) the agent of a mortgagee under a federally related mortgage loan;

(2) the term ''covered mortgagor'' means an individual who is a mortgagor under a federally related mortgage loan—

(A) made by a covered mortgagee;

(B) secured by the principal residence of the mortgagor; and

(C) on which the mortgagor cannot make payments due to financial hardship, as determined by the Secretary;

(3) the term ''federally related mortgage loan'' has the same meaning as in section 3 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602);

(4) the term ''home loan modification protocol'' means a home loan modification protocol that is developed under a home loan modification program put into effect by the Secretary of the Treasury or the Secretary;

(5) the term ''qualified loan modification'' means a modification to the terms of a mortgage agreement between a covered mortgagee and a covered mortgagor that is made pursuant to a determination by the covered mortgagee using a home loan modification protocol that a modification would produce a greater net present value than foreclosure to—

(A) the covered mortgagee; or

(B) in the aggregate, all persons that hold an interest in the mortgage agreement; and

(6) the term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) LOAN MODIFICATION REQUIRED.—

(1) IN GENERAL.—A covered mortgagee may not initiate or continue a foreclosure proceeding against a covered mortgagor that is otherwise authorized under State law unless—

(A) the covered mortgagee has determined whether the covered mortgagor is eligible for a qualified loan modification;

(B) in the case of a covered mortgagor who the covered mortgagee determines is eligible for a qualified loan modification, the covered mortgagee has offered a qualified loan modification to the covered mortgagor; and

(C) in the case of a covered mortgagor who the covered mortgagee determines is not eligible for a qualified loan modification, the covered mortgagee has made available to the covered mortgagor the note, deed of trust, or any other document necessary to establish the right of the mortgagee to foreclose on the mortgage.

(2) NO WAIVER OF RIGHTS.—A covered mortgagee may not require a covered mortgagor to waive any right of the covered mortgagor as a condition of making a qualified loan modification.

(3) SALE OF REAL PROPERTY SECURING MORTGAGE.—

(A) SALE.—A covered mortgagee may not sell the real property securing the mortgage of a covered mortgagor unless the covered mortgagee submits to the appropriate State entity in the State in which the real property is located, a certification that the covered mortgagee has made a determination under paragraph (1)(A).

(B) ACTION BY PURCHASER.—A person that purchases from a covered mortgagee the real property securing the mortgage of a covered mortgagor may not recover possession of the real property unless the covered mortgagee submits to the appropriate State entity in the State in which the real property is located, a certification that the covered mortgagee has made a determination under paragraph (1)(A).

(C) CERTIFICATION STANDARDS.—The Secretary shall establish minimum standards for the certification required under this paragraph.

(4) DEFENSE TO FORECLOSURE.—Failure to comply with this subsection shall be a defense to foreclosure.

(5) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to prevent a covered mortgagee from offering or making a loan modification with a lower payment, lower interest rate, or principal reduction beyond that required by a modification made using a home loan modification protocol with respect to a covered mortgagor.

(c) FEES PROHIBITED.—

(1) LOAN MODIFICATION FEES PROHIBITED.—A covered mortgagee may not charge a fee to a covered mortgagor for carrying out the requirements under subsection (b).

(2) FORECLOSURE-RELATED FEES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), a mortgagee may not charge a foreclosure-related fee to a mortgagor before—

(i) the mortgagee has made a determination under subsection (b)(1); and

(ii) the mortgage has entered the foreclosure process.

(B) DELINQUENCY FEES.—A mortgagee may charge a delinquency fee for late payment by the mortgagor.

(3) FEES NOT IN CONTRACT.—A mortgagee may charge to a mortgagor only such fees as have been specified in advance by the mortgage agreement.

(4) FEES FOR EXPENSES INCURRED.—A mortgagee may charge a fee to a mortgagor only for services actually performed by the mortgagee or a third party in relation to the mortgage agreement. For purposes of this paragraph, the term ''third party'' does not include an affiliate or subsidiary of the mortgagee.

(5) PENALTY.—The Secretary shall collect from any mortgagee that charges a fee in violation of this subsection an amount equal to $6,000 for each such fee.

(d) REGULATIONS.—Not later than 3 months after the date of enactment of this Act, the Secretary shall issue by notice any requirements to carry out this section. The Secretary shall subsequently issue, after notice and comment, final regulations to carry out this section.

**SEC. 3. GRANTS TO STATES TO ASSIST HOMEOWNERS IN DEFAULT.**

Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended by adding at the end the following:

''(g) GRANTS TO STATES TO ASSIST HOMEOWNERS IN DEFAULT.—

''(1) DEFINITIONS.—In this subsection—

''(A) the term 'eligible agency' means a State housing finance agency or an agency designated by the State as an eligible agency;

''(B) the term 'eligible homeowner' means a mortgagor who—

''(i) is a permanent resident of the State in which the principal residence of the mortgagor is located;

''(ii) agrees to seek counseling from a counseling agency approved by the Secretary if the eligible homeowner receives a loan or grant made using funds under this subsection;

''(iii) is suffering from financial hardship which is unexpected or due to circumstances beyond the control of the mortgagor;

''(iv) is unable to correct any delinquency on any amounts past due on the home loan of such mortgagor within a reasonable time without financial assistance;

''(v) has requested a loan modification from the mortgagee;

''(vi) is unable to make full payment on any home loan payment due for all liens within the 30-day period following the date of the application by the mortgagor for a loan or grant using funds under this subsection;

''(vii) the eligible agency determines has a reasonable probability of resuming full payments due for all liens on the mortgage of such mortgagor not later than 15 months after the date on which the mortgagor receives a loan or grant using funds under this subsection; and

''(viii) has not previously received a loan or grant using funds under this subsection; and

''(C) the term 'mortgagor' means a mortgagor under a mortgage—

''(i) secured by a 1- to 4-family owner-occupied residence (including a 1-family unit in a condominium project and a membership interest and occupancy agreement in a cooperative housing project) that is used as the principal residence of the mortgagor;

''(ii) with an interest rate that does not exceed the prime rate of interest at the time of loan origination, as such prime rate is determined by not less than 75 percent of the 30 largest depository institutions in the United States; and

''(iii) for an amount that does not exceed the conforming loan limit for conventional mortgages, as determined under section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)).

''(2) GRANT PROGRAM ESTABLISHED.—The Secretary shall award grants to eligible agencies, to enable eligible agencies to provide—

''(A) 1-time emergency grants or subsidized loans to eligible homeowners to assist such eligible homeowners in satisfying any amounts past due on their home loans;

''(B) grants or subsidized loans to eligible homeowners for a specified number of future mortgage payments by the eligible homeowners; and

''(C) stipends of not more than $1,500 to assist with relocation expenses for homeowners not eligible for the program.

''(3) ADDITIONAL SERVICES PROVIDED BY ELIGIBLE AGENCY.—An eligible agency that receives a grant under this subsection shall provide—

''(A) a readily accessible source for information on, and referral to, public services available to assist a homeowner who is in default on their home loan;

''(B) a homeowner with referrals to counseling agencies approved by the Department of Housing and Urban Development that may be able to assist that homeowner, if that homeowner is in default on their home loan;

''(C) information to homeowners on available community resources relating to homeownership, including—

''(i) public assistance or benefits programs;

''(ii) mortgage assistance programs, including programs that help homeowners prepare documents for loan modification applications;

''(iii) home repair assistance programs;

''(iv) legal assistance programs;

''(v) utility assistance programs;

''(vi) food assistance programs; and

''(vii) other Federal, State, or local government funded social services; and

''(D) staff who—

''(i) are able to conduct a brief assessment of the situation of a homeowner; and

''(ii) based on such assessment, make appropriate referrals to, and provide application information regarding, programs that can provide assistance to such homeowner.

''(4) FORMULA.—Not later than 3 months after the date of enactment of the Preserving Homes and Communities Act of 2009, the Secretary shall develop a formula for the award of funds under this subsection that includes the following factors:

''(A) The population of the State, as determined by the Bureau of the Census in most recent estimate of the resident population of the State.

''(B) The rate of mortgages in the State that are delinquent more than 90 days.

''(C) The ratio of foreclosures to owner-occupied households in the State.

''(D) The change, if any, in the rate of unemployment in the State between 2007 and 2008.

''(5) PROGRAM REQUIREMENTS.—

''(A) SELECTION CRITERIA.—

''(i) IN GENERAL.—Each eligible entity that receives a grant under this subsection shall develop selection criteria for eligible homeowners seeking a grant or subsidized loan under this subsection.

''(ii) INCOME REPORTING.—A mortgagor that receives a grant or subsidized loan under this subsection shall be required, in accordance with criteria prescribed by the eligible agency, to report any increase in income.

''(B) LOAN REQUIREMENTS.—

''(i) INTEREST RATE.—Any loan made using a grant under this subsection shall carry a simple annual percentage rate of interest which shall not exceed the prime rate of interest, as such prime rate is determined from time to time by not less than 75 percent of the 30 largest depository institutions in the United States.

''(ii) COMPOUND INTEREST PROHIBITED.—Interest on the outstanding principal balance of any loan under this subsection shall not compound.

''(iii) BALANCE DUE.—

''(I) IN GENERAL.—The principal of any loan made under this paragraph, including any interest accrued on such principal, shall not be due and payable unless the real property securing such loan is sold or transferred.

''(II) DEPOSIT OF BALANCE DUE.—If an event described in subclause (I) occurs, the principal of any loan made under this subsection, including any interest accrued on such principal, shall immediately become due and payable to the eligible agency from which the loan originated.

''(iv) PREPAYMENT.—Any eligible homeowner who receives a loan using a grant made under this subsection may repay the loan in full, without penalty, by lump sum or by installment payments, at any time prior to the loan becoming due and payable.

''(v) MAXIMUM AMOUNT.—The amount of any loan to any 1 eligible homeowner under this subsection may not exceed 20 percent of the original mortgage amount borrowed by the eligible homeowner.

''(vi) SUBORDINATION.—Any loan made using a grant under this subsection will be subordinated to any refinancing of the first mortgage, any preexisting subordinate financing, any purchase money mortgage, or subordinated for any other reason, as determined by the eligible agency.

''(6) SEPARATE ACCOUNT.—

''(A) SEPARATE ACCOUNT.—An eligible agency that receives a grant under this subsection shall establish a separate account in which to hold amounts received under this subsection.

''(B) REPAYMENT OF LOANS.—Any amounts repaid on a subsidized loan made under this subsection shall be deposited in the account established under subparagraph (A).

''(C) OTHER FUNDING.—Amounts donated or otherwise directed to be used for purposes of this subsection may be deposited in the account established under subparagraph (A) to help capitalize such account.

''(7) USE OF GRANT FUNDS.—

''(A) IN GENERAL.—Subject to subparagraph (B), any amounts made available for purposes of this subsection may be used only for the purposes described in paragraph (2).

''(B) EXCEPTION FOR ADMINISTRATIVE COSTS.—An eligible agency may use not more than 5 percent of any funds received under this subsection for administrative costs relating to activities carried out under paragraph (2).

''(8) EXISTING LOAN FUNDS.—Any eligible agency with a previously existing fund established to make loans to assist homeowners in satisfying any amounts past due on their home loan or for future payments may use funds appropriated for purposes of this subsection for that existing loan fund, even if the eligibility, application, program, or use requirements for that loan program differ from the eligibility, application, program, and use requirements of this subsection, unless such use is expressly determined by the Secretary to be inappropriate.

''(9) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

''(A) $6,375,000,000 for fiscal year 2010; and

''(B) such sums as may be necessary for each of fiscal years 2011 through 2013.''.

**SEC. 4. MEDIATION INITIATIVES.**

(a) DEFINITIONS.—In this section—

(1) the term ''mortgagee'' includes the agent of a mortgagee; and

(2) the term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) GRANT PROGRAM ESTABLISHED.—The Secretary shall establish a grant program to make competitive grants to State and local governments to establish mediation programs that assist mortgagors facing foreclosure.

(c) MEDIATION PROGRAMS.—A mediation program established using a grant under this section shall—

(1) require participation in the program by—

(A) any mortgagee that initiates a foreclosure proceeding; and

(B) any mortgagor who is subject to a foreclosure proceeding;

(2) require any mortgagee or mortgagor required to participate in the program to make a good faith effort to resolve issues relating to foreclosure proceedings through mediation;

(3) if mediation is not made available to the mortgagor before a foreclosure proceeding is initiated, allow the mortgagor to request mediation at any time before a foreclosure sale;

(4) provide for—

(A) supervision by a State court (or a State court in conjunction with an agency or department of a State or local government) of the mediation program;

(B) selection and training of neutral, third-party mediators by a State court (or an agency or department of the State or local government);

(C) penalties to be imposed by a State court, or an agency or department of a State or local government, if a mortgagee fails to comply with an order to participate in mediation; and

(D) consideration by a State court (or an agency or department of a State or local

government) of recommendations by a mediator relating to penalties for failure to fulfill the requirements of the mediation program;

(5) require that each mortgagee that participates in the mediation program make available to the mortgagor, before and during participation in the mediation program, documentation of—

(A) a loan modification calculation or net present value calculation made by the mortgagee in relation to the mortgage using a home loan modification protocol—

(i) developed under a home loan modification program put into effect by the Secretary of the Treasury or the Secretary; or

(ii) approved by the Secretary;

(B) the loan origination, including any note, deed of trust, or other document necessary to establish the right of the mortgagee to foreclose on the mortgage;

(C) any pooling and servicing agreement that the mortgagee believes prohibits a loan modification;

(D) the payment history of the mortgagor and a detailed accounting of any costs or fees associated with the account of the mortgagor; and

(E) the specific alternatives to foreclosure considered by the mortgagee, including loan modifications, workout agreements, and short sales;

(6) prohibit a mortgagee from shifting the costs of participation in the mediation program, including the attorney's fees of the mortgagee, to a mortgagor;

(7) provide that—

(A) any holder of a junior lien against the property that secures a mortgage that is the subject of a mediation—

(i) be notified of the mediation; and

(ii) be permitted to participate in the mediation; and

(B) any proceeding initiated by a holder of a junior lien against the property that secures a mortgage that is the subject of a mediation be stayed pending the mediation;

(8) provide information to mortgagors about housing counselors approved by the Secretary; and

(9) be free of charge to the mortgagor and mortgagee.

(d) RECORD KEEPING.—A State or local government that receives a grant under this section shall keep a record of the outcome of each mediation carried out under the mediation program, including the nature of any loan modification made as a result of participation in the mediation program.

(e) TARGETING.—A State that receives a grant under this section may establish—

(1) a State-wide mediation program; or

(2) a mediation program in a specific locality that the State determines has a high need for such program due to—

(A) the number of foreclosures in the locality; or

(B) other characteristics of the locality that contribute to the number of foreclosures in the locality.

(f) FEDERAL SHARE.—The Federal share of the cost of a mediation program established using a grant under this section may not exceed 50 percent.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) $80,000,000 for fiscal year 2010; and

(2) such sums as may be necessary for each of fiscal years 2011 through 2013.

**SEC. 5. OVERSIGHT OF PUBLIC AND PRIVATE EFFORTS TO REDUCE MORTGAGE DEFAULTS AND FORECLOSURES.**

(a) DEFINITIONS.—In this section—

(1) the term ''heads of appropriate agencies'' means the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Director of the Office of Thrift Supervision, and a representative of State banking regulators selected by the Secretary of Housing and Urban Development;

(2) the term ''mortgagee'' means—

(A) an original lender under a mortgage;

(B) any servicers, affiliates, agents, subsidiaries, successors, or assignees of an original lender; and

(C) any subsequent purchaser, trustee, or transferee of any mortgage or credit instrument issued by an original lender;

(3) the term ''Secretary'' means the Secretary of Housing and Urban Development; and

(4) the term ''servicer'' means any person who collects on a home loan, whether such person is the owner, the holder, the assignee, the nominee for the loan, or the beneficiary of a trust, or any person acting on behalf of such person.

(b) MONITORING OF HOME LOANS.—

(1) IN GENERAL.—The Secretary, in consultation with the heads of appropriate agencies, shall develop and implement a plan to monitor—

(A) conditions and trends in homeownership and the mortgage industry, in order to predict trends in foreclosures to better understand other critical aspects of the mortgage market; and

(B) the effectiveness of public efforts to reduce mortgage defaults and foreclosures.

(2) REPORT TO CONGRESS.—Not later than 1 year after the development of the plan under paragraph (1), and each year thereafter, the Secretary shall submit a report to Congress that—

(A) summarizes and describes the findings of the monitoring required under paragraph (1); and

(B) includes recommendations or proposals for legislative or administrative action necessary—

(i) to increase the authority of the Secretary to levy penalties against any mortgagee, or other person or entity, who fails to comply with the requirements described in this section;

(ii) to improve coordination between public and private initiatives to reduce the overall rate of mortgage defaults and foreclosures; and

(iii) to improve coordination between initiatives undertaken by Federal, State, and local governments.

(c) NATIONAL DATABASE ON DEFAULTS AND FORECLOSURES.—

(1) IN GENERAL.—The Secretary, in consultation with the heads of appropriate agencies, shall develop recommendations for a national database on mortgage defaults and foreclosures that—

(A) provides information to Federal regulatory agencies on—

(i) mortgagees that generate home loans that go into default or foreclosure at a rate significantly higher than the national average for such mortgagees;

(ii) the factors associated with such higher rates; and

(iii) other factors and indicators that the Secretary determines are critical to monitoring the mortgage markets; and

(B) provides information to Federal, State, and local governments on loans, defaults, foreclosure initiations, foreclosure completions, and sheriff sales that—

(i) is not otherwise readily available;

(ii) would allow for a better understanding of local, regional, and national trends in delinquencies, defaults, and foreclosures; and

(iii) helps improve public policies that reduce defaults and foreclosures.

(2) CONSIDERATIONS.—In developing the recommendations under paragraph (1), the Secretary shall take into consideration privacy concerns and legal issues relating to such concerns, including the advisability of establishing rules relating to access to information obtained under subsection (d).

(3) REPORT TO CONGRESS ON NATIONAL DATABASE.—Not later than 12 months after the date of enactment of this Act, the Secretary shall submit a report to Congress that contains—

(A) the recommendations developed under paragraph (1); and

(B) an estimate of the cost of maintaining the database described in paragraph (1).

(d) PROVISION OF DATA.—

(1) DATA REPORT REQUIRED.—Not later than 18 months after the date of enactment of this Act, the Secretary, in consultation with the heads of appropriate agencies, shall issue final rules that require each mortgagee or servicer that originates or services not fewer than 100 loans in a calendar year (or any other person that the Secretary determines can effectively provide the data described in paragraph (2)) to submit a report to the Secretary not less frequently than once each quarter that contains data the Secretary determines are necessary to carry out this section.

(2) CONTENTS OF REPORT.—Each report submitted under paragraph (1) shall contain data that—

(A) for each loan, use the identification requirements that are established under the Home Mortgage Disclosure Act (12 U.S.C. 2801 et seq.) for data reporting, including—

(i) the year of origination;

(ii) the agency code of the originator;

(iii) the respondent identification number of the originator; and

(iv) the identifying number for the loan;

(B) describe the characteristics of each home loan originated in the preceding 12 months by the mortgagee or servicer (or, in the case of the first report required to be submitted under this subsection, all active loans originated by the mortgagee or servicer), including—

(i) the loan-to-value ratio at the time of origination for each mortgage on the property;

(ii) the type of mortgage, such as a fixed-rate or adjustable-rate mortgage; and

(iii) any other loan or loan underwriting characteristics determined by the Secretary to be necessary in order to meet the requirements of paragraph (1) and that are not already available to the Secretary through a national mortgage database;

(C) include the performance outcome of each home loan originated in the preceding 12 months by the mortgagee or servicer (or, in the case of the first report required to be submitted under this subsection, all active loans originated by the mortgagee or servicer), including—

(i) whether such home loan was in delinquency at any point in such 12-month period; and

(ii) whether any foreclosure proceeding was initiated on such home loan during such 12-month period;

(D) are sufficient to establish for each home loan that at any point during the preceding 12 months had become 60 or more days delinquent with respect to a payment on any amount due under the home loan, or for which a foreclosure proceeding was initiated, the interest rate on such home loan at the time of such delinquency or foreclosure;

(E) include information relating to foreclosures, including—

(i) the date of all foreclosures initiated by the mortgagee or servicer; and

(ii) the combined loan-to-value ratio of all mortgages on a home at the time foreclosure proceedings were initiated;

(F) for a home loan that is in foreclosure, include information on all actions, including

loan modifications, taken to resolve the problem that led to the initiation of foreclosure proceedings and all actions undertaken prior to initiation of a foreclosure proceeding to resolve a delinquency or default;

(G) identify each home loan for which a foreclosure proceeding was completed in the preceding 12 months, including—

(i) foreclosure proceedings initiated in such 12-month period; and

(ii) the date of the foreclosure completion; and

(H) include any other information that the Secretary determines is necessary to carry out this section.

(3) COMPLIANCE PLAN AND REPORT.—The Secretary, in consultation with the heads of appropriate agencies, shall—

(A) develop a plan to monitor the compliance with the requirements established in this subsection by mortgagees and servicers; and

(B) submit to Congress a report on such plan.

(e) CONSOLIDATED DATABASE.—The Federal Financial Institutions Examination Council shall create a consolidated database that establishes a connection between the data provided under the Home Mortgage Disclosure Act (12 U.S.C. 2801 et seq.) and the data provided under this subsection.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) $5,000,000 for fiscal year 2010; and

(2) such sums as may be necessary for each of fiscal years 2011 through 2013.

**SEC. 6. HOUSING TRUST FUND.**

From funds received by the Secretary of the Treasury from the sale of warrants under title I of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5211 et seq.), the Secretary of the Treasury shall transfer and credit $1,000,000,000 to the Housing Trust Fund established under section 1338 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4568) for use in accordance with such section.

## SUBMITTED RESOLUTIONS

### SENATE RESOLUTION 294—COMMENDING THE LOUISIANA STATE UNIVERSITY TIGERS MEN'S BASEBALL TEAM FOR WINNING THE 2009 NATIONAL COLLEGIATE ATHLETIC ASSOCIATION COLLEGE WORLD SERIES

Ms. LANDRIEU (for herself and Mr. VITTER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 294

Whereas, on June 24, 2009, the Louisiana State University Tigers men's baseball team won the 2009 National Collegiate Athletic Association College World Series with an 11–4 victory over the University of Texas at Johnny Rosenblatt Stadium in Omaha, Nebraska;

Whereas the Louisiana State University Tigers men's baseball team has won 6 national titles in 1991, 1993, 1996, 1997, 2000, and 2009;

Whereas the Louisiana State University Tigers men's baseball team ranks second in all-time College World Series titles;

Whereas, on May 24, 2009, the Louisiana State University Tigers men's baseball team won the 2009 Southeastern Conference Championship with a 6–2 victory over Vanderbilt University at Regions Park in Hoover, Alabama;

Whereas the Louisiana State University Tigers men's baseball team won 56 games during the 2009 season, the most wins by a national champion since 2005;

Whereas head coach Paul Maineri has won his first national title as a head coach in his third season at Louisiana State University;

Whereas outfielder Jared Mitchell was named Most Valuable Player of the 2009 College World Series;

Whereas second baseman D.J. LaMahieu, outfielder Jared Mitchell, outfielder Ryan Schimph, and pitcher Anthony Ranaudo were named to the College World Series All-Tournament Team;

Whereas pitcher Louis Coleman finished his senior year with 14 wins and was selected as a 2009 First Team All-American; and

Whereas by winning the sixth national championship in the history of the University, the Louisiana State University men's baseball team is once again the top-ranked men's college baseball team: Now, therefore, be it

*Resolved,* That the Senate—

(1) commends the Louisiana State University Tigers men's baseball team for winning the 2009 National Collegiate Athletic Association College World Series and being crowned national champions;

(2) recognizes the achievements of all players, coaches, and support staff who were instrumental in helping the Louisiana State University men's baseball team during the 2009 season;

(3) congratulates the citizens of Louisiana, the Louisiana State University community, and fans of Tigers baseball; and

(4) requests the Secretary of the Senate to transmit a copy of this resolution to Louisiana State University.

### SENATE RESOLUTION 295—DESIGNATING OCTOBER 13, 2009, AS ''NATIONAL METASTATIC BREAST CANCER AWARENESS DAY''

Mr. BAYH (for himself, Mr. LUGAR, Mr. DURBIN, Mr. INOUYE, Mr. SCHUMER, Mr. SANDERS, Mr. RISCH, and Mr. FEINGOLD) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 295

Whereas metastatic breast cancer refers to stage IV breast cancer, when cancer cells travel from the breast, either through the bloodstream or the lymphatic system, to other parts of the body, including the bones, liver, lungs, or brain, and continue to grow in the new location;

Whereas in 2009, an estimated 192,370 women and 1,910 men in the United States will be diagnosed with invasive breast cancer, and 62,280 women will be diagnosed with in situ breast cancer;

Whereas nearly 30 percent of women diagnosed with early stage breast cancer will develop stage IV advanced or metastatic breast cancer;

Whereas in developing countries, the majority of women with breast cancer are diagnosed with advanced stage or metastatic disease;

Whereas the statistic that 155,000 women and men are presently living with metastatic breast cancer in the United States underscores the immediate need for increased public awareness;

Whereas there currently is no cure for metastatic breast cancer, and metastatic breast cancer frequently involves trying one treatment after another with the goal of extending the best quality of life as possible;

Whereas scientists and researchers are conducting important research projects to achieve breakthroughs in metastatic breast cancer research;

Whereas metastatic breast cancer is rarely discussed during National Breast Cancer Awareness Month, observed in October 2009, but those living with the disease should never feel isolated or ignored;

Whereas metastatic Breast Cancer Awareness Day emphasizes the urgent need for new, targeted breast cancer treatments that will provide a high quality of life and long life expectancy for patients by making stage IV cancer a chronic, but not fatal, disease; and

Whereas the Senate is an institution that can raise awareness in the general public and the medical community of breast cancer: Now, therefore, be it

*Resolved,* That the Senate—

(1) designates October 13, 2009, as ''National Metastatic Breast Cancer Awareness Day'';

(2) encourages all people of the United States to become more informed and aware of metastatic breast cancer; and

(3) respectfully requests the Secretary of the Senate to transmit a copy of this resolution to the Metastatic Breast Cancer Network.

### SENATE RESOLUTION 296—DESIGNATING OCTOBER 2009 AS ''NATIONAL WORK AND FAMILY MONTH''

Mrs. LINCOLN (for herself, Mr. CRAPO, and Mr. KOHL) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 296

Whereas, according to a report by WorldatWork, a nonprofit professional association with expertise in attracting, motivating, and retaining employees, the quality of workers' jobs and the supportiveness of their workplaces are key predictors of workers' job productivity, job satisfaction, and commitment to employers and of employers' ability to retain workers;

Whereas, according to the 2008 National Study of Employers by the Families and Work Institute, employees in more flexible and supportive workplaces are more effective employees, are more highly engaged and less likely to look for a new job in the next year, and enjoy better overall health, better mental health, and lower levels of stress than employees in workplaces that provide less flexibility and support;

Whereas, according to a 2004 report of the Families and Work Institute entitled ''Overwork in America'', employees who are able to effectively balance family and work responsibilities are less likely to report making mistakes or feel resentment toward employers and coworkers;

Whereas, according to the ''Best Places to Work in the Federal Government'' rankings released by the Partnership for Public Service and American University's Institute for the Study of Public Policy Implementation, work-life balance and a family-friendly culture are among the key drivers of engagement and satisfaction for employees in the Federal workforce;

Whereas, according to a 2009 survey of college students by the Partnership for Public Service and Universum USA entitled ''Great Expectations! What Students Want in an Employer and How Federal Agencies Can Deliver It'', attaining a healthy work-life balance was an important career goal of 66 percent of the students surveyed;