

Crenshaw Johnson (IL) Reed Lofgren, Zoe Pelosi Serrano
Culberson Johnson (OH) Rehberg Lowey Perlmutter Sewell
Davis (KY) Johnson, Sam Reichert Lujan Peters Sherman
Denham Jones Renacci Lynch Maloney Peterson Sires
Dent Ribble Jordan Maloney Pingree (ME) Slaughter
DesJarlais Kelly Rigell Markey Price (NC) Polis Smith (WA)
Diaz-Balart King (IA) Rivera Matheson Price (NC) Speier
Dold King (NY) Roby Matsui Quigley Stark
Dreier Kingston Roe (TN) McCarthy (NY) Rahall Sutton
Duffy Kinzinger (IL) Rogers (AL) McCollum Rangel Thompson (CA)
Duncan (SC) Kline Rogers (KY) McDermott Reyes Thompson (MS)
Duncan (TN) Lamborn Rogers (MI) McGovern Richardson Tierney
Ellmers Lance Rohrabacher McIntyre Richmond Tonko
Emerson Landry Rokita McNeerney Ross (AR) Towns
Farenthold Lankford Rooney Meeks Rothman (NJ) Tsongas
Fincher Latham Ros-Lehtinen Michaud Roybal-Allard Van Hollen
Fitzpatrick LaTourrette Roskam Miller (NC) Ruppelberger Velazquez
Flake Latta Ross (FL) Miller, George Rush Ryan (OH) Walz (MN)
Fleischmann Lewis (CA) Runyan Moran Sanchez, Linda Wasserman
Fleming LoBiondo Ryan (WI) Murphy (CT) T. Schultz
Flores Long Lucas Scalise Schilling Neale Sanchez, Loretta Watt
Forbes Lucas Luetkemeyer Schilling Neal Sarbanes Sarbanes, Loretta Watt
Fortenberry Lummis Schmitt Olver Schakowsky Weiner Waxman
Fox Schmitt Owens Schick Schrader Weiner Waxman
Franks (AZ) Lungren, Daniel Schok Pallone Schrader Weiner Waxman
Frelinghuysen E. Schweikert Pallone Schwartz Woolsey
Gallegly Mack Scott (SC) Pascrell Scott (VA) Wu
Gardner Manzullo Scott, Austin Pastor (AZ) Scott, David Yarmuth
Garrett Marchant Sensenbrenner Sessions Shimkus Shuler Giffords McHenry
Gerlach Marino Schick Pallone Shuler Giffords McHenry
Gibbs McCarthy (CA) Shuler Shuster Simpson Nadler
Gibson McCaul Shuler Shuster Simpson Nadler
Gingrey (GA) McClintock Shuster Simpson Nadler
Gohmert McCotter Smith (NE) Smith (NJ) Waters
Goodlatte McKeon Smith (NJ) Smith (TX) Lee (CA)
Gosar McKinley Smith (TX) Southernland
Gowdy McMorris Rodgers Southernland
Granger Rodgers Southernland
Graves (GA) Meehan Stearns
Graves (MO) Mica Stivers
Griffin (AR) Miller (FL) Stutzman
Griffith (VA) Miller (MI) Sullivan
Grimm Miller, Gary Terry
Guinta Mulvaney Thompson (PA)
Guthrie Murphy (PA) Thornberry
Hall Myrick Tiberi
Hanna Neugebauer Tipton
Harper Noem Turner
Harris Nugent Upton
Hartzler Nunes Walberg
Hastings (WA) Nunnelee Walden
Hayworth Olson Walsh (IL)
Heck Palazzo Webster
Heller Paul West
Hensarling Paulsen Westmoreland
Herger Pearce Whitfield
Herrera Beutler Pence Wilson (SC)
Huelskamp Petri Wittman
Huizenga (MI) Pitts Wolf
Hultgren Platts Womack
Hunter Poe (TX) Woodall
Hurt Pompeo Yoder
Insole Posey Young (AK)
Issa Price (GA) Young (FL)
Jenkins Quayle Young (IN)

NAYS—180

Ackerman Connolly (VA) Grijalva
Andrews Conyers Gutierrez
Baca Cooper Hanabusa
Baldwin Costello Hastings (FL)
Barrow Courtney Heinrich
Bass (CA) Critz Higgins
Becerra Cuellar Himes
Berkley Cummings Hinojosa
Berman Davis (CA) Hirono
Bishop (GA) Davis (IL) Holden
Bishop (NY) DeFazio Holt
Blumenauer DeGette
Boren DeLauro Honda
Boswell Deutch Hoyer
Brady (PA) Dicks Israel
Braley (IA) Dingell Jackson (IL)
Brown (FL) Doggett Jackson Lee
Butterfield Donnelly (IN) (TX)
Capps Doyle Johnson (GA)
Capuano Edwards Johnson, E. B.
Carney Ellison Kaptur
Carson (IN) Engel Keating
Castor (FL) Eshoo Kildee
Chandler Farr Kind
Chu Fattah Kissell
Cicilline Filner Kucinich
Clarke (MI) Frank (MA) Larsen (WA)
Clarke (NY) Fudge Larson (CT)
Clay Garamendi Levin
Cleaver Gonzalez Lewis (GA)
Clyburn Green, Al Lipinski
Cohen Green, Gene Loebsock

Lowey Perlmutter Serrano
Lujan Peters Sherman
Lynch Maloney Peterson Sires
Markey Price (NC) Slaughter
Matheson Price (NC) Polis Smith (WA)
Matsui Quigley Stark
McCarthy (NY) Rahall Sutton
McCollum Rangel Thompson (CA)
McDermott Reyes Thompson (MS)
McGovern Richardson Tierney
McIntyre Richmond Tonko
McNeerney Ross (AR) Towns
Meeks Rothman (NJ) Tsongas
Michaud Roybal-Allard Van Hollen
Miller (NC) Ruppelberger Velazquez
Miller, George Rush Ryan (OH) Walz (MN)
Moore Ryan (OH) Wasserman
Moran Sanchez, Linda T. Schultz
Murphy (CT) Sanchez, Loretta Watt
Napolitano Sarbanes Sarbanes, Loretta Watt
Neal Schakowsky Weiner Waxman
Olver Schick Schrader Weiner Waxman
Owens Schick Schrader Weiner Waxman
Pallone Schwartz Woolsey
Pascrell Scott (VA) Wu
Payne Scott, David Yarmuth

NOT VOTING—11

Cardoza Giffords McHenry
Carnahan Labrador Nadler
Costa Langevin Waters
Crowley Lee (CA)

□ 1359

Messrs. FARR and DAVID SCOTT of Georgia changed their vote from “yea” to “nay.”

Mr. ALTMIRE changed his vote from “nay” to “yea.”

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.



HOUR OF MEETING ON TOMORROW

Mr. WALDEN. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 9 a.m. tomorrow.

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

There was no objection.



COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 16, 2011.

Hon. JOHN A. BOEHNER,
The Speaker, U.S. Capitol, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on March 16, 2011 at 11:08 a.m.:

That the Senate agreed to S.J. Res. 7.

That the Senate agreed to S.J. Res. 8.

That the Senate agreed to S.J. Res. 9.

With best wishes, I am

Sincerely,

KAREN L. HAAS.

□ 1400

COMMUNICATION FROM FORMER CONSTITUENT SERVICES REPRESENTATIVE, THE HONORABLE JOHN P. SARBANES, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Margaret Stephenson, former Constituent Services Representative, the Honorable JOHN P. SARBANES, Member of Congress:

MARCH 9, 2011.

Hon. JOHN A. BOEHNER,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you formally pursuant to Rule VIII of the Rules of the House of Representatives that I have been served with a subpoena, issued by the District Court of Maryland for Baltimore County, to appear as a witness in the criminal trial of a third party who contacted Congressman JOHN P. SARBANES' District office.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

Sincerely,

MARGARET STEPHENSON,
Former Constituent Services Representative, Office of U.S. Representative John P. Sarbanes.

GENERAL LEAVE

Mrs. BIGGERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 861 and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

NSP TERMINATION ACT

The SPEAKER pro tempore. Pursuant to House Resolution 170 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 861.

□ 1404

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 861) to rescind the third round of funding for the Neighborhood Stabilization Program and to terminate the program, with Mr. BASS of New Hampshire in the chair.

The Clerk read the title of the bill.

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

The gentlewoman from Illinois (Mrs. BIGGERT) and the gentleman from Massachusetts (Mr. FRANK) each will control 30 minutes.

The Chair recognizes the gentlewoman from Illinois.

Mrs. BIGGERT. I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 861, the Neighborhood Stabilization Program Termination Act, and I commend my colleague Mr. MILLER for introducing this bill that would end NSP.

As I mentioned during the debate on the rule for this bill, in total, Congress has appropriated \$7 billion for NSP. This bill could save taxpayers up to \$1 billion. Instead of stabilizing neighborhoods, NSP allows lenders and servicers to off-load their bad investments onto taxpayers, and some critics point to the hazard of NSP, which actually may speed up foreclosures for families.

If the lenders and servicers know that they can quickly sell a property to a nonprofit or local government with NSP funds, why wouldn't they do this? Why wouldn't they simply evict the homeowner instead of doing a proprietary, private sector-funded modification of the mortgage that would allow the homeowner to keep his home?

This program does not help homeowners facing foreclosure; and the bottom line is that, if the lenders and servicers own a home due to foreclosure—not the taxpayers but these same lenders and servicers—they are responsible for the upkeep, security and eventual sale of that home. Why should the taxpayers pay for this responsibility which rightly belongs to the lender or servicer? They shouldn't.

The GAO, the HUD Inspector General and other auditors have noted that the program is plagued with problems, including lax reporting requirements and poor accountability. There is no evidence to suggest that funds spent through NSP have produced cost-effective results.

Finally, upon the sale of a property, NSP does not require these groups to return the profit to the taxpayer. Instead, the money is treated like a slush fund. This money is never returned to the taxpayer but will stay with the local governments and nonprofit entities that received it. Of course, any group would support keeping the profits of homes sold instead of returning it to the taxpayer. Who wouldn't?

We need to break down barriers that have delayed recovery in the housing market, including expensive and ineffective government programs like NSP. We need to stop funding programs that don't work with money we don't have. NSP doesn't stabilize neighborhoods. It simply spends billions of taxpayer dollars to allow a few homes, scattered here and there, to be purchased, rehabilitated and resold. Again, upon the sale, the money is never returned to the taxpayer. We are facing a \$14.1 trillion national debt. This debt is damaging our economic recovery and is stifling job growth.

We have been warned. Economists say, if we don't address our debt, in a couple of years we could end up bankrupt like Greece. Economists also agree that we must reduce our out-of-

control government spending to create a more favorable environment for private-sector job growth. Unemployed Americans and homeowners need a job and a paycheck, not a handout or another failed, taxpayer-funded program.

With that, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 3 minutes to a member of the committee, the gentleman from Massachusetts (Mr. LYNCH).

Mr. LYNCH. I thank the gentleman for yielding.

Mr. Chairman, I do want to point out that the Neighborhood Stabilization Program that we're talking about here today isn't just dealing with foreclosures. As we all know in this country, there have been pockets where the foreclosure phenomenon and the wave of foreclosures and property abandonment have been concentrated. I have an area like that in my district, in the area of Brockton, Massachusetts, but I can point to other areas all across this country.

What the Neighborhood Stabilization Program allows is for cooperation between communities, banks, lenders, homeowners, and servicers to either preserve homeownership; or in areas across this country such as in Illinois, Nevada, California, and Florida, where thousands and thousands of units have been abandoned in one concentrated area, it allows us to address those abandoned properties where the lender has taken a walk, where the homeowner has taken a walk, where the servicer has taken a walk.

The surrounding communities of homeowners who are trying to stay in their homes are having, first of all, their property values lowered because of the density of abandoned properties in their neighborhoods. This Neighborhood Stabilization Program provides the only opportunity for us to address that crisis. We are trying to put a floor under the housing market in this country—some of us are—and this is one program that allows us to do that.

So I rise in opposition to this bill. I ask that we rethink this idea about eliminating the four voluntary programs that we've got to support housing and to support families who are in a tough spot right now. I would just urge my colleagues to oppose the underlying bill and to try to preserve the Neighborhood Stabilization Program.

Mrs. BIGGERT. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GRIMM), a member of the Financial Services Committee.

Mr. GRIMM. I thank the gentleman for yielding.

Mr. Chairman, I rise today to support this bill because it doesn't do what it's supposed to do.

This is exactly why I came to Congress.

This bill hurts struggling homeowners. It doesn't help them, because it gives some type of perverse incentive for the banks to foreclose. That's what this program actually does. It pur-

chases these homes from the lenders, from those who are already foreclosed. That is not helping struggling homeowners. I don't deny that the intent was very good, but it is not following through on that intent. It's reckless; it's being misused; and it's wasting millions of taxpayer dollars. It really ends up being nothing more than another bailout. That's the last thing that we need is another bailout.

It's a double hit to the taxpayer. Why? Very simple. Because when the city or municipality purchases this home, that means there are no taxes paid. The argument is, "well, there are no taxes being paid now because it's abandoned," but that's not true. There is something called a "tax lien," and the private sector at some point will buy that tax lien, and that municipality will get its incentive.

□ 1410

So for many, many reasons this bill is failing. It does not follow through on the intent. And we must stop the out-of-control reckless spending. And this is exactly where we need to start, this type of program, \$1 billion of hard-working taxpayer dollars. Let's end the bailouts. Let's stop and remember that the answer to everything is not the government. Often, it is the government that is the problem.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 30 seconds to say that the gentleman has just explained why this is bad for the cities.

Every organization representing cities and counties and local governments and local economic development agencies disagree with him. They have written to us and asked us to support this program because he is simply wrong about the tax implications.

H.R. _____

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 "Emergency Mortgage Relief and Neighborhood Stabilization Programs Cost Recoupment Act of 2011".

SEC. 2. COST RECOUPMENT.

Subtitle H of title XIV of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203; 124 Stat. 2205 et seq.) is amended by adding at the end the following new section:

"SEC. 1499. FUNDING OFFSET FOR EMERGENCY MORTGAGE RELIEF AND NEIGHBORHOOD STABILIZATION PROGRAMS.

"The Secretary of the Treasury shall, for the purpose of offsetting the costs of assistance under sections 1496 and 1497 of this Act and not later than the expiration of the 6-month period beginning on the date of the enactment of the Emergency Mortgage Relief and Neighborhood Stabilization Programs Cost Recoupment Act of 2011, make risk-based assessments in the total amount of \$2,500,000,000 on financial companies that manage hedge funds with \$10,000,000,000 or more in assets under management on a consolidated basis and on other financial companies with \$50,000,000,000 or more in total consolidated assets, subject to such terms and conditions as the Treasury Secretary may establish with the concurrence of the Board

of Governors of the Federal Reserve System and the Board of the Federal Deposit Insurance Corporation. Any such assessments collected shall be covered into the General Fund of the Treasury.”

PROVISIONS AND POLICIES TO ENSURE THAT
NSP FUNDS USED EFFECTIVELY

STATUTORY PROVISIONS

All purchases of foreclosed properties must be below current market appraised value, taking condition into account.

Rehabilitation of foreclosed properties can only be to extent necessary to comply with housing safety, quality and habitability codes, laws, regulations in order to sell, rent or redevelop.

No profit can be earned on the sale of an abandoned or foreclosed upon home or residential property to an individual as a primary residence—the sale must be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate the home or property up to a decent, safe and habitable condition.

All funds must be used to assist individuals and families with incomes at or below 120% AMI.

At least 25% of funds must be used to purchase/redevelop abandoned or foreclosed residential properties that will be used to house individuals or families with incomes at or below 50% of AMI.

Requires HUD to ensure by rule “to the maximum extent practicable and for the longest feasible term” that properties assisted under program remain affordable to households at/below 120% AMI.

HUD

Current fair market appraisals are required for all NSF-funded acquisition of foreclosed property except where property value is below \$25,000.

Requires grantees to establish minimum rehabilitation requirements and affordable rent policy pursuant to HERA.

Weekly tracking of performance against the requirement that 25% of funds be used to benefit households at or below 50% of AMI.

Requires that program income to be used in accordance with NSP rules. Program income is gross income received by a grantee or a subrecipient directly generated by use of program funds.

Establishment of grantee internal audit requirement as an NSP2 award condition.

Monitors NSP grantees for compliance with program requirements.

Conducts a risk assessment process to identify grantees having potential issues.

Can impose sanctions on the grantee by HUD for programmatic violations.

OIG audits the NSF program and grantees.

ORGANIZATIONS SUPPORTING THE

NEIGHBORHOOD STABILIZATION PROGRAM

Given the impact the Neighborhood Stabilization Program (NSP) has had throughout the country, over 50 national, state and local organizations have expressed their strong support for continued funding of the program and their strong opposition to H.R. 861.

National Association of Counties, National League of Cities, U.S. Conference of Mayors, National Community Development Association, National Association for County Community and Economic Development, Council of State Community Development Agencies, Enterprise Community Partners, Inc., Association for Neighborhood and Housing Development, Arizona Foreclosure Prevention Task Force, Atlanta Neighborhood Development Partnership, Inc., Center for Community Progress, Center for New York City Neighborhoods, Citizens' Housing and Planning Association, City of Chicago Depart-

ment of Housing and Economic Development, City of Newark, Columbus Housing Partnership, Council of State Community Development Agencies, Cypress Hills Local Development Corporation, Detroit Office of Foreclosure Prevention and Response, Diamond State Community Land Trust.

Enterprise Community Partners, Habitat for Humanity International, Healthy Neighborhoods, Inc., HousingWorks RI, Greater Rochester Housing Partnership, Local Initiatives Support Corporation, Louisiana Housing Alliance, Massachusetts Housing Partnership, Mercy Housing, National Association of Housing and Redevelopment Officials, National Community Land Trust Network, National Community Reinvestment Coalition, National Community Stabilization Trust, National Council of State Housing Agencies, National Housing Conference, National Housing Institute, National Law Center on Homelessness & Poverty, National NeighborWorks Association, Neighborhood Housing Services of Phoenix, Inc., Neighborhood Housing Services of South Florida.

New York Mortgage Coalition, Northfield Community LDC of Staten Island, Inc., Omni New York, LLC, PolicyLink, Rebuilding Together, Restoring Urban Neighborhoods, LLC, RISE, Americal, Smart Growth America, St. Ambrose Housing Aid Center, Stewards for Affordable Housing for the Future, The Community Builders, Inc., The Housing Partnership Network, The Wisconsin Partnership for Housing Development, Inc., Urban Housing Solutions, Inc.

I now yield 3 minutes to the gentleman from California (Mr. BACA).

Mr. BACA. I thank the gentleman from Massachusetts for yielding.

Today we are here again not to discuss any piece of legislation that will create jobs, but to eliminate a program that helps communities across the country—and I state, communities that are helped across the country.

The Neighborhood Stabilizing Program allows local governments to purchase, rehab, and sell foreclosure properties. Without these programs, houses would stay empty—and I say, would stay empty—so we would have to look at our neighborhoods and other areas, causing the value of property to plummet. Local neighborhoods would be forced to use their own funds for maintenance measures and legal fees. Additionally, any empty properties also force communities to adjust and deal with the missing tax revenue—and I say, missing tax revenue—at a time that we need the additional revenue within our communities.

A lot has been made by my colleagues on the other side about one particular group that receives NSP funds, Chicanos por la Causa. What if it was another name? It doesn't matter. But because it has the name of “Chicanos,” the stereotypes and the images are there. It is about programs that are doing good, not because of the name that is there.

Chicanos por la Causa has unmatched records of providing affordable housing, stabilizing neighborhoods, and serving the needs of low-income communities. They offer a broad range of programs and services and serve over 1,000 clients each year, many of whom live below the Federal poverty, which in a family of four is only \$22,000.

In 2009, the Chicanos led the application for a group of 13 members of the National Association of Latino Community Asset Builders. Together, this group received over \$130 million in NSP funds and put this money to use in projects like in California, where we have a high deficit, Arizona, and 16 other States.

Instead of looking out for Wall Street, instead of looking out for Wall Street and protecting the banks that caused the crisis—and I say, that caused the crisis—NSP awards this funding to invest in Main Street.

This award represents one of the largest single Federal investments ever made that target Latinos and low-income communities, the same communities that have seen a higher rate of foreclosure and unemployment than the national average.

I would ask my colleagues on the other side of the aisle to go to the communities where Chicanos or Hispanics or Latinos and their parents spend their money. Instead of using this tunnel vision—I say, this tunnel vision—solely looking at the numbers, I would ask my friends to look at the actual work that is done in the communities and how those communities have improved and have gotten a lot better.

It is time to stop letting partisan talking points set the agenda for our government. It is time that we start focusing on programs—I say, it is time that we start focusing on programs like NSP and the Chicanos por la Causa that help the Americans get back on their feet.

I urge my colleagues to oppose this.

Mrs. BIGGERT. I yield 5 minutes to the gentleman from California, the sponsor of this bill and the chairman of the Subcommittee on Financial Services on International Monetary Policy and Trade, Mr. MILLER.

Mr. GARY G. MILLER of California. I enjoyed the comments of my good friend, Mr. BACA, from San Bernardino County. I have some correspondence from San Bernardino County that might interest him.

According to the county offices, there is no one at the county that would support current NSP programs, period. The letters of support did not come from San Bernardino County, which is one of the hardest hit in the Nation. In fact, the county might have supported the current NSP, but this is before they fell victim to complete lack of direction from HUD, mixed messages from HUD, and gross misallocation of awards that were released.

As it applies to my bill, the county says, “We believe it is a means for Congress to get its financial house in order, just like the challenges we are facing at the local level.”

Mr. BACA made a very nice written speech, but his own county that he represents does not support the program. And I was disappointed that a group called Chicanos por la Causa was mentioned. Well, let me just talk about the numbers that I have a problem with.

This NSP allocation program was meant to be a one-time program. It ended up three times. Now, the allocations applied, the problems I had when you look at a county the size of Los Angeles County, they got \$26.3 million; San Bernardino County, Mr. BACA's county, got \$33.2 million; Orange County got \$4.3 million; and San Diego County got \$5.1 million.

Now, all of these counties had to apply Davis-Bacon rules and wage standards to rehab these houses, which meant it cost 25 percent more to do it than the private sector could have done on a competitive bidding nature.

Now, my good friend Mr. BACA mentioned one group, as if I had something against Chicanos. The problem I have is that nongovernment agencies, such as Neighborhood Lending Partners, got \$50 million—\$50 million; the Community Builders, Inc. got \$78.6 million; Los Angeles Neighborhood Housing Services, Inc. got \$60 million; Neighborhood Lending Partners of West Florida, Incorporated got \$50 million; Chicanos por la Causa got \$137 million.

Understand, L.A. County got \$26.3 million; San Bernardino County got \$33.2 million; Orange County got \$4.3 million; San Diego County got \$4.5 million. The largest population base in California got less money than Chicanos por la Causa. Does that make anybody in America happy?

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. GARY G. MILLER of California. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Does the gentleman not want to mention that Chicanos por la Causa—

Mr. GARY G. MILLER of California. I reclaim my time.

If it had been Germans for Affordable Housing, I would have opposed it. If it had been Italians for Affordable Housing, I would have opposed it. Had it been Irish Germans for Affordable Housing at \$137 million, I would have opposed it.

Understand, these are taxpayer dollars from people who lost their houses, people who are behind in their payments, people who are facing foreclosure, and none of this money does one thing to help you. It was not an equitable application based on who got money and how they got it. In fact, a lot of these private groups write off 17 percent off the top for overhead and costs—17 percent.

Now, we talked about banks. When we lent banks the money in TARP 1, they paid us interest. We paid money because we got our money back. Freddie and Fannie, the money we allocated to them, we are charging them 10 percent interest and they have to pay us back, and the American public is furious at that.

We just gave away \$50 million to one private group, gave \$78 million to another, \$60 million to another, \$50 million to another. And as my good friend JOE BACA says, Chicanos por la Causa,

the poor group, got \$137 million given to you. We are not charging you interest. We gave you the money.

Now, are we helping housing this country? No. Housing starts fell 22 percent in February, the lowest levels since 1959. It has done nothing for housing: 11.8 percent fall in single-family, 47 percent fall in multifamily. Tell me one thing this has done. It has not kept one person in their house.

Now, let's assume this is supposed to be helping poor people buy houses. You just lost your house. In Hawaii, a person making \$73,825 can buy a house through these organizations. A person in California making over \$68,000 can buy a house through these organizations. A group in Virginia, \$74,000; New Jersey, \$78,000; Massachusetts, \$72,000; Utah, \$75,000; Alaska, \$76,000; Colorado, \$73,000; New Hampshire, \$79,000.

So a group, an entity, a State, a county, a city can buy a house. They have to sell it for less than they have in it, and they can sell it to people making more than the person who may have lost the house.

□ 1420

Now, how in the world does that do one thing for poor people? It does not do one thing for poor people.

Now let's talk about jobs. If we had invested \$1 billion in the construction industry to build houses, you would have got \$2.8 billion in economic activities.

The CHAIR. The time of the gentleman has expired.

Mrs. BIGGERT. I yield the gentleman an additional 2 minutes.

Mr. GARY G. MILLER of California. If you would have invested \$1 billion, you would have generated \$2.8 billion in economic activities: \$5.5 million in wages, \$138 million in income for small businesses, \$156 million in corporate profits, \$1.98 billion in spending on goods and services from the above three line items. It is huge. So if we are talking about jobs, let's create jobs.

Now, they say we have had no alternative to what they did. In 2008, I endorsed a bill and introduced it called the Public-Private Partnership Community Stabilization Act. It took government dollars and invested them with private groups to do the same thing, to buy houses that were foreclosed upon and rehab them in communities. And when the houses were sold, guess what? The money would have been paid back to the Federal Government. We would have probably made a profit. We wouldn't have given a dime away. We would have made money on doing the same thing.

Now, the other side talks about abandoned houses. Not a dime of this money can be used for eminent domain, so either the house is for sale or it can't be bought. It can't be foreclosed upon by the government through eminent domain. So to say that some private group could not have bought this house and rehabbed it themselves is ludicrous, because the house has to be for sale.

Now, this group can go out and buy the house, demolish it and end up with a vacant lot. They can go out and buy a house, rehab it and sell it for a dollar, 10, any amount they want to sell it for, to anybody they want to sell it to, as long as it is less than they have in it.

I had a bill passed out of this House that Mr. FRANK cosponsored—he thought it was a good bill—that allowed banks to take foreclosed properties and lease them for 5 years. If you want to get rid of foreclosed properties, allow banks to take the property, rehab it, put it on the marketplace, or lease it out for 5 years. It would have done the same thing, and perhaps banks would not have driven the marketplace down on resales because they were glutted with foreclosures.

We could have taken these houses, leased them, and in 5 years when the market turned around, they could have sold them. And guess what. They could have given a lease option to the person losing the house to stay in the house for 5 years and buy it back at the end of 5 years. It would have at least helped foreclosure projects.

Mr. FRANK of Massachusetts. I yield myself the 30 seconds the gentleman wouldn't allow me to mention—Chicanos Por la Causa, which he keeps invoking, in what I must say is an inflammatory way, yes, it has \$137 million in eight States. It is a consortium of several groups. Comparing it to one county is quite misleading. It is \$137 million to an organization that has eight States in which it works and which has produced affordable housing units. And as to his argument that it is not for the poor people, almost all of the groups in this country that advocate for housing for low-income groups have sent us a letter urging that this go forward, Habitat for Humanity and others. I take them as more credible on this than my friend.

I yield 1 minute to the gentleman from Indiana (Mr. CARSON).

Mr. CARSON of Indiana. Thank you, Ranking Member FRANK.

As our Nation's economy moves forward, we must not forget about our neighborhoods, and we must continue to help those areas that are still struggling to come back. That is why I am appalled at the efforts to terminate the Neighborhood Stabilization Program.

In my own district of Indianapolis, the neighborhood of Mapleton Fall Creek has been revitalized with NSP funds. What were once eyesores and magnets for crime, they have been renovated, and they are now for resale. These improvements have encouraged low- and middle-income residents to settle into areas known for abandonment and blight. New businesses have opened, and an area once in decline is actually blossoming again. This was all possible because of NSP funding.

We must continue this program for the neighborhoods in Indianapolis and across this great Nation.

I would like to express my support for the Neighborhood Stabilization Program (NSP)

and to oppose the majority's plans to terminate the program.

All three rounds of NSP are critical because they provide emergency assistance to states, local governments, and nonprofits to acquire and redevelop foreclosed, vacant, and abandoned properties. Many of these properties have become blights on the community and are driving down neighboring property values. The first two rounds of the NSP program impacted an estimated 80,000 foreclosed, abandoned, or vacant properties, and it is estimated that NSP3 will impact tens of thousands more. Terminating the program in the middle of the worst foreclosure crisis since the Great Depression would further harm neighborhoods and many struggling American families. This would most certainly slow the recovery of the housing market.

Specifically in the 7th district of Indiana, the district I represent, I would like to highlight the work of Mapleton Fall Creek Development Corporation which has used NSP funds effectively. On March 14, 2011, Mapleton Fall Creek Development Corporation reported they are halfway through their NSP work. They have completed renovations on 50 units of rental housing and 47 of them are rented. Many of these properties sat empty and boarded up for 5 years and 25 of them were foreclosure properties. They have also acquired 32 houses and 28 lots that will be renovated for new homes. The rebuilt homes will vary from low income apartments to market rate homes for purchase. Lastly, they have demolished 12 vacant and blighted structures, leveraged funds from local banks and other not for profits to increase cash flow and stretch their NSP dollars further, and provided work for four construction managers and numerous contractors.

Mr. Chair, in the 7th district of Indiana, nearly \$3 million of NSP funds were used to obtain and rehab 32 residences as part of the 2012 Super Bowl Housing Legacy Project on Indianapolis' near eastside. NSP 3 funds will also be used to demolish blighted structures in key neighborhoods that have high foreclosure rates, including the old Winona Hospital and Keystone Towers—two enormous blighted structures that have been plagued with crime and environmental concerns for years.

I strongly urge the majority to permit the Neighborhood Stabilization Program to continue. As our nation's economy moves forward we must not forget about our neighborhoods and middle class families. We must help those families and communities that are still struggling to come back.

Mrs. BIGGERT. I yield 30 seconds to the gentleman from California (Mr. GARY G. MILLER).

Mr. GARY G. MILLER of California. I seem to have hit a nerve with my good friends on the other side of the aisle when I said Chicanos Por la Causa. It is not who it went to if it is not a government agency, if it was Germans for Affordable Housing. It is \$137 million that I object to going to a group that is a non-government entity that has the money that we will not get back.

And we keep talking about letters of support. Now, if you are a city, a county, or if you are one of these nonprofit groups that received the money, you would be an absolute hypocrite to take

the money and then not send a letter saying, thank you for the money. I think the money was well spent because you gave it to me to spend. Nobody would take money that they didn't want to take.

Mrs. BIGGERT. I yield 3 minutes to the gentleman from New Mexico (Mr. PEARCE).

Mr. PEARCE. Mr. Chairman, I rise today in support of H.R. 861, the Neighborhood Stabilization Program Termination Act. The program has been ill-fated from the start. It has been plagued with problems. We have given almost \$7 billion into a program that has yet to work. HUD was slow in getting the money out the door. Poor reporting has hampered our ability to even measure what has been happening on the program.

Further, the NSP simply acts as a taxpayer bailout for risky lenders, servicers and real estate speculators who bet on the housing market and now can't sell their properties. It has become an even bigger example of those people who believe that the government is the solution to the problems. Government is not the solution to the problem; government is the problem.

We are spending \$3.5 trillion in our annual government spending, and we are bringing in \$2.2 trillion. Next year we are going to have a deficit of \$1.6 trillion; and it is composed of programs exactly like this, programs that do no good, that don't really cause the market to cure itself, and instead taxpayers pay the bill for people who have been speculating and people who just want out.

I had a friend in the office today who talked about his situation with a house in Tucson where he got in at a higher price than it should have been. He was willing to settle for a lesser amount. He was willing to pay. But because the bank could go to the government and make up the difference, they did not have to negotiate with this individual homeowner. Instead, this program causes lenders to say, the taxpayer will make us whole and we are not going to take our losses.

The market will cure the problems we face if we allow the markets to work, but this government program does not allow the market to work. This Nation is dying for jobs, and it is government spending, government regulation and government taxation that are causing the jobs to be killed and to be sent out of this country.

If we will get our focus correct on lowering taxes, lowering the regulatory environment, especially to lenders who would be out lending now except they are afraid to because of the regulatory environment, we would begin to create jobs for the first time in a long time.

With 9 percent unemployment, it is time for us to cure the problems of the economy, to quit spending on wasteful programs, and to give this country a leg up on prosperity. That is the thing we are missing right now.

The hope of prosperity for the middle class is gone, and it is because of programs like this soaking the taxpayer and giving money to people who probably could do something different. It is not fixing up any neighborhood. I don't see the reports in any magazine or newspaper telling us of the flock of people moving to these rehabilitated neighborhoods.

With that, Mr. Chairman, I rise to express support for H.R. 861.

Mr. FRANK of Massachusetts. I yield myself 15 seconds.

The gentleman from California says he is not singling out Chicanos Por la Causa, that there are other private organizations, but he never mentions them. And he says, well, they are not a government entity. That is right. We don't think it all has to go through the government. We think places like Habitat for Humanity and others have a role to play.

I yield 3 minutes to the former mayor of the city of Somerville, Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. I thank the gentleman for yielding.

Mr. Chairman, the most legitimate argument I have heard is we have a deficit and we have to deal with it. That is a fair and reasonable point to make. However, it is not a fair and reasonable approach towards the problem to begin with programs like this. We can't even talk about what we are spending on the Iraq war. We can't talk about any money in the Defense Department or anywhere else. The first programs we start with are these types of programs.

Let me be clear about what this program is. I am a former mayor in a strong mayor form of government.

□ 1430

We get a fair amount of Federal and State money, and we use some of our own money on occasion to buy and rehabilitate property. Sometimes it meant knocking it down, sometimes it meant making a recreational area, sometimes it meant building a school, whatever it might be, to improve a neighborhood. And to say this money is not improving neighborhoods is just to be blind. There are stories all over the country where improvements are being made.

I'm not going to argue that every single penny of this program or any other program has been perfectly well spent. That would be crazy. I have no problem at all looking at this program or any program to come up with things we don't like; to change the rules as to who might be eligible tomorrow. And on and on and on. Those are fine and fair things to say. I'm not going to defend one group or any formula. Those are legitimate things to argue about. But to say that the program doesn't work and this is where we should start addressing our deficit, I think, is to be shortsighted.

It also says to me, if you don't like the program, that's fine. Then I would strongly suggest that anybody who

doesn't like the program pick up the phone to their mayor, to their county administrator, to their Governor, and say, Send the money back. Every State in the country has gotten money. California has gotten over \$886 million. If you don't want it, send it back. Massachusetts only got \$106 million. Now, we think it's doing pretty well, so we're going to keep it. But if you don't want it, send it back. Nevada, a much smaller State than Massachusetts, got almost as much money because they got hit harder than we did in this economy.

To argue that a few problems that you have—and I'm not even going to suggest that I agree or don't agree. The points are well made. If you don't want one entity, any entity to get \$137 million, fine. Let's talk about it. Let's say they don't do it. That's not a problem. If you want to say that we have to change about how this money is being used, fine. Let's limit it. No problem.

But to pretend that a neighborhood, any neighborhood, is well served by ignoring boarded-up properties, by saying, Walk away from your home, walk away from your business, and the neighborhood will recover without you, is shortsighted and wrong. And to pretend that somehow because we're giving this money away, that that is an inherent evil in and of itself, ignores all the grants that this government gives away, that other governments give away, not just in housing, but in research, in any number of fields. Again, if you want to cut out all grants, fine. That is a reasonable and consistent argument. But you also then have to cut out tax credits, because we give out billions of dollars in Federal tax credit dollars that do the same thing in housing.

All I'm saying is if you want to fix the program, fix it. If you want to turn your back on neighborhoods, go ahead and do that. But not with my help.

Mrs. BIGGERT. Mr. Chair, I yield 1 minute to the gentleman from California (Mr. GARY G. MILLER).

Mr. GARY G. MILLER of California. Mr. Chair, I appreciate my good friend admitting that we're giving the money away, because we are. I struck a nerve for some reason when everybody keeps bringing up Chicanos Por La Causa for \$137 million. The reason I think it's egregious is we gave \$1.3 billion away to nongovernment entities. And this one entity got 10 percent of all the nongovernment funding that went out. Nobody has mentioned that I mentioned other groups that got \$50 million, \$70 million, \$60 million, \$50 million each. I mentioned those groups. But what did HUD say about the money? When I quizzed Mercedes Marquez of HUD, her quote was "The money is going to homeowners and to American citizens."

The problem I have with this, how do you feel about the people who lost the home? You've got a family, they put money into the home. The last couple of years have been tough. They couldn't repair the plumbing, they

couldn't replace the appliances, they couldn't afford to replace the broken window, they couldn't paint the house because their house was in foreclosure. They lost that house. Now, we're spending \$7 billion, and we have not helped one person in this country remain a homeowner.

If your house is going into foreclosure, you're going to lose it. And these dollars are going to be spent to rehab your house and sell it to somebody else.

Wake up, America.

Ms. WATERS. Mr. Chair, I yield 2 minutes to the gentleman from Minnesota (Mr. ELLISON).

Mr. ELLISON. Mr. Speaker, it's amazing to me that we're here at this time when we've seen 4 million foreclosures across America, perhaps 7 million. We've seen neighborhoods devastated. And instead of the majority conference offering solutions to this foreclosure crisis, instead of them coming forth and saying, You know what, here's what we think we need to do for the American people to stay in their homes, all they want to do is destroy what Democrats have done. It's amazing. It's really something that I hope the American people pay very close attention to.

The gentleman on the other end says that, Look, somebody's going to buy the house that you lost in foreclosure. If we can be successful with programs like the Neighborhood Stabilization Program, we will create an environment where people will not lose their homes because the value of their homes will not plummet. They will not end up underwater. And people will have somewhere that they can live and a neighborhood that they can be proud of.

But because the Republican conference is making itself abundantly clear, I think it needs to be clear to the American people whose side we're on. The Democrats are on the side of the American people staying in their homes. The Republican conference is on the side of throwing people out and foreclosing on Americans. And it's a sad, sad day in our Congress. We are in the middle of an enormous debate on the proper role of government. We believe the proper role of government is to have fair rules, to have real enforcement of our financial regulations, to have real consumer protection, and to intervene when people's neighborhoods are being destroyed by foreclosure.

The Republicans say, You're on your own. The market has all the answers. The market answers every question. Well, it doesn't answer every question, especially when the market doesn't have any cops on the beat, and when you let the people engage in all sorts of nefarious practices that caused the economic conditions that we're in today.

The Republican conference was in power when the regulations that led to this destruction were in place—and they did nothing. When the Democrats

got in charge, we solved it. And now they're trying to disassemble it.

Mrs. BIGGERT. Mr. Chairman, at this time I yield 4 minutes to the distinguished gentleman from Alabama (Mr. BACHUS), the chairman of the Financial Services Committee.

Mr. BACHUS. Mr. Chairman, I would like to address two things that the minority has raised. One is they've talked about fairness. And I will tell you that there's nothing fair about this program. In fact, it's an unfair program. It's unfair for most Americans. The second thing they've talked about is foreclosures. This program causes foreclosures. This program encourages foreclosures. This program promotes foreclosures.

Now let's talk about the foreclosures first and then we'll talk about fair. What does this program do? Does it prevent foreclosures? No. It encourages foreclosures. It allows nonprofits, community organizations, and cities and counties to buy foreclosed properties. In other words, to create a market for foreclosed properties. The minority supplied us with pictures of two of these properties. This is the one in Baltimore, Maryland. This was one of two. I think the other one was in Los Angeles, as I recall. This is the property.

Now, just like all these properties, it's not owned by a homeowner. There's no homeowner there. It's owned by a bank or a real estate speculator. It might have been somebody that put someone in this house with what we call an exploding loan. Put someone in that house that couldn't afford it.

So, what do we do? We construct a program that says to this bank that owns this property, that's paying taxes to the government on this property—we don't say to tear this down, or we don't say we're going to condemn it and convert it, and we're going to get it with no charge. No. We buy it. Now, is that right?

You said the banks caused this, the lenders. We ought to penalize those that are at fault. Well, how does penalizing a lender who made a loan on this property, how is writing them a check fair? No, it's not. This is a bailout for lenders and speculators. Now, is it fair? Well, is it fair to our grandchildren and our children, \$4 billion every day that goes out of our Treasury, more than we bring in. Four billion dollars a day. In fact, the deficit for February was 230-something billion dollars.

Now, every day they talk about fairness, and I have quoted this with every one of these failed programs. I have quoted Mike Mullen, chairman of the Joint Chiefs of Staff, who says our debt is the biggest threat to our national security, the existence of our country. Well, let's just talk about one thing we do every day. We owe China 9½ percent of our debt; 9 to 9½ percent is owed to China. Every day we write a check to China because we won't face up to this exploding spending of \$120 million a day.

□ 1440

They could buy a Joint Strike Force Fighter every day and still put \$20 million in their pocket. Every day. They could build an Air Force bigger than our Air Force in 5 years on money they earn from us and that our taxpayers pay because we won't confront programs like this. Because "fair" to us is saying yes to everyone except the taxpayers.

And, oh, there are 4 million foreclosures in this country this year. That's a terrible figure. But I tell you, this program will do nothing but increase that number. And to think that it's fair to our children and grandchildren to devise a program but not have the money to pay it and stick it on our children and grandchildren, it ought to infuriate any of us who are grandparents. It does me.

It's time now to end this foolishness which threatens the very existence of our country.

Mr. FRANK of Massachusetts. I yield myself 2 minutes to say I am struck by the incongruity of Members who have voted for the war in Iraq, a trillion-dollar huge mistake, ongoing, who vote to continue what seems to me a futile effort now in Afghanistan.

The gentleman from Alabama, and we've talked about this before, he said that because the Obama administration told him he had to, he voted to send \$150 million a year last year, next year, for the next 2 years to the cotton farmers of Brazil. The gentleman opposed a \$250,000 limit on subsidies to any individual farmer. In the budget, the gentleman voted, as did most on his side, to send \$1.2 billion to beef up Iraqi security forces. What about American security forces? What about giving some money to the cities so when they have to deal with abandoned property, they don't have to take that out of the hides of their police departments and fire departments?

Yes, we should reduce the deficit. But to be for the enormous waste in the Pentagon—and, by the way, Members cite Mike Mullen. I wish, in addition to citing the Chairman of the Joint Chiefs of Staff, they would make a simple commitment not to vote for the Pentagon money he doesn't want. Because Members on that side cite his warning about the defense budget, about the deficit, and then force money on him that he thinks is useless.

So let's talk about the disparity between people who vote enormous amounts of money; \$400 million goes to Afghan infrastructure, we're told. Well, let's have it be done efficiently. I cannot think that in any program in America we are going to be spending the money less efficiently than the \$400 million my friends over there have voted to send to Afghanistan.

So let's look at this in a reasonable way. And we also believe that this billion dollars, in fact, helps our cities. And there's one fundamental error they make: the assumption is that for every piece of property—by the way, it

is not simply foreclosed property; it is abandoned property—for every piece of property that's out there, there is a responsible financial institution whom you can sue and get the money from. That simply isn't true.

The CHAIR. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield myself 30 more seconds.

For many of these pieces of property, the cities are left with no recourse. There is no one to do it. One of the Members said the other day in committee. Well, they can send out their bulldozer. Yeah, they can pull a firefighter off and hire a bulldozer operator.

The fact is that it is not simply for foreclosed property. It's for foreclosed and abandoned property, and the notion that there are no buildings out there in the cities where there is no responsible financial entity is nonsense. And so what we're telling the cities is, It's tough. You've had these foreclosure problems. You've had this abandonment problem. You could sell it to the private sector, and the private sector will buy some, but they won't buy it all.

I now yield 3 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman and Members, I think that my colleague from Minnesota said it all: Whose side are you on? Are you on the side of the American taxpayers who trusted us to regulate this industry that had responsibility for these mortgages? Are you on the side of taxpayers who simply wanted to live the American Dream, who simply wanted to get into a mortgage so that they could own a home and do what it is the American Dream says we can do and we can accomplish?

They trusted us to make sure that our regulators did their job. We all let them down. We allowed these mortgage firms, these loan initiators, these big banks to create these exotic products, products we had never heard of before.

Nobody questioned what was a no doc loan. Nobody asked what is this teaser loan. Nobody talked about what happens when these loans reset. And the American taxpayer was confronted with a mortgage with 30, 40 pieces of paper and they signed on the dotted line, because they wanted to live the American Dream. Little did they know that they would not be able to meet the reset amount, 6 months, 1 year, 2 years from now; and so they got caught up in the scheme. It was a huge, fraudulent scheme perpetrated on the American people by major financial institutions.

Americans didn't decide all of a sudden that they didn't want to pay their bills, that they didn't want to pay their mortgage. Something big happened. And what happened was this big fraud that was perpetrated on the American people came to reality and the devil came due, and now it was time to pay, and they couldn't afford it.

Added to that, the recession that was caused by the subprime meltdown

caused people to be in situations where they lost their jobs, or they were now in jobs that paid less than the jobs that they had when the economy was good. And so now we have people who have lost all these homes. They're foreclosed on, they're boarded up, they're abandoned. And, guess what, they're bringing down the neighborhoods. Those people who stay in the neighborhoods and keep up their homes, they're losing value because of these boarded-up properties and because of these abandoned properties.

So the government said, and I said and BARNEY FRANK said, those of us who created this program said, we have a responsibility to help the American people, because, through no fault of their own, now their homes are underwater, their homes have lost value, and so we have the Neighborhood Stabilization Program. The Neighborhood Stabilization Program does give money to counties and cities and nonprofits and all to go in and rehab these properties, put them back on the market, upgrade the neighborhood, reduce the cost to fire and police and all of those city agencies that now have got to look after these boarded-up properties, where the animals are coming in and the weeds are growing up and neighbors are saying, My government, please help me.

The CHAIR. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield the gentlewoman 1 additional minute.

Ms. WATERS. That's what the Neighborhood Stabilization Program is all about. And it creates jobs. It creates jobs, because now we've got the contractors, the subcontractors, the painters, the Realtors all involved in helping to rehab this neighborhood, helping to stabilize these communities, creating jobs, assisting the American taxpayers who got into these situations through no fault of their own.

Whose side are you on? Are you on the side of those who rip off our taxpayers? Or are you on the side of the taxpayers who sent you here to look after them and to be responsible?

Mrs. BIGGERT. May I inquire of the Chair how much time each side has remaining.

The CHAIR. The gentlewoman from Illinois has 9½ minutes remaining. The gentleman from Massachusetts has 11¼ minutes remaining.

Mrs. BIGGERT. At this time I would yield 2 minutes to the gentleman from Alabama (Mr. BACHUS), the chairman of the Financial Services Committee.

Mr. BACHUS. Well, there you go again. Instead of talking about this program, you want to talk about the Brazil cotton deal, or you want to talk about Afghanistan. And I'll talk about those.

But before I do, I have a question for you, for my colleagues on the Democratic side who talk about investing in this property. I want you to get a good look at this.

Are you willing to put your money up to buy that?

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. BACHUS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. No, I don't think any private entity would—I'm sorry. May I answer the question?

That's why we want to give money to the cities so they can tear it down, because otherwise they'll be stuck with it. I don't think any private investor would put money in that. There's no other way to deal with it, and the way to deal with it is to give them the money so they can tear it down.

□ 1450

Mr. BACHUS. Let's tear it down. I agree with you. And let's make the person who owns it tear it down. And this idea that this person can't be found, that this person—

I would ask for order.

ANNOUNCEMENT BY THE CHAIR

The CHAIR. The Chair will remind Members to address their comments to the Chair.

Mr. BACHUS. And I would say to the Chair—and I appreciate that—that if any of my colleagues want to buy this property and think it's a good investment, they can hire painters and Realtors and put all these people to work, but the taxpayers, they're having trouble paying their own mortgages. They're having trouble financing their own children's education. And whose side are we on?

Listen, this program has benefited less than 2,000 pieces of property—banks—but we've got 12 million American families who are underwater on their mortgage. And do you think it's even fair to pay off, as y'all proposed, a half a million of those mortgages? How about the other 21 out of 22? You know, you can't pay off all 12 million. You will break the country. So you say, well, we're going to do the best we can. You're going to pick winners and losers.

Let me tell you something. The taxpayers that are paying their mortgages or own their own homes or didn't get into this problem—don't you get the message from November? The American people don't want us paying—they don't want to pay for someone else's obligations.

The CHAIR. The time of the gentleman has expired.

Mrs. BIGGERT. I yield the gentleman an additional 1 minute.

Mr. BACHUS. Now, let's talk about this Brazilian cotton, and let me tell you, if I were you—I'd say to the Chair, if I were the ranking member, I would talk about anything but buying this property and fixing it up. I'd do anything to avoid that conversation. I'd avoid anything to talk about that we're paying the banks with taxpayer money.

But you mentioned Brazil and you said it was a stupid deal. You said it took a Flip Wilson to do this. Well, it was Ron Kirk, trade ambassador, that entered into the agreement. And who

hired him? President Obama. So you ought to take it up with the Democratic administration who saddled us with this \$150 million obligation.

I close with Afghanistan. I have a son who's in the U.S. Marines. He was in there for 10 years and he's out now, but let me tell you something. I will spend money to build up an Afghan force so we can bring our young men and women home.

[From the Office of the United States Trade Representative, Executive Office of the President]

U.S., BRAZIL AGREE ON FRAMEWORK REGARDING WTO COTTON DISPUTE

WASHINGTON, DC.—Today Brazil's Ministers reached a decision in support of a Framework regarding the Cotton dispute, which would avert the imposition of countermeasures of more than \$800 million this year. This includes more than \$560 million in countermeasures against U.S. exports which were scheduled to go into effect on Monday, June 21, 2010, as well as possible countermeasures on intellectual property rights that could have taken effect later. We are pleased with this decision, and look forward to signing the Framework soon.

The findings in the Cotton dispute concern U.S. cotton support under the marketing loan and countercyclical payment programs, and the GSM-102 Export Credit Guarantee Program. In line with these findings, the Framework has two major elements.

First, it would provide, as a basis for a discussion toward reaching a mutually agreed solution to the dispute, a limit on trade-distorting cotton subsidies. Second, the Framework would provide benchmarks for changes to certain elements of the current GSM-102 program. In the Framework, the United States and Brazil would agree to meet quarterly to discuss the successor legislation to the 2008 Farm Bill as it relates to trade-distorting cotton subsidies and the operation of GSM-102. The Framework would not serve as a permanent solution to the Cotton dispute. However, it would provide specific interim steps and a process for continued discussions on the programs at issue with a view to reaching a solution to the dispute.

"I am pleased that we have been able to negotiate a Framework regarding the WTO Cotton dispute that would avoid the imposition of countermeasures against U.S. trade, including goods and intellectual property," said Ambassador Kirk. "While respecting the role of the United States Congress in developing the next Farm Bill, this Framework would now allow us to continue to work toward a final resolution of the Cotton dispute. I believe this Framework will go a long way in alleviating the uncertainty in our business communities and enhance the ability of the United States and Brazil to build upon our dynamic trading relationship."

"This framework agreement provides a way forward as we work with Congress toward a new farm bill in 2012," said Secretary of Agriculture Tom Vilsack. "Although it is not a permanent solution, I am pleased that it allows us to maintain our programs while considering adjustments and avoiding the immediate imposition of countermeasures against U.S. exports as a result of the WTO cotton decision."

Background

The Cotton dispute is a long-running dispute brought by Brazil against the United States. In 2005 and again in 2008, the World Trade Organization (WTO) found that certain U.S. agricultural support payments and guarantees are inconsistent with WTO commitments: (1) payments to cotton producers

under the marketing loan and countercyclical programs; and (2) export credit guarantees under the GSM-102 program, a USDA program used to provide guarantees for credit extended by U.S. banks or exporters to approved foreign banks for purchases of U.S. agricultural exports.

On August 31, 2009, WTO arbitrators issued arbitration awards in this dispute. These awards provided the level of countermeasures that Brazil could impose against U.S. trade. The annual amount of countermeasures has two parts: 1) a fixed amount of \$147.3 million for the cotton payments and 2) an amount for the GSM-102 program that varies based upon program usage. Using the data that we have given Brazil (in accordance with the arbitrators' award), the current total of authorized countermeasures is more than \$800 million.

The arbitrators also provided that Brazil could impose cross-sectoral countermeasures (i.e. countermeasures in sectors outside of trade in goods, specifically intellectual property and services). It may impose cross-sectoral countermeasures to the extent that it applies total countermeasures in excess of a threshold. The threshold varies annually, but is currently approximately \$560 million. Therefore, of the approximately \$820 million in countermeasures Brazil could impose now, about \$260 million of that could be cross-sectoral.

On March 8, 2010 Brazil announced a final list of products that would face higher tariffs beginning on April 7, 2010. Goods on the list include autos, pharmaceuticals, medical equipment, electronics, textiles, wheat, fruit and nuts, and cotton. Brazil had not made a final decision on which U.S. intellectual property rights might be affected by cross-sectoral countermeasures, but it had begun the process to make this determination.

On April 1, Deputy USTR Miriam Sapiro and USDA Undersecretary for Farm and Foreign Agricultural Services Jim Miller met with Ambassador Antonio Patriota, Secretary General of Brazil's Ministry of External Relations to discuss possible resolution of the dispute. As a result of that dialogue, the Government of Brazil agreed not to impose any countermeasures on U.S. trade at that time. In exchange, the United States agreed to work with Brazil to establish a fund of approximately \$147.3 million per year on a pro rata basis to provide technical assistance and capacity building to the cotton sector in Brazil, and for international cooperation related to the same sector in certain other countries. Under the Memorandum of Understanding that the United States and Brazil signed on April 20, 2010, the fund would continue until passage of the next Farm Bill or a mutually agreed solution to the Cotton dispute is reached, whichever is sooner. The fund is subject to transparency and auditing requirements.

The United States also agreed to make certain near term modifications to the operation of the GSM-102 Export Credit Guarantee Program, and to engage with the Government of Brazil in technical discussions regarding further operation of the program. In addition, the United States published a proposed rule on April 16, 2010, to recognize the State of Santa Catarina as free of foot-and-mouth disease, rinderpest, classical swine fever, African swine fever, and swine vesicular disease, based on World Organization for Animal Health Guidelines, and to complete a risk evaluation and identify appropriate risk mitigation measures to determine whether fresh beef can be imported from Brazil while preventing the introduction of foot-and-mouth disease in the United States.

The parties further agreed on April 1 that they would work to develop a Framework regarding the Cotton dispute by June 21, which

would provide a path forward for a negotiated solution to the Cotton dispute and allow both countries to avoid the impact of countermeasures. Negotiators from Brazil and the United States have been engaged intensively over the past several months, and successfully concluded this Framework.

Brazil is the United States' 10th largest trading partner with a total two-way goods trade of approximately \$60 billion in 2009.

Mr. FRANK of Massachusetts. I yield myself 3 minutes.

First of all, the gentleman says why are you talking about other programs, why don't you just talk about this program, but he talks about hundreds of billions of dollars of deficit, and this is a billion dollar program. So he hardly, Mr. Chairman, follows his own rules. He talks about hundreds of billions of dollars about a billion dollar program. I am joining him in saying, yes, we have a large deficit, of which this program is an infinitesimal part.

Secondly, I am puzzled that my Republican friends, who generally tell us that the President is not very good at his job, hide behind him when it's politically convenient. Yes, this is an Obama deal. The President was wrong. And unlike the gentleman from Alabama, if I think the President has made a foolish decision, I'm going to vote against it, not to send the money to Brazil. It wasn't the President who told you to vote not to limit the subsidies to \$250,000 per person.

And as to bringing people home from Afghanistan, we will have a chance tomorrow to bring people home from Afghanistan. I will vote for that. Sending \$400 million for corrupt infrastructure expenditures isn't bringing anybody home. So let's bring them home. The gentleman will have a chance to do that tomorrow.

But then I want to go back to his thing about do you want to invest? No. He just ignored the facts. This is not just about foreclosed properties. It's about abandoned properties. He says do I want to invest? He said do I want to buy it? Does he know who owns that? Could he give me the address? And what the gentleman said, he said of course you can find out who owns it; it's not hard.

We believe that there are properties where you can't find the owner. Now, the gentleman got the picture. He must know about the property.

Would you give us the address and the name of the responsible owner so we can tell the city not to use public money?

I yield to the gentleman from Alabama.

Mr. BACHUS. Well, let me ask you this—

Mr. FRANK of Massachusetts. No. I will yield for the purpose of asking the gentleman a question.

He said it's possible to find the address and the owner. I am asking him to live up to what he said. Can he tell us who the owner is? He's got the picture of the property. He says, no, you don't have to spend public money to tear it down. Go after the responsible owner.

I ask the gentleman, can he tell us who is the responsible owner?

I yield to the gentleman.

Mr. BACHUS. It was the person that you wrote the check to. You have to buy it, and you wrote the check out. So you know who the owner is.

Mr. FRANK of Massachusetts. The gentleman is wrong.

I reclaim my time.

Mr. BACHUS. You wrote the check to somebody.

Mr. FRANK of Massachusetts. Please instruct the gentleman as to the rules. He is blatantly wrong. It is not simply purchasing property. This gives the city money, and maybe that's why they are so wrong on this. They don't understand the program. It includes giving the city money to go in—

The CHAIR. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I yield myself another minute, because these people take a lot of work to get them to explain it.

The fact is that it isn't simply to buy it from a responsible owner. It includes money, as we have tried to explain to them, to demolish property. In fact, in the cities of Detroit and Cleveland, they specifically asked us—the gentleman from Los Angeles amended it—you can use city money to demolish property when there is no owner. So, no, there is no—you don't write a check to someone who has abandoned the property.

I yield to the gentleman.

Mr. BACHUS. Well, let me ask you this: The IG said they couldn't trace some of this money, and I think we've all figured that out. If we don't know whom we're paying—

Mr. FRANK of Massachusetts. I reclaim my time to point out the evasion.

The CHAIR. The time of the gentleman has again expired.

Mr. FRANK of Massachusetts. I yield myself another 30 seconds.

The gentleman made a big point of saying, buy the property from this person. He doesn't know who owns the property. No one knows who owns the property because no one owns the property. They walked away from it.

And what we're saying is part of this is not to pay off the bank. And I will say, last point, and as you know, the taxpayers shouldn't do it. In the bill that passed the conference committee which authorized this billion dollars, we said that the money should come not from the taxpayers but from large financial institutions that have more than \$50 billion in assets and hedge funds with more than \$10 billion. Republican opposition killed it. I'm going to refile that bill today.

So I invite my Republican colleagues to join me and we will sponsor this bill, and it's in the committee that the gentleman chairs. Let's pass a bill that says the money that will go to cities to knock down property where they can't find the owner will get it from the large banks and from the large hedge

funds. And if the gentleman will agree with that, then this whole argument about the deficit will disappear.

But I will predict, Mr. Chairman, that they will find that that's not so persuasive, and they will put up with the deficit when it means saving money for the large banks.

Mrs. BIGGERT. I yield 2 minutes to the gentleman from California (Mr. GARY G. MILLER).

Mr. GARY G. MILLER of California. Well, my good friend Mr. FRANK knows you can go to any land title company and they'll tell you who owns the property: either the person lost it to a bank that had a loan on it or the bank owns it now; and if they didn't have a loan on it, they still own the property. And if the property's been abandoned, under rules of public safety, the city can go and demolish a property for public safety measures.

But the difference is—I'm glad that Mr. FRANK said he disagrees with the Obama administration because I think they're wrong, too, but in this case I think you're wrong.

This proposal does not make any sense. We believe we're on the side of the people who are paying taxes in this country. Many are going through foreclosure. Many are out of work. We've taken your tax dollars and we've decided to give it to somebody else to buy property from the very banks that they take and say are so awful.

Now, there's been a lot of predatory loans made in this country. Lenders should not have made loans to people. They took advantage of people, no doubt. But then they foreclosed on those very people and we give private groups and government entities the ability to go buy the property from those banks, take and refurbish it, and sell it to people.

□ 1500

Now I will state again, in California, you can earn over \$68,000 and buy one of these homes. You can earn between \$73,000 and \$80,000 and live in Hawaii, Virginia, New Jersey, Massachusetts, Utah, Alaska, Colorado, New Hampshire, and qualify to pick up a very good deal. Sometimes it might be based on who you know that has the house currently. Are you affiliated with somebody at the city at a good level or the county? Or do you know one of these people at the nongovernment agencies on the board of directors, and you say, Hey, my cousin would like to buy one of these houses. And by the way, he'd like a good deal. There is nothing in the bill that precludes that. The bill says clearly that you have to sell it for less than you paid and reinvested in it. It does not say how much less you have to sell it for or how much you sell it for.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 30 seconds.

First of all, this program has been going on for some time. If there were any of the horror stories to match those hypotheticals, we would have

heard from them. But I will say this to the gentleman from California. He admits under public safety, the city might have to go in and tear it down with no recompense. Here is my proposal, and I invite my Republican colleagues again to do this. Come back with us to when we had a bill that said, This program will be paid for not by the taxpayers but by an assessment on financial institutions with more than \$50 billion in assets and hedge funds with more than \$10 billion in assets. I will introduce this bill tomorrow. They can give us a hearing on it, mark it up, and it won't cost the taxpayers a cent. And it will save the cities money.

I now yield 3 minutes to the gentlewoman from New York (Ms. VELÁZQUEZ).

(Ms. VELÁZQUEZ asked and was given permission to revise and extend her remarks.)

Ms. VELÁZQUEZ. I thank the ranking member for yielding.

As the ranking member stated before, this is not only about foreclosed properties, this is about abandoned properties. The Neighborhood Stabilization Program will help rehabilitate over 600 properties in New York City alone, but this is not just an issue for New York. This is a national problem. It was created by a decade of overheated mortgage lending and excess on Wall Street. It makes sense that our cities should have a national response. But contrary to common sense, the bill we consider today would abandon our cities and towns and force them to deal with this issue on their own.

The foreclosure crisis has a ripple effect on our whole economy. Foreclosed and abandoned homes consume limited city resources. At the same time, these homes lower property values for everyone in the neighborhood. Assistance from the NSP can not only rehabilitate empty homes, it can also reverse the downward spiral in property values. This bill eliminates the only housing mitigation program committed to stemming these ripple effects. Foreclosures are costly to everyone. Without the NSP, Main Street will bear the costs of the problem created on Wall Street.

Nationwide, nearly 100,000 projects will be undertaken with NSP funds. Property values will be restored in these neighborhoods, and working families will once again have access to affordable housing. Yet if this legislation is enacted, 200 projects in New York City will go unfinished. Withdrawing support for the NSP at this stage will slow the budding recovery in our housing sector not just for New York City but also for cities and towns across America. Mr. Chairman, I urge a "no" vote on this ill-conceived and, I have to say, mean-spirited legislation.

Mrs. BIGGERT. At this time, Mr. Chairman, I would like to yield 1 minute to the gentleman from Virginia (Mr. CANTOR), the majority leader.

Mr. CANTOR. I thank the gentlelady.

Mr. Chairman from day one, the majority of this Congress promised the

American people that we would focus like a laser on producing results. And over the past 2 months, we have already begun to deliver on that promise by upending the culture of spending that prevailed in Washington and replace it with a culture of savings. The most important thing government can do right now is to create an environment that fosters opportunity for people. But if you talk to the small businesses and entrepreneurs who create jobs, they will tell you that the explosion of government debt is threatening their ability to innovate and compete. Unless we move swiftly to change course, our economy will be consumed by fears of future tax increases, inflation, and higher borrowing costs. That's why our majority is dedicated to our cut-and-grow agenda, cutting spending and job-destroying regulations and growing private sector jobs in the economy.

Yesterday we took another significant step toward returning spending to 2008 levels. Today we offer Members a chance through the YouCut program to cut an additional \$1 billion in waste. This legislation, endorsed by millions of voters in the YouCut program, would terminate the Neighborhood Stabilization Program, a pot of money, as the other side will tell you, that enables State and local governments to buy and rehabilitate foreclosed homes. Instead of benefiting at-risk homeowners facing foreclosure, however, this program may instead create perverse incentives for banks and other lenders to foreclose on troubled borrowers. The people's House is drawing a firm line in the sand against wasteful spending and inefficient government programs, and I urge my colleague to support this legislation.

Mr. FRANK of Massachusetts. How much time remains on both sides, Mr. Chairman?

The CHAIR. The gentleman from Massachusetts has 4 minutes remaining. The gentlewoman from Illinois has 3½ minutes remaining.

Mr. FRANK of Massachusetts. I reserve the balance of my time.

Mrs. BIGGERT. I yield 1½ minutes to the gentleman from California (Mr. GARY G. MILLER).

Mr. GARY G. MILLER of California. My good friend Mr. FRANK brought up a good point. He said, Well, show me where any of these egregious things and illegal things have occurred where somebody has cut somebody a deal. Well, I can't show you any because there are no requirements. You could take one of these nonprofit, nongovernment entities out here that bought a house. They have \$180,000 in the house. One of the board members' cousins could buy that house for \$100,000, and it does not violate the requirements within the bill because it says you have to sell that house for less than the acquisition and rehabilitation prices. It does not say how much less. It says that you must not exceed an amount.

So my good friend is absolutely correct. I cannot show you an egregious

act because there is no egregious act defined within the legislation. And that's the problem with the bill. I believe we are trying to say that the Republicans are on the side of the taxpayers. We believe that we need to do everything we can in this country to create jobs. And if we leave \$7 billion in the economy based on the basic money multiplier of 10 percent, it creates \$70 billion worth of economy and generation. We believe in that. We do believe in fair rules. And we believe that if a person has to watch their home go into foreclosure, and they live in California, and they watch a county, a city, or a nonprofit group buy that home, that they can sell that home to someone for \$68,000 and all that person can do that lost their home is wipe the tears away.

Mr. FRANK of Massachusetts. I yield myself the balance of my time.

I appreciate the gentleman's acknowledgement. With all of their efforts, they are out finding pictures of abandoned houses, they couldn't find one example of where that abuse took place. In fact, there are a set of rules and restrictions that HUD has that I will submit under general leave. But again, let's review some of their errors. The fundamental error is the argument that this is a program which buys money from banks that have foreclosed and own the property. In fact, it is foreclosed and abandoned property. There are also entities that foreclose that weren't banks, that are not in existence anymore. Yes, it does not deal with all the properties. Where there is a responsible bank that you can go after, the cities go after them. But the suggestion that in Detroit, in Cleveland, in Boston, in Chicago, in all of our cities and in our rural areas there are no abandoned properties that lack someone you can sue is unreality. This is a triumph of ideological reflex over empirical observation. What this says to cities is, where you cannot find a responsible owner to go after, and the property is festering, if it's too far gone, you can tear it down. If it's not too far gone, you can take it and resell it for an affordable unit. Yes, it's got to be a limited income situation.

□ 1510

So that just disputes the whole notion that there's always somebody else you can get. But I still believe it's true that we shouldn't let this come from the taxpayer.

But I want to reiterate, and I'll make this offer. In the conference committee on Financial Reform, when this bill was passed—that's true also, by the way, of the emergency homeowners' relief—we said, let's not have it come from the taxpayer. Let's have it come from financial institutions with \$50 billion or more in assets, except for hedge funds, where it's \$10 billion or more in assets.

If that had passed, it would have cost the taxpayers, the general revenue nothing. It would not have added to the deficit. And to the extent that some financial institutions were benefiting,

they would have had to contribute. In fact, it would have had the larger financial institutions help the smaller financial institutions.

The Republicans killed that before, but I believe in repentance, Mr. Chairman. I believe in second chances for miscreants. I'm going to give, Mr. Chairman, my Republican colleagues a second chance. So for all their rhetoric about the deficit, here's the response. Here are the choices:

You can tell Detroit and Cleveland and other cities, you tear down that property when there's nobody else to go to and you pay for it and lay off some teachers and cops and firefighters, or you leave the property up there to fester. Or you do it our way. You join in assessing the large financial institutions. And I don't mean to demonize Citicorp or Bank of America, Goldman Sachs, Blackstone. These are decent people. They are trying to make a profit. I don't always agree with them. Why don't we let them pay the billion dollars?

So if there is a genuine concern about the deficit—I'm skeptical when people want to send the money to Afghanistan and Iraq and to Brazilian cotton farmers. Obama made them do that. Whenever they have a tough political decision, Mr. Chairman, Obama did it. Why can't they solve the problems of Fannie and Freddie? Well, Obama won't tell them how to do it. So they always hide behind the President when it's convenient.

But here's the deal. It is undeniable. Let's go back to the gentleman from Alabama. He found a building that was so decrepit he had a picture, and he said to us, You can go to the owner of that building and get the money. Well, he could find the building to take a picture, but he couldn't find the owner. Because I asked him, If that's the case, if we can go to the owner, tell me who the owner is and let's try and go after him. And he left the floor because he doesn't know who the owner is because in some cases nobody knows who the owner is because the property has been abandoned or it was foreclosed upon by an entity that's no longer in existence.

So join with us, make the large financial institutions and the hedge funds pay for this, and save the cities money that they do not have.

MARCH 3, 2011.

OPPOSE BILLS THAT SHUT OUT HOMEOWNERS
AND ABANDON COMMUNITIES

House Financial Services Committee, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE: The following civil rights and consumer organizations are writing to urge you to vote AGAINST the four bills coming before the House Financial Services Committee tomorrow that would eliminate the primary foreclosure prevention lifelines available to homeowners and communities struggling to make it out of our economic recession. For the reasons stated below, now is precisely the wrong time to end these programs.

It is in the nation's interest to prevent foreclosures. Everyone benefits when we can help families stay in their homes. Preventable foreclosures cripple the overall economy

by adding vacant houses to the already flooded housing market, further depressing housing prices and adding harmful uncertainty to this critical market sector. An estimated 11.57 million borrowers—1 in 5—are currently in danger of losing their homes. And unemployment and foreclosure now go hand-in-hand. Despite the average length of unemployment now at eight months, so many families who have lost their jobs or seen a drop in income as a result of the recession are now also losing their homes. We need to do more, not less, to help these families and stabilize the economy.

It is in the nation's interest to bring communities back. When families fail, communities fail. Families who have suffered foreclosure will feel the impact of foreclosure for years to come. Among many destabilizing consequences, they must confront their lives' disruption, the loss of their credit standing, and the higher cost and limited availability of future credit. But the impact of the foreclosure crisis is being felt far beyond the immediate home and neighborhood. This crisis has devastated entire communities, which suffer from a loss of community members, the disruption of community institutions, a decline in property values, and an increase in vacant and abandoned properties. Virtually every community across the country is feeling the fallout in the form of falling tax revenues and growing budget crises. Now is not the time to cut the programs created to prevent the foreclosures that fuel these broader problems.

Foreclosures continue to proceed at record levels, with disproportionately heavy impacts on communities and families of color, who are facing foreclosure at twice the rate of other families because of discrimination. Foreclosure prevention is a civil rights issue, and communities of color are suffering a disproportionate loss of wealth. Several studies have documented pervasive racial discrimination in the distribution of subprime loans. One such study found that borrowers of color are more than 30 percent more likely to receive a higher-rate loan than white borrowers even after accounting for differences in creditworthiness.¹ Another study found that high-income African Americans in predominantly Black neighborhoods were three times more likely to receive a subprime purchase loan than low-income white borrowers.² An analysis of loan, credit, and census data has shown that even after controlling for percent minority, low credit scores, poverty, and median home value, "racial segregation is clearly linked with the proportion of subprime loans originated at the metropolitan level."³ This research supports the conclusion that racial segregation is itself an important determinant of subprime lending. The resulting flood of high cost loans in communities of color has artificially elevated the costs of homeownership for residents of those neighborhoods.⁴

Homeowners need more help, not less, and the mortgage and servicing industry has proven to be particularly ill-equipped in providing it. A massive body of recent evidence exists which shows pervasive lender foreclosure processing problems and problems with mortgage transfers and assignments within the securitization process. These shortcomings show a deep disregard for legal requirements among lenders and servicers, and also demonstrate that they are badly understaffed, perform poorly, and lack accountability. Problems uncovered in the foreclosure process mirror the problems that homeowners seeking loan modifications have experienced: borrowers frequently report an inability to reach bank staff, loss of paperwork that they have sent in, and little oversight or enforcement.

We cannot leave the important job of foreclosure mitigation solely to an industry that

has repeatedly refused to do the job correctly. Just two days ago, HSBC suspended all foreclosures after an investigation by federal regulators uncovered "problems in the company's processing, preparation, and signing off of affidavits and other documents supporting foreclosures, and in HSBC's management of third-party law firms retained to carry out foreclosures."⁵ Rather than eliminating the only lifelines that help people from losing their homes, we should be increasing that help. It is irresponsible to eliminate these programs at a time when our nation needs them most.

Thank you for your consideration.

Sincerely,

AFL-CIO,
Americans for Financial Reform,
Bazelon Center for Mental Health Law,
Center for NYC Neighborhoods,
Center for Responsible Lending,
Community Reinvestment Association of North Carolina,
Consumer Action,
Consumer Federation of America,
Empire Justice Center,
Family Equality Council,
HomeFree-USA,
The Leadership Conference,
NAACP,
National Association of Consumer Advocates,
National Community Reinvestment Coalition,
National Consumer Law Center (on behalf of its low-income clients),
National Fair Housing Alliance,
National Gay and Lesbian Task Force Action Fund,
National Law Center on Homelessness and Poverty,
National Urban League,
Neighborhood Economic Development Advocacy Project,
PICO National Network,
SEIU,
Woodstock Institute.

END NOTES

¹ See Bocian, D., K. Ernst, and W. Li, *Unfair Lending: The Effect of Race and Ethnicity on the Price of Subprime Mortgages*, Center for Responsible Lending, May 2006, p. 3. Available at www.responsiblelending.org.

² Center for Responsible Lending's *Fact Sheet on Predatory Mortgage Lending*, *op. cit.* See also HUD, *Unequal Burden: Income and Racial Disparities in Subprime Lending in America* (Washington, D.C.: HUD, 2000), and *The Impending Rate Shock*.

³ Squires, Gregory D., Derek S. Hyra, Robert N. Renner, "Segregation and the Subprime Lending Crisis," Paper presented at the 2009 Federal Reserve System Community Affairs Research Conference, Washington, DC (April 16, 2009) p.1.

⁴ For a comprehensive analysis of the relationship between race and access to prime, near prime, and subprime loans in a representative metropolitan area, see Institute on Race and Poverty, *Communities in Crisis: Race and Mortgage Lending in the Twin Cities* (February 2009). Available online at http://www.irpumn.org/uls/resources/projects/IRP_mortgage_study_Feb_11th.pdf

⁵ Bay, Carrie, "HSBC Suspends All U.S. Foreclosures," DSNews.com, March 1, 2011. <http://www.dsnews.com/articles/hsbc-suspends-all-us-foreclosures-2011-03-01>

MARCH 7, 2011.

Hon. SPENCER BACHUS,
Chairman, Financial Services Committee, House of Representatives, 2129 Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BACHUS: I am writing to express my strong opposition to H.R. 861, the Neighborhood Stabilization Program (NSP)

Termination Act. NSP has helped cities across the country address and mitigate the deleterious effects that vacant and blighted properties have on neighborhoods and property values. As a result of the foreclosure crisis, communities throughout the country, including Los Angeles, face significant challenges as foreclosed homes create a vicious cycle of blight, neighborhood decay, and lower property values. NSP has been instrumental in helping to stem this downward spiral by addressing the negative effects of abandoned and foreclosed properties.

In the City of Los Angeles, where, over the past four years, we have an estimated 39,000 foreclosed properties, NSP has played a critical role stabilizing our fragile housing market and helping to construct and rehabilitate a total of 1,200 housing units. Furthermore, at a time when unemployment in our construction industry is at an all-time high, NSP has created more than 900 jobs spurring Los Angeles' economic recovery.

Given the economic challenges facing cities today, I urge the committee to continue funding for the Neighborhood Stabilization Program.

Very truly yours,
ANTONIO R. VILLARAIGOSA,
Mayor.

NEW YORK CITY DEPARTMENT OF
HOUSING PRESERVATION & DEVELOPMENT,

New York City, March 9, 2011.

Rep. SPENCER BACKUS, *Chairman,*
Rep. BARNEY FRANK, *Ranking Member,*
House Financial Services Committee, House of Representatives, Washington, DC.

Re H.R. 839—"The HAMP Termination Act of 2011." H.R. 861—"NSP Termination Act"

DEAR REPRESENTATIVES: I am writing this letter to express the City of New York's opposition to the above-referenced bills coming before the House Financial Services Committee. These measures would eliminate crucial foreclosure prevention and neighborhood stabilization support available to homeowners and communities grappling with the devastating effects of the foreclosure crisis here in New York City.

The Home Affordable Modification Program (HAMP) has been an invaluable tool for homeowners throughout the city who have unsustainable mortgages.

Data shows us that permanent HAMP modifications have on average saved homeowners almost \$400 more in monthly payments than the savings achieved by non-HAMP modifications (\$1200 vs. \$828).

Of the permanent modifications reported by the Center for New York City Neighborhood's extensive network of service providers, 46% are HAMP modifications (479 out of 1036), which is on par with the national average of 41%, as reported by the OCC (<http://tinyurl.com/4qajkkt>).

HAMP has had a tremendous impact in New York. In the NYC MSA, there have been 41,785 HAMP modifications (32,785 permanent and 9,000 active trials), which represents 6% of all HAMP activity nationwide.

Without HAMP foreclosure prevention efforts would be greatly diminished. HAMP has been critically important in moving the mortgage industry to make more affordable, sustainable modifications for homeowners who have the ability to stay in their homes. We know from counselors on the ground that the banks' own proprietary modifications have become more affordable and "HAMP-like" since the full roll-out of the program, further illustrating HAMP's impact. However, HAMP must be preserved because even as the quality of non-HAMP modifications improves, they are not nearly as beneficial as HAMP modifications.

The Neighborhood Stabilization Program (NSP) provides states and municipalities

with much-needed funds to stabilize neighborhoods hardest-hit by the foreclosure crisis. In NYC, we have used NSP funds to acquire and rehabilitate foreclosed homes for resale as affordable housing.

NSP funds are reducing the city's stock of vacant, foreclosed homes that are a blight on communities. To date, we have acquired 65 homes that are in various stages of rehab, and on track to buy and restore 25 more. We are poised to launch a program that will offer NSP funds as downpayment assistance to encourage homeowners to buy foreclosed homes. These programs accomplish dual goals of incentivizing homeownership while also improving the housing stock in neighborhoods devastated by foreclosure.

NSP funding has also been used to assist multifamily, rental buildings in distress, providing long-term affordability for income-eligible families. As a result of the economic downturn, New York City is witnessing an increase in the number of rental buildings with deteriorating physical conditions, with many of these buildings in default on their mortgages. Addressing the needs of these properties is putting a strain on our typical funding sources, making NSP a particularly valuable tool. We have expended over \$3M of NSP funds on the acquisition of foreclosed multi-family buildings, creating over 200 affordable rental units in The Bronx and Brooklyn. At least \$10 million in future NSP funds will be targeted towards stabilizing some of the most distressed multi-family rental housing in the City.

As outlined here, the aforementioned programs offer critical assistance to New York City families and neighborhoods suffering from the harmful effects of the foreclosure crisis. These programs' positive impacts are extensive and they are compelling. To eliminate them now would be unwise. For these reasons, The City of New York opposes their termination.

Sincerely,
RAFAEL E. CESTERO,
Commissioner.

Mrs. BIGGERT. I yield myself the balance of my time.

The gentleman might be interested to know that there was a HOPE VI bill that was an amendment to that, to H.R. 3524, made by Representative SESSIONS. The amendment sought to maintain HUD's authority to issue demolition only grants, and that failed by a recorded vote of 186-221. Voting "no" on that was the gentleman, Mr. FRANK and Ms. WATERS, Mr. ELLISON, Ms. VELÁZQUEZ.

I have been listening to all of this, and I think that everybody knows, we all want to get the housing market back on track. We all want to be able to help those that are in trouble.

But many of my colleagues on the other side have said that if you end these programs there will be nothing, and that's just not true. Of the 4.1 million mortgage modifications that were completed, 3.5 million were done by the private sector with no government program and not a dime from the taxpayers. So there is a market out there.

There is also the Home Affordable Refinance Program, HARP, for homeowners. And don't forget the Hardest Hit Fund, which President Obama established. And in 2008, \$300 million in guarantees were committed for homeowners, a voluntary FHA program. \$475 million had been appropriated to

Neighbor Works for foreclosure counseling. And finally, there are countless local, State and private sector initiatives.

So let us not forget that this is being taken care of. And rather than have a program that really doesn't affect those that have been foreclosed on, it really is a program for counties, not-for-profits, for States, and it can cause incentives for banks and other lenders to foreclose on troubled borrowers, worsening and prolonging the housing credit crisis.

So let's get back to what this bill really does, and it doesn't help taxpayers.

Mr. TOWNS. Mr. Chair, I rise today to urge my colleagues to vote no on H.R. 861 the "Neighborhood Stabilization Program Termination Act". Mr. Chair, the termination of a program designed and dedicated to the stabilization of neighborhoods suffering through the foreclosure crisis is simply the wrong approach.

NSP was created to help stabilize communities that have suffered from foreclosures and abandonment. The program will continue to work towards accomplishing these goals by purchasing and redeveloping foreclosed and abandoned homes in communities that were distressed by the economic downturn. NSP grants provide much needed assistance to state and local governments to acquire, demolish and rehabilitate blighted properties.

NSP funds also help to redevelop hard-hit communities, create jobs and grow local economies. HUD estimates that NSP alone will support 93,000 jobs nationwide once fully implemented. Mr. Chair, with unemployment at 9 percent and many communities still seriously suffering from slow job growth, it is imperative that we support programs like NSP that create jobs.

Mr. Chair, vacant and blighted properties have a serious effect on neighborhoods and property values. The U.S. Conference of Mayors and the National Community Development Association and many others have spoke out in favor of NSP. I urge this body to listen to the voices from the people on the ground in these communities. H.R. 861 does not address the urgent needs of these distressed communities. I urge a no vote on H.R. 861.

Mr. TURNER. Mr. Chairman, I rise today in opposition to H.R. 861, the Neighborhood Stabilization Program Termination Act. The depth of our foreclosure crisis is astounding. According to Realty Trac we witnessed over one million foreclosures last year and they predict we are on track to break that unfortunate record once again this year.

Furthermore, the same group found that foreclosure proceedings were initiated against 2.9 million of our nation's households in 2010. They predict this number to increase by 20 percent this year.

With no apparent slowing of this trend, the Miami Valley region of Ohio has averaged roughly 7,000 foreclosures each of the last three years; there were more than 1100 foreclosures in just the first two months of this year. This is a three-fold increase from a decade ago.

This crisis hurts individuals, families, neighborhoods, and communities. In my area of

Ohio, the foreclosures were not due to an irresponsible home buying “boom and bust” cycle with dramatic increases and falling home values—but rather due to high unemployment caused by the deep recession; sharp declines in population, along with families who were victimized by predatory lenders and the lack of loan modification standards.

The result has been an almost doubling of the vacancy rate made up mostly of abandoned foreclosed properties. The City of Dayton currently has 15,000 vacant excess units with some neighborhoods seeing half of their units vacant.

Foreclosed properties sit vacant for long periods of time, and not only become an eyesore, but a threat to public health and safety. In response, the Neighborhood Stabilization Program was created to help address this crisis with which our communities struggle.

The resources that this program has brought to bear are continuing to make a considerable difference. Not only have hundreds of vacant units have been demolished, but the structures with value were rehabilitated and sold. In addition, the program has allowed localities to partner with local builders, trade schools for at-risk youth, universities and non-profits, to further leverage these funds.

I have stood on this floor and voted time and again to cut wasteful spending and terminate ineffective government programs, but I cannot vote to end the Neighborhood Stabilization Program. In Southeast Ohio NSP has proven its value and demonstrated its effectiveness at addressing one of the biggest problems to confront my communities.

In Southeast Ohio this program has removed long standing blight. It is positively affecting real estate values, training at risk youth and also creating jobs. For all of these reasons, I urge my colleagues to join me in voting against H.R. 861, The Neighborhood Stabilization Program Termination Act.

Ms. BROWN of Florida. Mr. Chair, I rise today to oppose this spurious legislation to eliminate a program that has helped our towns and cities recover from the horrible housing crisis that has taken hold of these communities.

The intent of this program which I voted for was to stabilize neighborhoods. The legislation allowed hard-working American families in danger of losing their homes to refinance into lower-cost government-insured mortgages they can afford to repay.

I was able to hold foreclosure workshops in cities and towns throughout my district to help these families at risk of losing their homes. With my community's help, many families were able to stay in their homes, keeping neighborhoods intact.

I believe that more money should be used to keep people in their homes. To the administration's credit, they attempted to create other programs that would do that. The Republican majority has spent the last weeks attempting to eliminate those programs also.

The intent of the NSP legislation, begun more than three years ago, was to quickly and efficiently distribute funds to neighborhoods and communities that have a large number of foreclosed, vacant, or bank-owned properties. The local government's goal should be to utilize the funds to secure communities and neighborhoods that have unique needs as a result of the foreclosure crisis.

The use of non-governmental agencies in the NSP program was innovative. HUD could

have further been innovative and used rent to own to keep people in their homes.

NSP also seeks to prevent future foreclosures by requiring housing counseling for families receiving homebuyer assistance. HUD seeks to protect future homebuyers by requiring States and local grantees to ensure that new homebuyers under NSP receive homeownership counseling and obtain a mortgage loan from a lender who agrees to comply with sound lending practices.

Defeat this legislation and vote to keep people in their homes and our communities living and vibrant.

I would like to submit this article from the Florida Times-Union into the RECORD about the amount of Jacksonville homes underwater.

[From the Florida Times-Union, March 8, 2011]

NEARLY HALF OF JACKSONVILLE HOME MORTGAGES UNDERWATER AT END OF 2010

(By Kevin Turner)

MARCH 8.—Nearly half of mortgages residences in Jacksonville were underwater at the end of 2010—47 percent—primarily because their values have sunk below the amount their owners owe on their mortgages.

The phenomenon is also known as “negative equity.” According to real estate data aggregator CoreLogic, another 4.8 percent of all mortgaged Jacksonville mortgages were in “near negative equity” status, or owed the same or nearly the same as much as their homes were worth.

Combined, 51.8 percent of Jacksonville homes are underwater or nearly so, according to a report released today by real estate data aggregator CoreLogic.

Although sinking values are thought to be the chief cause, increases in mortgage debt are also a factor, CoreLogic noted.

The local combined underwater percentage is significantly higher than the national average of 27.9 percent of mortgaged homes nationwide that are underwater or near underwater. Some 23.1 percent were fully underwater.

The difference in the statistic locally and nationally underscores the lingering effects of bursting of the real estate value bubble in hardest-hit Florida, Nevada, Arizona and California.

The Associated Press also reported:

Nationally, the number of Americans who owe more on their mortgages than their homes are worth rose at the end of last year, preventing many people from selling their homes in an already weak housing market.

The percentage of homes underwater at the end of the fourth quarter, at 23.1 percent, was up from 22.5 percent, or 10.8 million households, in the third quarter.

The number of underwater mortgages nationally had fallen in the previous three quarters, mostly because more homes had fallen into foreclosure.

Underwater mortgages typically rise when home prices fall. Home prices in December hit their lowest point since the housing bust in 11 of 20 major U.S. metro areas. In a healthy housing market, about 5 percent of homeowners are underwater.

About 2.4 million people have only 5 percent equity or less in their homes, putting them near the tipping point if prices in their area fall.

Roughly two-thirds of homeowners in Nevada with a mortgage had negative home equity, the worst in the country. Arizona, Florida, Michigan and California were next, with nearly 50 percent of homeowners with mortgages in those states underwater.

Oklahoma had the smallest percentage of underwater homeowners in the October-De-

ember quarter, at 5.8 percent. Only nine states recorded percentages less than 10 percent.

When a mortgage is underwater, the homeowner often can't qualify for mortgage refinancing and has little recourse but to continue making payments in hopes the property eventually regains its value.

The slide in home prices began stabilizing last year. But prices are expected to continue falling in many markets due to still-high levels of foreclosure and unemployment.

That means homes purchased at the height of the real estate boom are unlikely to recover lost value for years.

Underwater mortgages also dampen home sales. Homeowners who might otherwise sell their home refuse to take a loss or can't get the bank to agree to a short sale—when a lender lets a borrower sell their property for less than the amount owed on the mortgage.

Home sales have been weaker in areas where there are a large number of homeowners with negative equity.

The total amount of negative equity increased to \$751 billion nationwide, up from \$744 billion in the previous quarter.

Mr. GUTIERREZ. Mr. Chair, I rise today in opposition to the Neighborhood Stabilization Termination Act, or H.R. 861, a bill to eliminate the Neighborhood Stabilization Program (NSP). I would like to shed light on the positive impact the Neighborhood Stabilization Program has had on neighborhoods and communities across the country and particularly in Chicago, Illinois, as well as dispel myths my Republican colleagues have been passing off as the truth.

The Neighborhood Stabilization Program is one of several programs targeted for elimination by House Republicans. These are programs that are helping middle-class and working-class Americans avoid losing their homes through the calamity of foreclosure. While imperfect, these programs are literally keeping a roof over people's heads, keeping families together, and preserving the fabric of American neighborhoods.

Let's not forget, Congress bailed out financial institutions when they hit rock bottom and Congress acted to shore up the economy when it was on the brink of a deeper crisis.

But now Republicans are saying we can't afford programs that lend a hand to American homeowners in their hour of greatest need? That's not the America I know, that's not the America that families need, and that is not the America we were sent to Washington to protect. Let's help our neighbors and our neighborhoods and not leave them to fend for themselves during these tough times.

Recently, several worthy and notable organizations, such as Chicanos Por la Causa (CPLC), have been specifically targeted by my Republican colleagues for the funds they've received under the Neighborhood Stabilization Program. Let me make this clear, Chicanos Por La Causa is the lead applicant for a national consortium of non-profit affordable housing developers that have received federal funding to revitalize neighborhoods in eight states and the District of Columbia that have been negatively impacted by foreclosures and abandoned properties. CPLC, which was awarded \$137 million to address foreclosed and vacant properties, submitted one of the highest scoring grants. The grant to CPLC increased the equitable allocation of NSP funds by providing the Department of Housing and Urban Development (HUD) with important

tools to help American communities. Specifically, it provided HUD with a method for investing through 13 consortium members in a mix of urban and rural communities that have been hardest hit by the foreclosure crisis, and in predominately Latino communities through organizations that provide culturally and linguistically competent services.

Currently, there are approximately 1.3 million Latinos who are in the process of foreclosure or have already lost their homes. There is no doubt the Latino community has been disproportionately affected by the foreclosure crisis. For this reason, Chicanos Por La Causa, together with the National Association for Latino Community Asset Builders, have helped blighted communities repair the devastation and distress that comes with abandoned properties. The Resurrection Project is one of the organizations under this consortium that is in my own backyard in Chicago. The Resurrection Project has served the Back of the Yards community in my district by investing \$12 million in NSP funds to help stabilize the community. Back of the Yards is one of the poorest and most blighted communities in my district and one of the hardest hit by the foreclosure crisis. These funds will certainly assist with the recovery efforts and revitalize this historic neighborhood in the city of Chicago.

Mr. Chair, our nation is facing extraordinarily dire economic times. American homeowners, our neighborhoods, and our communities do not deserve to have Congress turn our backs on them in the hour of greatest need. I believe the Neighborhood Stabilization Program is vital to our states, to our cities, and to our communities that have been hardest hit by the largest housing crisis of our generation. This is why I am opposing the Neighborhood Stabilization Termination Act. Two weeks ago I submitted a letter for the record during the Insurance, Housing and Community Opportunity Subcommittee hearing on foreclosure mitigation programs targeted for elimination. The letter was submitted on behalf of the National Association of Counties, National League of Cities, U.S. Conference of Mayors, National Community Development Association, National Association for County Community and Economic Development, Council of State Community Development Agencies, and the Enterprise Community Partners, Inc., all of whom support this very valuable neighborhood revitalization program. I ask my colleagues to stand with our neighborhoods and our communities and vote no on this bill.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chair, I rise in opposition to H.R. 861, the Neighborhood Stabilization Program Termination Act.

The Neighborhood Stabilization Program was established in 2008 to help stabilize communities across American that has suffered from foreclosures and abandonment.

Neighborhood Stabilization Program funds give states and local governments the tools needed to purchase and redevelop foreclosed and abandoned homes.

Without this funding whole neighborhoods suffer sliding real estate values, increases in crime, and decreases in the overall morale of its citizens.

From the total Neighborhood Stabilization Program appropriations of \$7 billion, HUD estimates that 100,000 properties in the hardest-hit areas will be impacted.

In my district, Dallas, Texas, a little over 7.9 million dollars was awarded through Neighborhood Stabilization Program funding.

At the beginning of the foreclosure crisis Dallas' housing market suffered from an average of 300 foreclosures a month.

The City of Dallas has identified 13 areas in the city that can benefit from this funding.

Without programs like the Neighborhood Stabilization Program, neighborhoods in my area would have nowhere else to turn.

Neighborhood Stabilization Program funds help to redevelop hard-hit communities, creates jobs, and grows local economies.

With nearly 14 million Americans out of a job, Americans need a Republican Congress that works to create jobs and strengthen the economy.

In the last 11 weeks, the House Republicans have passed reckless spending proposals estimated to destroy 700,000 jobs and stall our economic growth.

I encourage my colleague to stand by struggling neighborhoods and vote no on this measure.

Mr. LANGEVIN. Mr. Chair, I rise in strong opposition to H.R. 861, the Neighborhood Stabilization Program (NSP) Termination Act. This bill stops in its tracks the successful efforts to rebuild neighborhoods hardest hit by the foreclosure crisis. The Neighborhood Stabilization Program has provided resources to allow cities and states to rehabilitate foreclosed and abandoned homes that are driving down home prices and destabilizing neighborhoods.

In Rhode Island, we were hit early and hard by the housing crisis. We currently have the fourth highest unemployment rate, and Rhode Islanders are struggling with mortgage payments due to the loss of jobs through no fault of their own. This program has provided the state with much needed resources to stabilize our housing market and create new low-income housing. Rhode Island housing agencies have warned me that ending this program would be detrimental to their efforts to build homes, save buildings, stabilize blighted neighborhoods, and most importantly, put Rhode Islanders to work.

In my district, \$800,000 out of Rhode Island's NSP funds went to creating a new building that houses 12 homeless veterans, a police station, and commercial space. This funding also helped create two additional apartments for homeless veterans in a nearby building that also includes a social services office for the residents. This legislation would stop projects that are already planned to create jobs that would support 90 affordable homes and apartments in the most at-risk neighborhoods.

Mr. Chair, without the Neighborhood Stabilization Program, Rhode Island would not have been able to undertake this remarkable partnership, as well as numerous other successful examples around the State that have brought together Federal, State, business and community organization efforts.

I urge my colleagues to vote against this measure.

Mr. DINGELL. Mr. Chair, I rise in opposition to H.R. 861, which will terminate an important Federal response to the mortgage crisis that continues to threaten American economic growth.

Last week, House Republicans voted to terminate the Federal Housing Administration (FHA) Refinance Program, a promising fore-

closure prevention program directed toward responsible homeowners. Today, we are considering terminating a program that helps stabilize communities rocked by massive foreclosure and home abandonment. With about 13.7 million Americans struggling with unemployment, I urge the Republican leadership to focus on creating jobs, not on terminating programs. It is time to be constructive, not destructive.

Mr. Speaker, I am starkly opposed to H.R. 861, which would terminate the Neighborhood Stabilization Program (NSP). This important program provides grants to State and local governments and eligible entities to buy and restore abandoned and foreclosed properties. This funding allows the hardest hit communities, like those in my home state of Michigan, to start tearing down dilapidated properties with an eye toward shrinking struggling cities and rehabilitating healthy neighborhoods. This funding helps increase nearby property values and decrease the risk of foreclosure for remaining residents. It also enables communities to cut down on havens for criminal activity, reducing law enforcement costs. Several communities in my Congressional District, like Dearborn, Taylor, and Inkster have benefited from this program, and its continued funding is crucial for local governments to respond to the mortgage crisis. If my Republican colleagues refuse to believe NSP is a wise public investment, I extend an invitation for them to visit my home state and witness the critical impact this program has on hard-hit communities.

Mr. Chair, I strongly urge my colleagues to vote against this bill.

Mrs. BIGGERT. I yield back the balance of my time.

The CHAIR. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 861

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 "NSP Termination Act".

SEC. 2. RESCISSION OF \$1 BILLION FUNDING FOR 3RD ROUND OF NEIGHBORHOOD STABILIZATION PROGRAM.

Effective on the date of the enactment of this Act, there are rescinded and permanently canceled all unobligated balances remaining available as of such date of enactment of the amounts made available by section 1497(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203; 124 Stat. 2209; 42 U.S.C. 5301 note).

SEC. 3. TERMINATION OF NEIGHBORHOOD STABILIZATION PROGRAM.

(a) REPEAL.—Sections 2301 through 2303 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289; 122 Stat. 2850; 42 U.S.C. 5301 note) are hereby repealed.

(b) TREATMENT OF REMAINING FUNDS.—

(1) SAVINGS CLAUSE.—Notwithstanding the repeal under subsection (a), any amounts made available under the provisions specified in paragraph (2) of this subsection shall continue to be governed by any provisions of

law applicable to such amounts as in effect immediately before such repeal.

(2) REMAINING FUNDS.—The provisions specified in this paragraph are as follows:

(A) Section 2301(a) of the Housing and Economic Recovery Act of 2008 (Public Law 110-289; 122 Stat. 2850; 42 U.S.C. 5301 note).

(B) The second undesignated paragraph under the heading “Department of Housing and Urban Development, Community Planning and Development, Community Development Fund” in title XII of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5, 123 Stat. 217).

(C) TERMINATION.—Upon the obligation of all amounts made available under the provisions specified in subsection (b)(2), and outlays to liquidate all such amounts, the Secretary of Housing and Urban Development shall terminate the Neighborhood Stabilization Program authorized under the provisions specified in subsections (a) and (b)(2).

SEC. 4. PUBLICATION OF MEMBER AVAILABILITY FOR ASSISTANCE.

Not later than 5 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall publish to its Website on the World Wide Web in a prominent location, large point font, and boldface type the following statement: “The Neighborhood Stabilization Program (NSP) has been terminated. If you are concerned about the impact of foreclosed properties on your community, please contact your Member of Congress, State, county, and local officials for assistance in mitigating the impacts of foreclosed properties on your community.”

The CHAIR. No amendment to the committee amendment is in order except those printed in part B of House Report 112-34. Each such amendment may be offered only in the order printed in the report (except that amendment No. 9 and amendment No. 10 may be offered only en bloc), may be offered only by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

MOTION TO RISE

Mr. ELLISON. Mr. Chairman, I have a preferential motion at the desk.

The CHAIR. The Clerk will report the motion.

The Clerk read as follows:

Mr. ELLISON moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken.

The CHAIR. The gentleman from Minnesota is recognized for 5 minutes in support of his motion.

Mr. ELLISON. Mr. Chair, I rise to make this motion today because I'm opposed to the underlying bill, the NSP Termination Act.

Mr. Chair, in the course of this debate on the termination of foreclosure mitigation programs, including this bill, we've been enmeshed in a huge debate around what the proper role of government is.

The Republican Caucus clearly thinks that government has no role, that citizens are on their own, and that no matter how much devastation a particular phenomenon like the foreclosure crisis has caused, that citizens just have no help in the government.

The government can't be there for them.

And, on the other hand, the Democratic Caucus, we believe that, in the proper circumstances, the government has an important role and does need to be there for the American people, and when we see property values dropping, whole neighborhoods destroyed, that we should do something about it.

This motion to strike the enacting clause, according to Rule XVIII, clause 9, “if carried in the House, shall constitute a rejection of the bill.”

And, Mr. Chair, I urge that we do reject this bill. This bill is an affront and an insult at a time when Americans have seen over 4 million foreclosures across this Nation, devastating whole communities, devastating communities and wiping out city and municipal budgets, so that cities, when they have abandoned properties in their neighborhoods, are left with tearing them down and demolishing them on the nickel of the taxpayer in that city when, in fact, this is a community-wide problem.

There's no money in many cities to do the demolition. So what will happen is that an old, burned-out hulk will sit there and sit there as neighbors look on and see the property values in their homes plummet. And what we'll see, Mr. Chair, is people leaving dogs there. Perhaps the house will be an attractive nuisance. Perhaps some crime will be committed there, drug dealing there, dead animals left there, and neighborhoods will fall deeper and deeper in despair.

I grew up in the city of Detroit. I'm honored to represent the Fifth District of Minneapolis today, but I grew up in the city of Detroit, and I saw how the foreclosures in that city ripped that town apart. And the good people of that city had to sit by and watch folks burn houses. They would put them on fire, and years later, no money to demolish them that the city had, and it just helped folks say that, You know what? I'm going to leave this city because I can't stand to live here with that big hulk right next to my home. Who's going to help out?

Well, according to the Republican Caucus, that's not the proper role of government. And this is really what this is all about.

Mr. Chairman, I've heard our friends in the Republican Caucus talk about jobs, yet they haven't introduced one single jobs bill, and we've been here for 11 weeks.

They talk about the deficit and go on and on ad nauseam about putting debt on our children and grandchildren. And yet, when they had the chance to raise revenue so that we could, in fact, pay the bills of this country, they were absolutely and adamantly opposed to it.

But now, when we see Americans have their neighborhoods slipping into oblivion, slipping into a situation where people can't live in their neighborhood and people can't sell their homes so they're just suffering, the Republican Caucus said, There's nothing we can do for you either.

□ 1520

They don't really demonstrate a commitment to jobs. They don't really demonstrate a commitment to even dealing with the deficit, at least not through revenue raising. They have a commitment to set Americans adrift, on their own.

I make this motion to correct the record on this Neighborhood Stabilization Program. This isn't a broken or ineffective program that should be eliminated. It is a vitally important program for local and State governments that need all the resources they can get to address neighborhoods that are overrun by foreclosures.

According to HUD, the Neighborhood Stabilization Program has supported close to 100,000 jobs nationwide. They will be eliminated if we pass this bill. That's right. The Republicans, again, are cutting another 100,000 jobs for working Americans.

So, Mr. Chair, what does the Neighborhood Stabilization Program do?

It helps local and State governments renovate abandoned and foreclosed properties. It helps local governments revitalize communities instead of watching these neighborhoods deteriorate. It gives communities the ability to get back on their feet as quickly as possible.

In my district, the city of Minneapolis has put NSP funding to good use. Thomas Streitz is the director of Housing and Policy Development for the city of Minneapolis, and he explains: “The Neighborhood Stabilization Program has enabled the city of Minneapolis to stabilize neighborhoods throughout the city affected by foreclosure. Funding to date has impacted more than 530 properties, and with the additional funding sought, 56 more properties could be rehabilitated, bringing even more homeowners back into neighborhoods.”

I believe the NSP is a good investment.

The CHAIR. The time of the gentleman has expired.

The question is on the preferential motion offered by the gentleman from Minnesota (Mr. ELLISON).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. ELLISON. Mr. Chair, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 183, noes 240, not voting 9, as follows:

[Roll No. 182]

AYES—183

Ackerman	Blumenauer	Carney
Andrews	Boswell	Carson (IN)
Baca	Brady (PA)	Castor (FL)
Baldwin	Braley (IA)	Chu
Barrow	Brown (FL)	Ciulline
Bass (CA)	Butterfield	Clarke (MI)
Becerra	Capps	Clarke (NY)
Berkley	Capuano	Clay
Bishop (GA)	Cardoza	Cleaver
Bishop (NY)	Carnahan	Clyburn

Connolly (VA) Johnson (GA)
 Conyers Johnson, E. B.
 Cooper Kaptur
 Costa Keating
 Costello Kildee
 Courtney Kind
 Critz Kissell
 Crowley Kucinich
 Cuellar Langevin
 Cummings Larsen (WA)
 Davis (CA) Larson (CT)
 Davis (IL) Lee (CA)
 DeFazio Levin
 DeGette Lewis (GA)
 DeLauro Lipinski
 Deutch Loeb sack
 Dicks Lofgren, Zoe
 Dingell Lowey
 Doggett Luján
 Donnelly (IN) Lynch
 Doyle Maloney
 Edwards Markey
 Ellison Matheson
 Engel Matsui
 Eshoo McCarthy (NY)
 Farr McCollum
 Fattah McDermott
 Filner McGovern
 Frank (MA) McIntyre
 Fudge McNeerney
 Garamendi Meeks
 Gonzalez Michaud
 Green, Al Miller (NC)
 Green, Gene Miller, George
 Grijalva Moore
 Gutierrez Moran
 Hanabusa Murphy (CT)
 Hastings (FL) Napolitano
 Heinrich Neal
 Higgins Olver
 Himes Owens
 Hinchey Pallone
 Hinojosa Pascrell
 Hiroso Pastor (AZ)
 Holden Payne
 Holt Pelosi
 Honda Peters
 Hoyer Peterson
 Inslee Pingree (ME)
 Israel Polis
 Jackson (IL) Price (NC)
 Jackson Lee Quigley
 (TX) Rangel

NOES—240

Adams Coffman (CO)
 Aderholt Cole
 Akin Conaway
 Alexander Cravaack
 Altmire Crawford
 Amash Crenshaw
 Austria Culberson
 Bachmann Davis (KY)
 Bachus Denham
 Barletta Dent
 Bartlett DesJarlais
 Barton (TX) Diaz-Balart
 Bass (NH) Dold
 Benishek Dreier
 Berg Duffy
 Biggert Duncan (SC)
 Bilbray Duncan (TN)
 Bilirakis Ellmers
 Bishop (UT) Emerson
 Black Farenthold
 Blackburn Fincher
 Bonner Fitzpatrick
 Bono Mack Flake
 Boren Fleischmann
 Boustany Fleming
 Brady (TX) Flores
 Brooks Forbes
 Broun (GA) Fortenberry
 Buchanan Foxx
 Bucshon Franks (AZ)
 Buerkle King (IA)
 Burgess Gallegly
 Calvert Gardner
 Camp Gerlach
 Campbell Gibbs
 Canseco Gibson
 Cantor Gingrey (GA)
 Capito Gohmert
 Carter Goodlatte
 Cassidy Gosar
 Chabot Gowdy
 Chaffetz Granger
 Chandler Graves (GA)
 Coble Graves (MO)

Reyes Long
 Richardson Lucas
 Richmond Luetkemeyer
 Ross (AR) Lummis
 Rothman (NJ) Lungren, Daniel
 Roybal-Allard E.
 Ruppertsberger Mack
 Rush Manzullo
 Ryan (OH) Marchant
 Sánchez, Linda Marino
 T. McCarthy (CA)
 Sanchez, Loretta McCaul
 Sarbanes McClintock
 Schakowsky McCotter
 Schiff McHenry
 Schrader McKeon
 Schwartz McKinley
 Scott (VA) McMorris
 Scott, David Rodgers
 Serrano Meehan
 Sewell Mica
 Sherman Miller (FL)
 Shuler Miller (MI)
 Sires Miller, Gary
 Slaughter Mulvaney
 Smith (WA) Murphy (PA)
 Speier Myrick
 Stark Neugebauer
 Sutton Noem
 Thompson (CA) Nugent
 Thompson (MS) Nunes
 Tierney Nunnelee
 Tonko Olson
 Towns Palazzo
 Tsongas Paul
 Van Hollen Paulsen
 Velázquez Pearce
 Visclosky Berman
 Walz (MN) Burton (IN)
 Wasserman Cohen
 Schultz
 Waters
 Watt
 Waxman
 Weiner
 Welch
 Wilson (FL)
 Woolsey
 Wu
 Yarmuth

Pence Scott, Austin
 Petri Sensenbrenner
 Pitts Sessions
 Platts Shimkus
 Poe (TX) Shuster
 Pompeo Simpson
 Posey Smith (NE)
 Price (GA) Smith (TX)
 Quayle Southerland
 Rahall Stearns
 Reed Stivers
 Rehberg Stutzman
 Reichert Sullivan
 Renacci Terry
 Ribble Thompson (PA)
 Rigell Thornberry
 Rivera Tiberi
 Roby Turner
 Roe (TN) Rogers (AL)
 Rogers (KY)
 Rogers (MI)
 Rohrabacher
 Rokita
 Rooney
 Ros-Lehtinen
 Roskam
 Ross (FL)
 Royce
 Runyan
 Ryan (WI)
 Scalise
 Schilling
 Schmidt
 Schock
 Schweikert
 Scott (SC) Young (IN)

NOT VOTING—9

Berman
 Burton (IN)
 Cohen
 Garrett
 Giffords
 Labrador
 Nadler
 Perlmutter
 Smith (NJ)

□ 1549

Messrs. BENISHEK, MANZULLO, ALTMIRE, HELLER and TERRY and Ms. HERRERA BEUTLER changed their vote from “aye” to “no.”

Messrs. GENE GREEN of Texas and RUPPERSBERGER and Ms. LEE changed their vote from “no” to “aye.”

So the motion was rejected. The result of the vote was announced as above recorded.

AMENDMENT NO. 1 OFFERED BY MR. ELLISON
 The CHAIR. It is now in order to consider amendment No. 1 printed in part B of House Report 112-34.

Mr. ELLISON. I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 5, line 4, before “Effective” insert “(a) RESCISSION.—”.

Page 5, after line 10, insert the following new subsection:

(b) IDENTIFICATION OF AMOUNTS SUBJECT TO POSSIBLE RESCISSION.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development has allocated funding to the States, including city, county, and municipal governments, under the 3rd round of funding for the Neighborhood Stabilization Program, as set forth in paragraph (2). Amounts from the allocations set forth in paragraph (2) of this subsection will be subject to possible rescission and cancellation, to the extent provided in subsection (a).

(2) ALLOCATION.—The allocations set forth in this paragraph for the following States are the following amounts:

- (A) Alaska: \$5,000,000.
- (B) Alabama: \$7,576,151.
- (C) Arizona: \$45,377,073.
- (D) Arkansas: \$5,000,000.
- (E) California: \$149,308,651.
- (F) Colorado: \$17,349,270.
- (G) Connecticut: \$9,322,756.

- (H) District of Columbia: \$5,000,000.
- (I) Delaware: \$5,000,000.
- (J) Florida: \$208,437,144.
- (K) Georgia: \$50,421,988.
- (L) Hawaii: \$5,000,000.
- (M) Iowa: \$5,000,000.
- (N) Idaho: \$5,000,000.
- (O) Illinois: \$30,143,105.
- (P) Indiana: \$31,509,101.
- (Q) Kansas: \$6,137,796.
- (R) Kentucky: \$5,000,000.
- (S) Louisiana: \$5,000,000.
- (T) Massachusetts: \$7,387,994.
- (U) Maryland: \$6,802,242.
- (V) Maine: \$5,000,000.
- (W) Michigan: \$57,524,473.
- (X) Minnesota: \$12,427,113.
- (Y) Missouri: \$13,110,604.
- (Z) Mississippi: \$5,000,000.
- (AA) Montana: \$5,000,000.
- (BB) North Carolina: \$5,000,000.
- (CC) North Dakota: \$5,000,000.
- (DD) Nebraska: \$6,183,085.
- (EE) New Hampshire: \$5,000,000.
- (FF) New Jersey: \$11,641,549.
- (GG) New Mexico: \$5,000,000.
- (HH) Nevada: \$43,314,669.
- (II) New York: \$19,834,940.
- (JJ) Ohio: \$51,789,035.
- (KK) Oklahoma: \$5,000,000.
- (LL) Oregon: \$5,000,000.
- (MM) Pennsylvania: \$5,000,000.
- (NN) Puerto Rico: \$5,000,000.
- (OO) Rhode Island: \$6,309,231.
- (PP) South Carolina: \$5,615,020.
- (QQ) South Dakota: \$5,000,000.
- (RR) Tennessee: \$10,195,848.
- (SS) Texas: \$18,038,242.
- (TT) Utah: \$5,000,000.
- (UU) Virginia: \$6,254,970.
- (VV) Vermont: \$5,000,000.
- (WW) Washington: \$5,000,000.
- (XX) Wisconsin: \$7,687,949.
- (YY) West Virginia: \$5,000,000.
- (ZZ) Wyoming: \$5,000,000.

The CHAIR. Pursuant to House Resolution 170, the gentleman from Minnesota (Mr. ELLISON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota.

□ 1550

Mr. ELLISON. Mr. Chair, I yield myself such time as I may consume.

The middle class is shrinking and deficits are rising because the Republicans are giving a pass to special interests who cheated homeowners and wrecked our economy. Instead of working to keep middle class families in their homes, the Republican plan is to foreclose on the American middle class. The American people sent us here to protect the American Dream, not to perpetuate a Wall Street nightmare. Democrats are standing with the American people to create good-paying American jobs and to keep them in their homes. Democrats are working to ensure that every American who wants a good job, can find one, and that middle class Americans can afford to buy a home and live the American Dream.

The legislation on the floor today proposes cutting funding for the Neighborhood Stabilization Program. Republicans want to foreclose on the middle class, and my amendment forces Members to look at how this legislation will impact their State. So far, for each Member, if you read my amendment, you will see how much funding may be

cut from your State. My feeling is that before Republicans vote to cut funding for a successful housing program and a foreclosure mitigation program, they should know how much funding is at risk for their State and what the people back home are going to think about their vote.

This legislation to cut housing funding makes it clear that the majority is not focused on creating jobs. The Neighborhood Stabilization Program helps local communities redevelop abandoned and foreclosed properties, and that funding helps to create jobs. It takes workers to demolish an abandoned building.

Overall, the Neighborhood Stabilization Program has created about 93,000 jobs. This legislation to cut NSP funding is just another bill offered up by the majority that will actually cut jobs. The unemployment rate is currently 8.9 percent. This rate is far too high. It is wasting human capital. People's skills and talents are sitting on the sidelines instead of being put to good use and earning a good paycheck. Unemployed Americans are ready to get back to work, and we must use every tool at our disposal to create new jobs.

Instead of creating jobs, the Republican majority is launching an attack on American workers and foreclosing on the American Dream. The Republican plan to cut funding and cut jobs won't help our economy. It's going to do the opposite. It's going to hold back our economic recovery. The continuing resolution passed last month by the majority would cut \$60 billion from programs and agencies that help the middle class and working families.

Economist Mark Zandi has estimated these cuts would result in the loss of 700,000 jobs. We can't afford to add to the already unacceptably high level of unemployment in this country. Republicans in Congress are pushing a reckless and irresponsible plan that protects tax breaks for millionaires and giveaways for corporate special interests at the expense of the middle class.

I urge my colleagues to support my amendment and to vote against the underlying bill.

I reserve the balance of my time.

Mr. GARY G. MILLER of California. Mr. Chair, I rise to claim time in opposition.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. GARY G. MILLER of California. I'm not opposed to this amendment. This amendment only deals with stage three of a project that should have only been one phase. Now, I wish they would have talked about phase two because I wish you would study where the money went on phase two. Because in phase two alone, we give away \$1.3 billion to nongovernment entities, incorporated businesses that are nonprofit.

But you have to say we did not stop a foreclosure. We just gave away in NSP2 \$1.3 billion. Of that, Neighborhood Lending Partners received \$50

million. They do not have to pay it back. Now, they can take that \$50 million—I'm sure they're a very reputable company. I'm not accusing anybody of anything. But they can sell those houses for any amount to whomever they want as long as it's below the price they have invested in business.

Community Builders, Inc., \$78.6 million; Los Angeles Neighborhood Housing, Services, Inc., \$60 million; Neighborhood Lending Partners of West Florida, Inc., \$50 million; Chicanos Por la Causa, Inc., \$137 million.

I wish we would have taken the time to review those and say how was the money spent, but HUD did some work for us. So let's see what HUD did.

HUG and OIG audited the State of Kansas Neighborhood Stabilization Program, NSP1, and found that the State improperly obligated more than \$12 million of its NSP1 funds. HUD and OIG audited the Sacramento Housing Redevelopment Agency of Sacramento, California, and found the agency did not administer its NSP funds in accordance with HUD rules and regulations. Specifically, it allowed ineligible properties to be rehabilitated; did not adequately monitor projects, which resulted in ineligible costs; permitted the developer to make unnecessary upgrades and overinflated construction budgets; did not ensure that it met the reporting requirements; and lacked management controls. I wish we would have audited this one in this amendment, too.

HUD and OIG audited the city and county of Denver, Colorado, NSP1, and found that the city improperly obligated more than \$1.5 of its NSP funds by recording its funds as obligated. HUD and OIG reviewed the city of Chattanooga, Tennessee, and found that the city generally administered its program, however sometimes inconsistent with identifying obligations and was not always accurate on reporting to HUD. On Louisville, Kentucky, again, very similar to the previous.

Augusta, Georgia. Did not have internal controls in place to perform continuous and routine monitoring of its obligation process to ensure its obligations were processed as intended. HUD and OIG reviewed Clark County, Nevada NSP and found that Clark County needs to revise its written procedures and developer agreements to ensure that properties to be sold to eligible home buyers will be sold at a price permitted by NSP requirements, which means they probably were selling it at too much money.

So although I do support the amendment at hand, I wish it would have reviewed phase one and two.

I reserve the balance of my time.

Mr. ELLISON. I yield myself the balance of my time.

Two particular points, Mr. Chair. One is that, first of all, there's never been a program from any State, Federal, or local program that did not need review. I can tell you that in the city of Minneapolis, and in many other places,

this program has been high quality and has been well, well run.

Now, the question is interesting because if the gentleman wanted to talk about inefficiencies in a program, we could talk about fixing those programs. We're not talking about fixing the NSP program. We're talking about eliminating it. So I think if this was a sincerely made point, that we would be talking about how we can improve the program. We should mend it, not end it.

Secondly, this amendment that I'm offering tries to inform Members as to the losses that their communities will endure by cutting the program. This program elimination will be felt across America in local communities where foreclosures are happening, and in those particular communities Members should know what is going to happen: that expenditures for demolishing and rehabilitating abandoned homes are not going to be there any more. And I think it's important the Members should know. And I think it's important that the people who live in the Members' communities should know.

And so I ask that the amendment be adopted.

I yield back the balance of my time.

Mr. GARY G. MILLER of California. Mr. Chair, I yield myself such time as I may consume.

I disagree. It's not time to amend and pretend. It's time to end.

The problem with this program is I highlighted you a few violations, but it's really hard to violate the program requirements because there are so few requirements. It says, We're going to give you money. You can buy property, you can demolish houses. You can buy property, you can rehabilitate those properties. You have vast guidelines on how you rehabilitate them. In fact, an organization is not even required to have competitive bids. I can say I need some framing done, I can lend a sole source contract. Only one person applied—that's the person I asked to apply—and I can pay them the moneys I deem appropriate.

It says you have to sell the house for less than you have in it. It doesn't say you should attempt to try to sell at fair market value, although I have given you a list previously of how much you can make, which is quite a bit of money, and buy these houses. It just says you cannot sell them for more. It does not restrict them on who you sell them to; it does not restrict on whose affiliation you have that might be buying them. In fact, it's almost impossible to have a conflict of interest because there's conflict designed within the bill.

So we can say let's amend and pretend, but let's just end.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Minnesota (Mr. ELLISON).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. ELLISON. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Minnesota will be postponed.

□ 1600

AMENDMENT NO. 2 OFFERED BY MR. HURT

The CHAIR. It is now in order to consider amendment No. 2 printed in part B of House Report 112-34.

Mr. HURT. Mr. Chairman, I have an amendment at the desk made in order under the rule.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 5, line 10, after the period add the following: "All such unobligated balances so rescinded and permanently canceled should be retained in the General Fund of the Treasury for reducing the budget deficit of the Federal Government."

The CHAIR. Pursuant to House Resolution 170, the gentleman from Virginia (Mr. HURT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia.

Mr. HURT. Thank you, Mr. Chairman.

Mr. Chairman, I want to thank my colleagues, Mr. MILLER, Chairman BACHUS and Chairman BIGGERT, for their leadership on this very important issue.

The Neighborhood Stabilization Program is another misdirected, multibillion-dollar bailout that hurts struggling homeowners by incentivizing lenders to foreclose properties rather than continue to work with those who are facing tough economic challenges.

At a time when our Nation faces over \$14 trillion in debt, \$1.6 trillion in deficit spending, and we are borrowing over 40 cents on every dollar we spend, we cannot continue to have taxpayers foot the bill for these unaccountable government programs that do nothing to solve the problems for which they were originally intended and harm our economic recovery. That is why I am offering an amendment to H.R. 861 which would direct all unobligated funds to be returned to the Treasury to reduce the deficit of the Federal Government once the program is terminated.

The people of Virginia's Fifth District called for serious and bold change last November. By working to reduce the size and scope of the Federal Government, save taxpayer dollars and rein in out-of-control spending, we are listening to the people and taking the first steps to change the culture in our Nation's Capitol so that we can grow the economy and create jobs for all central and southside Virginians and all Americans.

I ask my colleagues to support this amendment and the underlying bill.

I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I don't think there's any-

body exactly in opposition to the amendment because it doesn't do anything, but there is some opposition to the rhetoric; so I will claim the time in opposition to the gentleman's speech.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. FRANK of Massachusetts. In the first place, there is a consistent misunderstanding on the Republican side manifested by their talking about this as a program that there was foreclosed property. That, of course, allows them conveniently to pretend that, for every piece of property that a city is stuck with, there is an entity that stood behind it that foreclosed and can be sued. But that's not true.

This is not only about foreclosed property. It is about foreclosed and abandoned property, and there is property that has been abandoned. It has been abandoned by the owner who's walked away. It has been abandoned by some financial institutions that did not have the substance of banks. There is demonstrably property in the cities which cannot be traced.

The chairman of the committee displayed a picture before of a beat-up piece of property and said, Look at this piece of property. It's so far gone, who would want to buy it?

We said, No one would. It should be demolished. Tell us who owns it.

He said, You can always find out who owns it—except for that piece of property.

So it's not just about foreclosed property. Somebody has to demolish property where there is no owner. Somebody has to demolish property where there is no responsible party standing behind it. I just left the Chamber to meet with three firefighters from the city of Fall River in my district. They were appalled at the notion that they would be left in the city of Fall River to deal with abandoned property, which is a set of fire traps, and not have any help. So for that reason, I believe that we ought to be clear that this is not about only foreclosed property. And some property, by the way, has been foreclosed upon by entities that are bankrupt, by entities that have no funds.

The other point I would make, though, is this. I do agree with my colleagues that we should do something about the deficit. Now, I wish that they listened to that when we subsidized agriculture or when we sent money to Afghanistan and Iraq for their social purposes. But I have an alternative. I will repeat again, and they'll ignore it all day, I know. In the bill that originally authorized this billion dollars, we required that it be funded not by the general revenues but by a special assessment on financial institutions that have \$50 billion or more in assets and hedge funds at \$10 billion.

Now let's be clear, Mr. Chairman. Members on the other side know this bill is unlikely to become law. Indeed, some have even said they understand the money will be spent before it can

move. So the billion dollars is almost certainly going to be spent. My colleagues now have a choice. They can allow it to be spent by the taxpayers, or they can reconsider their opposition to our proposal of last summer and assess this on the large financial institutions and hedge funds. By the way, some of it, it is true, was caused by banks and some of it will go to banks.

But here's the answer. Instead of complaining that some of this will go to banks, join us and have it all come from banks and from hedge funds. But please, Mr. Chairman, let's not perpetuate the myth that, for every piece of property with which our poorer cities and rural areas are burdened, there is somebody they can go and sue and get it down. In fact, the gentleman from California himself has said, well, they can get a bulldozer and tear it down. Those bulldozers cost money. The people driving the bulldozers cost money.

So we believe that the approach should be to take money from the large financial institutions and from the hedge funds and take the billion dollars from them and provide it to municipalities and groups like Habitat for Humanity and others who will use it either to tear down the property, in some cases, or rehabilitate the property and make it affordable housing.

That, Mr. Chairman, is the choice between us. Again, I want to stress, this notion that it is only foreclosed property is a misstatement with a purpose, because it means that you ignore the fact that much of the property existing in the cities is abandoned and will only be dealt with by the city spending its own money or, by our preferred mode, having the large financial institutions and the hedge funds join us.

So I hope at some point today, one member of the majority will tell us whether or not they agree, Mr. Chairman, that if this program survives, we should get it not from the taxpayer and not from the property taxpayers of our cities or rural areas but from the large financial institutions. That's what I hope will happen.

The CHAIR. The time of the gentleman has expired.

Mr. HURT. Mr. Chairman, I yield the balance of my time to the gentleman from California (Mr. MILLER).

Mr. GARY G. MILLER of California. Thank you for yielding.

I totally support the gentleman from Virginia's amendment. This is doing the right thing. It is saying, we're going to take a billion dollars back of your money, the taxpayers, and we're going to pay off the deficit that we've created for you.

It's about time we start paying down the debt. We cannot continue to spend dollars we don't have. Forty percent of every dollar we spend today is financed through the Treasury because we don't have the money. We're spending deficit dollars and it has to stop.

But I want to return to the argument that my good friend makes. And I respect my good friend. He knows that.

Somebody owned a home sometime, someplace, somewhere. Now, the individual who owned it, because it wasn't created by a miracle. Somebody built the house, somebody sold it to somebody, the individual might have gotten a loan on it from the bank. If the individual defaulted on the loan, the bank might have taken the house back. But the Federal Government and the local agencies look at taxes. We look at income taxes. The local governments, the city, the county, looks at property taxes. Somebody, some institution, is listed on the property tax bill.

Now, at some point in time, they're going to continue to notice the owner, whoever it might be. If it's an heir, you're going to get a notice, and it's going to say you did not pay your property taxes. At some point in time, that piece of property, home, vacated, abandoned, whatever it may be, is going up for a sale for property taxes.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. GARY G. MILLER of California. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. What if it is abandoned and it is of not much value and has to be torn down, so people buy it and tear it down?

Mr. GARY G. MILLER of California. I reclaim the balance of my time.

If it's a public safety issue, a local government has a right to demolish property based on public safety. That assessment could be placed against the tax bill. At some point in time, the local government, if they so choose, if nobody wants to pay a dollar for that property, can buy it based on the tax basis for a dollar. The problem with that is, once the government entity buys the property, it's taken off the tax rolls.

Some of my colleagues have talked about police and fire and the benefit to them. The worst thing you can do is eliminate funding through taxation to police and fire.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. GARY G. MILLER of California. I would be happy to.

Mr. FRANK of Massachusetts. We were told, for instance, by Detroit and Cleveland, they have abandoned property. There is no owner they can find. Who's going to pay to knock it down?

Mr. GARY G. MILLER of California. I reclaim the balance of my time.

If you go to any title company, it will list who the owner of record is. Regardless, if you can find that entity or individual, it will list it. Regardless of who it is, at some point in time, it goes to a tax sale.

□ 1610

At that point in time, the local government or an investor can buy it at a much reduced price for just the tax lien against it, and if it's abandoned and demolished and not worth anything, the tax bill is going to be very low. So somebody can pick up a very good deal

on a piece of property by waiting for a tax sale. But if they choose not to and they want to go out and just buy it as a city or a county, they can do that and get a very good deal on it. So to assume that because nobody can find an owner out there, somebody is listed, and the government has a right to foreclose based on taxes.

I ask for an "aye" vote on the amendment.

The CHAIR. The question is on the amendment offered by the gentleman from Virginia (Mr. HURT).

The amendment was agreed to.

AMENDMENT NO. 1 OFFERED BY MR. ELLISON

Mr. FRANK of Massachusetts. Mr. Chairman, I ask unanimous consent that the voice vote by which amendment No. 1 was rejected be vacated to the end that the Chair put the question de novo.

The CHAIR. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIR. The earlier voice vote is vacated.

The question is on the amendment offered by the gentleman from Minnesota (Mr. ELLISON).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. ELLISON

The CHAIR. It is now in order to consider amendment No. 3 printed in part B of House Report 112-34.

Mr. ELLISON. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 4, after line 25, insert the following new section:

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Neighborhood Stabilization Program has assisted local governments across the United States in alleviating many of the impacts of abandoned and foreclosed properties, including the increased code enforcement, maintenance, and demolition costs resulting from abandoned and/or foreclosed properties;

(2) the Neighborhood Stabilization Program has assisted local governments across the United States in alleviating many of the impacts of abandoned and foreclosed properties, including the decreased property tax revenues due to unpaid property taxes on abandoned and/or foreclosed properties;

(3) the Neighborhood Stabilization Program has supported 93,000 jobs nationwide and impacted over 100,000 properties across the country;

(4) the Neighborhood Stabilization Program, including the third round of funding made available by section 1497(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, provides funding for State and local governments to redevelop abandoned and foreclosed homes; and

(5) by voting to terminate the Neighborhood Stabilization Program under this Act without a suggested replacement, the Congress is eliminating an effective program that has been used to provide affordable housing, create jobs, leverage private investment, and improve communities.

Page 5, line 1, strike "**SEC. 2.**" and insert "**SEC. 3.**"

Page 5, line 11, strike "**SEC. 3.**" and insert "**SEC. 4.**"

Page 6, line 17, "**SEC. 3.**" and insert "**SEC. 5.**"

The CHAIR. Pursuant to House Resolution 170, the gentleman from Minnesota (Mr. ELLISON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota.

Mr. ELLISON. I yield myself such time as I may consume.

Mr. Chair, the middle class is shrinking and deficits are rising because the Republicans are giving a pass to special interests who cheated some homeowners and wrecked our economy. Instead of working to keep the middle class families in their homes, the Republican plan is to foreclose on the American middle class.

The amendment I have right here in front of you describes findings which talk about the positive benefits of the Neighborhood Stabilization Program. This program is a good program, and no matter what may happen here today, the record should reflect the benefits of this program. This program was good, and the amendment offers language which sets forth findings, and the findings state the positive impacts of the Neighborhood Stabilization Program, including assisting local governments, supporting jobs, and impacting approximately 100,000 properties.

The highlights of this amendment about the Neighborhood Stabilization Program talk about the positive benefits to the communities that the Neighborhood Stabilization Program benefited—it helped local governments, and the fact is, Mr. Chair, local governments really did benefit from this program, and the record should reflect and the bill should report language that talks about those benefits.

I'd like to just say this as well, Mr. Chair. The fact is that it is true that once an abandoned property is sitting there on the tax rolls after a certain amount of time somebody may at some point buy it, as the gentleman on the other side says. But what happens in the meantime? In the meantime, the grass grows, dead cats and dogs get left there. In the meantime, the windows are broken. In the meantime, people's property values plummet. In the meantime, we have an attractive nuisance where young people might be pulled in and taken advantage of. Horrible stories have happened, Mr. Chair.

So the gentleman has been right in his argument that sometime in the future maybe somebody will buy this rundown, abandoned, stripped-out property with no copper left in it, with neighbors who have just been decimated in the value of their homes, but that would be a far cry from what we could do. And if we're going to terminate this program, which has helped so many local governments, we should at least put language and findings in the record which reflect the positive aspects of this program, including the 93,000 jobs that we're getting rid of and

the 100,000 properties that we've already helped, and the more that we could help.

I reserve the balance of my time.

Mr. GARY G. MILLER of California. I rise in opposition to the amendment.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. GARY G. MILLER of California. If you want to talk about attractive nuisances, let's talk about next April when people have to pay their taxes. You're going to find out that government has become an incredible attractive nuisance to most people.

We're talking about middle class is shrinking, yeah, we're taxing them to death, and we're not only taxing them to death, but we're spending money on programs like this that is not an investment but is just a giveaway of tax dollars. Now we say we can't find the data to support that we bought 100,000 properties, but let's say we bought 100,000 properties. Somebody has the money, the \$6 billion going on \$7 billion, that we've given them. That's about 20,000 homes per State. Now you break that down to high-impact counties, compared to the millions of homes out there that are in foreclosure, these 100,000 homes have already been abandoned or foreclosed. I will say abandoned because the other side of the aisle wants to talk about abandoned homes, but they're homes that somebody does not live in anymore, and the people who lost them, yes, they lost them.

And how many jobs were created? Nobody can definitively give me a number because nobody knows for sure how much money was spent on jobs. Now, we can say we spent \$6 billion, but understand clearly, we bought properties with the bulk of that money. Now, how much money did we spend after the local groups, the non-profits took 17 percent off the top for overhead and expenses, how much did we spend for jobs? Now, if we had taken that \$6 billion, going on \$7 billion, and invested it in residential construction, just \$1 billion, as I said, in residential construction creates \$5.5 million in wages. It creates \$1.98 billion in spending on goods and services as a result of the new earnings and profits that were created through that.

Now, those goods and services, those companies employ workers. The wages are paid to workers. So you can definitively come up with a number based on a \$1 billion investment that we would generate in the economy. Now, we spent \$6 billion, and if we were able to create what \$1 billion would have created in private residential construction, we're probably lucky, but the problem with that is investing in residential construction is different than giving \$6 billion away of the taxpayers' money.

Now, the people listening to this debate understand, when you write your check to the Federal Government next month, we just gave away \$6 billion of it, we're going to give away another

billion. Now, that infuriates me. I would assume it infuriates you. You tell me, middle class America, what this does to help you? I told you the amounts earlier of how much you can earn to buy a house or how little you might have to pay for the house, depending on whoever bought the house what they want to charge and who they want to sell it to.

So the basis I would argue here is the amendment does nothing. I oppose it.

I reserve the balance of my time.

Mr. ELLISON. May I inquire as to the remaining time?

The CHAIR. The gentleman from Minnesota has 2½ minutes remaining.

Mr. ELLISON. Mr. Chairman, let me only add this: that this language, which should be put in the bill and this amendment calls for, sets forth in the record the positive impacts of the Neighborhood Stabilization Program, which should be memorialized in the bill, things like job creation, saving the neighborhood, saving local governments exorbitant costs. The Republican caucus has not created a single job, and now they're even eliminating jobs.

I yield back the balance of my time.

□ 1620

Mr. GARY G. MILLER of California. I yield myself the balance of my time.

The CHAIR. The gentleman is recognized for 2 minutes.

Mr. GARY G. MILLER of California. The facts speak for themselves. When you can say \$1.3 billion was given away to nongovernmental agencies—and I have listed the groups, and I have told you how many millions of your dollars were given to these groups that they get to keep—they are not coming back to us right now. These people are going to keep these moneys, and there is a wide array of things they can use them for. This was a bad investment. In fact, it was not an investment. It was a bad giveaway.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Minnesota (Mr. ELLISON).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. ELLISON. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Minnesota will be postponed.

AMENDMENT NO. 4 OFFERED BY MS. LORETTA SANCHEZ OF CALIFORNIA

The CHAIR. It is now in order to consider amendment No. 4 printed in part B of House Report 112-34.

Ms. LORETTA SANCHEZ of California. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 4, after line 25, insert the following new section:

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that, if the amounts that are rescinded and canceled under section 2 of this Act were instead made available under the Neighborhood Stabilization Program authorized under the provisions of law specified in subsections (a) and (b)(2) of section 3 of this Act, the Congress could have helped to rebuild neighborhoods throughout the United States where foreclosures on home mortgage loans are common.

Page 5, line 1, strike "SEC. 2." and insert "SEC. 3."

Page 5, line 11, strike "SEC. 3." and insert "SEC. 4."

Page 6, line 17, "SEC. 3." and insert "SEC. 5."

The CHAIR. Pursuant to House Resolution 170, the gentlewoman from California (Ms. LORETTA SANCHEZ) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. LORETTA SANCHEZ of California. Mr. Chairman, I rise in support of my amendment.

My amendment would state simply that the Congress acknowledges that we could have helped to rebuild neighborhoods where foreclosures are common through the Neighborhood Stabilization Program, or as we know it, NSP.

You see, my Republican colleagues are offering today a bill that would terminate NSP. This program, I believe, has been particularly successful in helping to rebuild neighborhoods in my district and throughout Orange County, California. The city of Anaheim, which I represent, acquired and rehabilitated 17 single-family homes and sold them to low- to moderate-income families.

It also acquired and rehabilitated a four-unit multifamily complex for lease to persons with developmental disabilities. This project was crucial because it is very difficult to find properties for people who have developmental disabilities.

In Anaheim, one in 303 homes is in foreclosure. Not only does this have an emotional impact, as you can imagine, when you lose your home—it is the instability, especially for your kids; parents are worried, and children can see that—but it also has economic impacts on our neighborhoods. With the help of this program, the city of Anaheim improved neighborhoods and provided the families with homes.

And I know that my colleague on the Republican side also represents Anaheim. And if he would have spoken to some of the staff from Anaheim, he would have realized that they really believe that this program was important to keep blight from happening in neighborhoods and to attempt to keep the prices of the homes level for those families that were struggling to make their payments and to stay in their homes and to keep up their neighborhoods.

The city of Garden Grove, where one in 348 homes is in foreclosure, also acquired and rehabilitated property. They acquired and rehabilitated five

homes and sold them to first-time home buyers. And, of course, the city of Santa Ana, where one in 252 homes is in foreclosure, they acquired and rehabilitated 13 single-family homes and 27 condos, and they sold them to first-time home buyers. They acquired and renovated a 13-unit multifamily complex and have leased them now to low-income families. They assisted five families with down payment assistance, and they are also in the process of acquiring 16 single-family homes that will be sold to first-time home buyers.

Now, I know that my colleague on the other side mentioned that some of this money went to nongovernmental agencies, to private companies; but I would like him to really take a look at the fact that cities really stepped up to work very hard to keep families in their homes, to keep neighborhoods afloat as we work through this very difficult time of the financial meltdown and the housing crisis.

In Orange County, the Neighborhood Housing Services, with the assistance of what we call NSP Round One moneys, acquired and rehabilitated a total of 11 single-family homes and condos. And with Round Two moneys, the Neighborhood Housing Services acquired and rehabilitated 17 single-family homes/condos and sold them to first-time home buyers.

This program has helped to rebuild our neighborhoods, to stabilize our neighborhoods, and have given families the opportunity to become homeowners. So it is my hope that my colleagues on the other side reconsider eliminating what I believe has been a successful program in Orange County, California, one that has benefited not just those who got to buy their first home but those neighborhoods and those cities that so desperately needed to keep up the neighborhood and get people in their homes.

I reserve the balance of my time.

Mr. GARY G. MILLER of California. Mr. Chair, I rise in opposition to the amendment.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. GARY G. MILLER of California. I yield myself such time as I may consume.

My good friend, she mentioned the Neighborhood Housing Services of Orange County. They got \$7.5 million for 17 houses. Orange County, overall in the whole county, got \$4.3 million for the whole county. You have to say, is that a good investment? We have spent \$6 billion on this program, and we're saying, let's not spend the last billion. And Congress could have rebuilt neighborhoods. There is only \$1 billion left.

Now I don't see that the U.S. neighborhoods have been rebuilt for \$6 billion. I see \$6 billion that has been given away of taxpayers' moneys. And Orange County itself, which is a huge area, irrespective of the few examples that were given by my good friend, only got \$4.3 million. That's not equitable.

San Bernardino County, one of the hardest hit counties in this country, got a mere \$33.2 million. One of the hardest hit. That's the county. That had to go to all these cities that did not receive any distribution in NSP1 or NSP2, nothing. And they're having to take—and in Orange County, with \$4.3 million—take that and distribute it to all these cities that did not receive a dime. That's not fair.

And to say that we spent \$6 billion—and all the counties and cities haven't been rehabilitated, it's obvious—and to say we're going to spend \$1 billion more, and that's going to solve the problem? No, it's not. It's just going to take it and put us another \$1 billion in debt that our children and our grandchildren are going to have to pay for.

I reserve the balance of my time.

Ms. LORETTA SANCHEZ of California. Mr. Chairman, I would remind the gentleman from California that some cities, it's true, did not receive moneys and did not go through the process of buying up homes, et cetera, and trying to get neighborhoods back. One of the reasons they did not is it's really a competitive situation. You have to want to do it, and some cities simply did not have the need or did not want to do it. I mean, I would assume that in some places in Orange County, you could probably do as the gentleman said, and that is to sell at a fire sale some of those homes on Newport Beach or other places.

But with respect to the central portion of Orange County where you really have households that are working families, this program was very, very important; and the city stepped up. The city of Anaheim, the city of Garden Grove, the city of Santa Ana stepped up to do the right thing to work through and to ensure that their neighborhoods again were stabilized and to get new people into those homes. Again, I do believe that it worked for those cities, and I would encourage a "yes" vote on this amendment, Mr. Chairman.

I yield back the balance of my time.

Mr. GARY G. MILLER of California. I yield myself such time as I may consume.

The problem I have with the program—I have just mentioned San Bernardino County; and according to the county, there is no one at the county level that would support the current NSP program. And they state very specifically the county might have supported the concept of NSP, but this is before they fell victim to a complete lack of direction from HUD, mixed messages from HUD, and gross misallocations of the awards that were released. And the county, in support of my bill, said, We believe it is a means for Congress to get its financial house in order, just like the challenges we are facing at the local government level.

□ 1630

And not only is government facing challenges, the American people are

facing challenges. They're working hard. They're trying to support their families. They're trying to make their house payments. Nothing in this last billion dollars will stop one foreclosure from occurring.

I yield the balance of my time to the gentleman from Arizona (Mr. SCHWEIKERT).

Mr. SCHWEIKERT. Mr. Chairman, look, I've been a Member now of this august body for 75-some days. And I'm starting to learn much of what we do seems to be more based in theater than reality.

If I read this amendment correctly, what we're trying to do here is add language that basically says, well, we could repair neighborhoods with the last billion dollars. Of course it didn't happen with the previous money.

But think about it, if we take a step back. What's the money been used ultimately for? It's been used to bail out lenders. In many ways this is another back-door bailout to the very folks that my constituents are furious with, and handing them more government dollars in the name that, well, this time we passed the cash to those lenders, but this time we did it through local governments.

The CHAIR. The question is on the amendment offered by the gentleman from California (Ms. LORETTA SANCHEZ).

The amendment was rejected.

AMENDMENT NO. 5 OFFERED BY MS. RICHARDSON

The CHAIR. It is now in order to consider amendment No. 5 printed in part B of House Report 112-34.

Ms. RICHARDSON. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill, add the following new section:

SEC. 4. EFFECTIVE DATE.

Notwithstanding any other provision of this Act, this Act shall take effect on, and any reference in this Act to the date of the enactment of this Act shall be construed to refer to, the earlier of the following dates:

(1) The date of the expiration of the 5-year period beginning on the date of the enactment of this Act.

(2) The first date occurring after the date of the enactment of this Act on which both of the following conditions exist:

(A) The percentage of existing mortgages on 1- to 4-family residential properties located in the United States and under which the outstanding principal balance exceeds the value of the property subject to the mortgage is 10 percent or less.

(B) In the case of the State that, on such date, has the highest percentage, among all States, of existing mortgages on 1- to 4-family residential properties located in the State and under which the outstanding principal balance exceeds the value of the property subject to the mortgage, such percentage for such State is 15 percent or less.

The CHAIR. Pursuant to House Resolution 170, the gentlewoman from California (Ms. RICHARDSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

TABLE 1: NEGATIVE EQUITY BY STATE*—Continued

State	Properties With a Mortgage Outstanding					\$ Outstanding			
	Mortgages	Negative Equity Mortgages	Equity Mortgages	Negative Equity Share	Near** Negative Equity share	Total Property Value	Mortgage Debt Outstanding	Net Homeowner Equity	Loan-to-Value Ratio
Virginia	1,252,705	276,910	73,763	22.1%	5.9%	419,006,811,369	295,429,338,477	123,577,472,892	71%
Washington	1,407,416	209,577	75,920	14.9%	5.4%	441,789,933,181	292,406,352,738	149,383,580,443	66%
Washington, DC	100,340	15,240	4,513	15.2%	4.5%	49,085,895,573	28,782,522,751	20,303,372,822	59%
West Virginia	NA	NA	NA	NA	NA	NA	NA	NA	NA
Wisconsin	619,792	81,267	30,026	13.1%	4.8%	120,246,415,775	80,769,544,053	39,476,871,722	67%
Wyoming	NA	NA	NA	NA	NA	NA	NA	NA	NA
Nation	47,871,838	10,780,236	2,376,159	22.5%	5.0%	12,711,358,863,378	8,850,515,659,256	3,860,843,204,122	70%

* This data only includes properties with a mortgage. Non-mortgaged properties are by definition not included.

** Defined as properties within 5% of being in a negative equity position.

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I reserve the balance of my time.
 Mr. GARY G. MILLER of California.
 Madam Chair, I rise in opposition to the amendment.

The Acting CHAIR (Mrs. EMERSON).
 The gentleman is recognized for 5 minutes.

Mr. GARY G. MILLER of California.
 I yield myself such time as I may consume.

I guess the question should be how long do we need to wait? How many more billions of dollars needs to be given away? We've already spent \$6 billion. I guess we could spend more if somebody wanted to.

And when we talk about phasing out a program, it speaks to the argument that we need to spend more money on a program and continue the program. I think we've already spent too much money.

Ms. RICHARDSON. Will the gentleman yield?

Mr. GARY G. MILLER of California.
 I yield to the gentlewoman from California.

Ms. RICHARDSON. Mr. MILLER, the question that was asked is how long we should wait. In my amendment that's my exact point. It's not how long we should wait; it's whether it's needed or not. So if we find that the mortgages are above 10 or 15 percent, then the program should exist.

Mr. GARY G. MILLER of California.
 I reclaim my time. On this issue, how long we wait is predicated on how much we are going to spend. And my colleagues on this side of the aisle believe the American people, the taxpayers have given too much of their money away, and they are saying we want it stopped, and we want you to be responsible for this money.

If this were our dollars, and we're getting in her purse and my wallet and handing the money out, that's a prerogative we have. That's not what's occurring, other than we are taxpayers too.

We've just got our hands in your pocket and your purse and spent your money on a giveaway program.

I ask for a "no" vote.

I yield back the balance of my time.

Ms. RICHARDSON. Madam Chair, in regards to the comments that have been recently stated, for the largest city that's in our State of California, from Mayor Antonio Villaraigosa, he states that the NSP has helped cities

across the country to address and mitigate the terrible effects of what this crisis has done.

In closing, what I would also say is that my amendment is really building upon what I hope both sides of the aisle would consider, and that is, this program should be based upon if there is a need, then it should assist. If there is no longer a need, then I would support phasing it out.

And what I would also say is that the key point to keep in mind is, when we're looking at this program, this program, people need—it's for the counties and the cities to determine to be able to help improve their programs. And that's the way the program is intended. And if there's unintended consequences or things that can be done to support the program, I would work with my colleague on the other side of the aisle to fix those changes.

I yield back the balance of my time.
 Mr. GARY G. MILLER of California.
 Madam Chair, I ask unanimous consent to reclaim my time.

The Acting CHAIR. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GARY G. MILLER of California.
 I am happy to yield such time as he may consume to the gentleman from Arizona (Mr. SCHWEIKERT).

The Acting CHAIR. The gentleman is recognized for up to 3½ minutes.

Mr. SCHWEIKERT. Madam Chairman, on this Richardson amendment, it's interesting because I always like amendments that are trying to do something technical. But where I'm finding actually sort of a problem in the flow of logic is—think about this: We have a neighborhood stabilization program down to its last billion dollars, we've already spent what, 6 billion? And the concept written in this amendment is saying that, well, it's going to keep acquiring one, two, three to four units, fourplexes, properties, and it's going to keep acquiring them until a certain number of mortgages are—only this percentage are underwater, or the mortgage value is greater than the value of the house. Does that seem like I'm going in the right direction?

Ms. RICHARDSON. Fairly.

Mr. SCHWEIKERT. But here's the classic problem in the design of that. If the Neighborhood Stabilization Act

does what I think it does, it's either a municipality, a nonprofit, this and that, buying a property, sometimes rehabbing it, sometimes removing the boarded-up windows, sometimes just buying a property and competing with the private investors and the first-time home buyers in that neighborhood and then turning around and putting it back on the market.

Well, if one of our problems out there is we have a glut of properties on the market, and that's one of the things holding down our values, and I'm going to continue to support a program that's going to drop another billion dollars buying properties and then putting them back on the market. We have a circular logic here where I can't imagine the mechanics within this, well meaning as they may be, actually have any basis in economics or particularly real estate economics.

□ 1640

Mr. GARY G. MILLER of California.
 I yield myself such time as I may consume.

The other point that is significant and that needs to be dealt with here is the \$6 billion that has already been given away. That money continues to recycle with those groups. It should. As to the cities, the counties, the nonprofits, when they buy a house, refurbish it and sell it and when the money comes back at whatever level, they could take that money and buy another piece of property.

Nothing in my bill does anything with the \$6 billion that's out there. It just says: We're not going to give you another \$1 billion. We're going to try to give that back to the taxpayers.

If we could get the \$6 billion back and could find a way to do it, I believe we'd be trying to attack that vein, too, but that will not occur and cannot occur as the money has already been given away. They're going to continue to recycle it, hopefully to some benefit—hopefully somebody will benefit from this—but it's \$6 billion given away. My colleague was exactly correct in his statements. As for the \$1 billion that we have not given away, we're saying it is time to stop giving away taxpayer dollars.

I reserve the balance of my time.

Ms. RICHARDSON. Madam Chair, I ask unanimous consent to reclaim my remaining time.

The Acting CHAIR. Is there objection to the request of the gentlewoman from California?

There was no objection.

The Acting CHAIR. The gentlewoman from California has 30 seconds remaining.

Ms. RICHARDSON. Thank you, Madam Chairwoman.

Just to summarize again what my amendment is talking about, it is the ability of State and local governments to revitalize, to rehab and to help the neighborhoods so that those property values can go up and so we can improve the economy. I would venture to say it's not giving away the money. It's actually helping to revitalize and stimulate our economy.

I yield back the balance of my time.

Mr. GARY G. MILLER of California. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Ms. RICHARDSON).

The amendment was rejected.

AMENDMENT NO. 6 OFFERED BY MS. WATERS

The Acting CHAIR. It is now in order to consider amendment No. 6 printed in part B of House Report 112-34.

Ms. WATERS. Madam Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill, add the following new section:

SEC. 5. NOTIFICATION TO NSP GRANTEES REQUIRED.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall inform each covered entity (as such term is defined in subsection (b)) in writing—

(1) that the Neighborhood Stabilization Program has been terminated;

(2) of the name and contact information of such entity's Member of Congress that represents its district; and

(3) that such entity should contact such Member of Congress directly for assistance in mitigating foreclosed properties.

(b) COVERED ENTITY DEFINED.—For purposes of this section, the term "covered entity" means any nonprofit, government, or other organization that—

(1) received or was scheduled to receive funding pursuant to section 2301 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289; 122 Stat. 2850) or title XII of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 218) through the Neighborhood Stabilization Program; and

(2) as a result of the rescission of funding under section 2 and termination of the Neighborhood Stabilization Program under section 3, will have funding for the entity made available under the provision of law specified in section 2 rescinded and canceled.

The Acting CHAIR. Pursuant to House Resolution 170, the gentlewoman from California (Ms. WATERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. WATERS. Madam Chair, my amendment would simply require the

Secretary of the Department of Housing and Urban Development to send a notice to all of the NSP grantees who would have received funding under the third round of NSP that the program has been terminated. Further, the notice would include the name and contact information for the Member of Congress representing that grantee's district, along with a notice saying that the grantee can contact that Member directly for assistance in mitigating foreclosed properties.

As you know, we passed such an amendment off the floor when we took up the FHA bill, which would have basically allowed the homeowners to refinance their properties. So we have one such amendment with the elimination of that program.

The CBO has scored this amendment at zero cost. Since the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which provided the NSP funds that are now subject to this repeal, my office has received many calls from potential grantees about the status of the program and what funding they could expect.

Because this act would rescind those funds nearly 8 months after the passage of Dodd-Frank, I think that a simple letter from HUD, sent to States, counties and cities, which would simply notify them of this change, is in order. Moreover, a note to these States, counties and cities saying that their Members of Congress are available to assist them in mitigating foreclosed properties can help these grantees find alternative solutions.

I've discovered there are any number of Members starting to do this kind of thing. They are getting calls from their constituents who are asking for help with loan modifications, and the Members are able to, not get involved with the particular problem, but to help guide them and send them to the proper servicers to get their loan modifications. This is similar to that. Simply, our office has been able to say: Yes, the program is no longer in existence, but this is what you can do if there is an alternative.

Now, I would prefer not to rehash the back-and-forth we saw in the Financial Services Committee about the termination of this program. Members on my side of the aisle showed pictures, talked about the problems caused by abandoned properties, and even showed letters from their districts, letters which talked about the good work NSP was doing. Yet the debate, it seems, will not sway my colleagues on the other side of the aisle. Instead, I think it's best to focus on my amendment.

I believe this is a commonsense provision that can be accepted by both sides of the aisle regardless of whether they agree with the underlying bill. Grantees should be made aware of this funding rescission, and Members of Congress should stand ready to help communities mitigate the effects of blighted properties.

I would ask for the support of my colleagues.

I reserve the balance of my time.

Mr. GARY G. MILLER of California. Madam Chair, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. GARY G. MILLER of California. Madam Chair, the Congresswoman's amendment does nothing to help at-risk borrowers, and the notification the Congresswoman proposes would apply only to community groups, leaders and speculators currently participating in the program. It is not a serious attempt to address the underlying problem homeowners are facing today.

If we are going to have a notification requirement, it makes more sense to have the recipients of these funds to date notify taxpayers how much, in what way they have spent taxpayer dollars and what return taxpayers can expect from their investments.

Unfortunately, the answer is: none. Many have questioned HUD's ability to properly monitor the use of such extraordinary amounts of money being spent at the State level and in various ways. The Inspector General of HUD has already identified multiple misuses of NSP money at the State level. The GAO has questioned the information system in place at HUD, and has questioned its ability to track the NSP funds.

I wish the amendment had said: Please continue using the \$6 billion in an appropriate way, and in some way, do everything you can to create jobs for the American workers with the \$6 billion we've given you.

It does not say that, and I cannot support the amendment the way it is drafted.

I reserve the balance of my time.

Ms. WATERS. Madam Chair, I have heard so many convoluted arguments today about this legislation from the opposite side of the aisle.

My colleague from California, my friend and someone I highly respect, knows that he does not have to wish what an amendment would say. If he is interested in an amendment, he can offer it. My colleague from California did not offer the amendment that he has just alluded to, and he did not suggest when we were in committee that somehow he would like to have an alternative. So I find it rather curious that he would come to the floor and start wishing what my amendment would say.

Secondly, I want to straighten out something. My colleague from California keeps talking about how this bill does not stop any foreclosures. The NSP legislation was not intended to stop foreclosures. It was intended to do exactly what the name implies, which is to stabilize communities by taking these boarded up and abandoned properties, rehabbing them or tearing them down so that they discontinue the devaluing of the properties of those homeowners who are trying to keep

their properties up and stay in the community.

□ 1650

If he, in fact, was concerned about helping homeowners, he would have supported the FHA refi programs. That program, he voted against. The FHA refi program was basically a program for middle class people who paid their bills on time, but who simply knew that their homes were underwater. They were not worth what they thought they should be worth when they got into the market, and they want to refinance them. He voted against that.

So I am not so sure, when he talks about this NSP program not helping anybody stay in their homes, whether or not he really, really wants to help people stay in their homes when he is voting against something like the FHA refi.

As for jobs, this bill creates jobs; and I think my colleague knows that.

I yield back the balance of my time.

Mr. GARY G. MILLER of California. I yield myself such time as I may consume.

Well, I did not introduce an amendment because I introduced the bill. I think that bill speaks for itself.

But I am glad that my good friend admitted that this was not meant to mitigate the foreclosure process for people going through. I am glad you admitted that, because that is not what your amendment says. It says that: such entities should contact such Members of Congress directly for assistance in mitigating foreclosed properties. You can't mitigate a foreclosure when you don't help anybody with the foreclosure.

I yield 1 minute to the gentleman from Arizona (Mr. SCHWEIKERT).

Mr. SCHWEIKERT. Madam Chair, first, this is one of those few moments I get to stand behind the microphone; and I say, having met the good woman from California, she has actually been very gentle to me as a freshman, so far.

But one of my concerns here is very, very simple: there is \$6 billion out there. And I won't call it a slush fund. Back in my days as Maricopa County Treasurer, we would call it a revolving fund. There is \$6 billion out there already that goes out, and if the property is sold, comes back; and that I believe operates for 5 years from the enactment of the bill.

Well, a letter like this goes out and says, Oh, well, the last \$1 billion isn't going to be there for you, but please keep using the \$6 billion you already have to go do more good works in the neighborhood.

My great fear is something like this doesn't really accomplish much good.

Mr. GARY G. MILLER of California. I yield myself the balance of my time.

As much as I respect my good friend—and she knows—we have worked together on a lot of issues, and I don't believe anything between us has ever been personal in all the years we

have known each other. And nothing in this debate is personal. We both are well intended. We both really want to help the American people. And I say that from the heart, and you know that. And I know your efforts are for the right purposes. But good people can disagree in a good way. And on this amendment, I have to respectfully disagree, and I would ask for a "no" vote.

I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Ms. WATERS).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Ms. WATERS. Madam Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California will be postponed.

AMENDMENT NO. 7 OFFERED BY MS. WATERS

The Acting CHAIR. It is now in order to consider amendment No. 7 printed in part B of House Report 112-34.

Ms. WATERS. Madam Chair, I have an amendment to the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill, add the following new section:

SEC. 5. STUDY ON IMPACTS REQUIRED.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall conduct a study to determine the approximate number of foreclosed and abandoned properties that will not be purchased or rehabilitated with amounts appropriated or otherwise made available under section 2301 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289; 122 Stat. 2850; 42 U.S.C. 5301 note) in the district of each Member of Congress as a result of the rescission and termination of funding under sections 2 and 3 of this Act.

(b) REPORT.—Not later than the expiration of the 60-day period beginning on the date of the enactment of this Act, the Secretary shall submit to the Congress a report setting forth the results of the study under subsection (a).

The Acting CHAIR. Pursuant to House Resolution 170, the gentlewoman from California (Ms. WATERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. WATERS. Madam Chair, I yield myself such time as I may consume.

My amendment would direct the Secretary of HUD to conduct a study to determine the approximate number of foreclosed and abandoned properties that will not be purchased or rehabilitated in the district of each Member of Congress as a result of the rescission and termination of funding under this act. The Secretary would then report these findings to Congress. CBO has scored this amendment at zero cost.

Now, personally, I do not believe that the Neighborhood Stabilization Program should be terminated because

NSP creates jobs. So far, about 72,000 housing units are projected to be impacted by round one of NSP. HUD projects that an additional 24,000 housing units are projected to be impacted by NSP2.

Each of these projects requires the work of contractors, such as roofers and painters and landscapers and pavers. And through the program, other real estate professionals like Realtors and title insurance agents have also received employment and contracting opportunities. This NSP program really does create jobs, and this is a program that creates jobs by doing important work in the community.

Contrary to what some say, the problem of homes abandoned by banks is common, and it is difficult for municipalities to mitigate their effects. As GAO has noted in a report from November 2010, servicers sometimes charge off properties or fail to formally foreclose on borrowers because the costs of maintaining the property post-foreclosure exceed the costs of just writing the property off. These charge-offs typically occur after the foreclosure proceedings were initiated. However, borrowers aren't aware that the servicers are stopping short of taking their title.

Because borrowers think that their servicer has finalized the foreclosure process, they may move away and become unreachable by the municipal agency now dealing with the upkeep of the property.

Additionally, it may become logistically difficult or cost prohibitive to track down thousands of borrowers now responsible for property maintenance, taxes, and code violations because of servicers' failure to formally foreclose.

Additionally, NSP provides an alternative to speculative investors purchasing foreclosed properties. Unlike homeowners and municipalities, some speculative investors often purchase properties for cash and in bulk, sometimes sight unseen, buying them up before others have a chance to bid. Some of these investors may not resell properties to owner-occupants, but let them sit on the market without any improvements while the investor waits for housing prices to rebound.

Alternatively, anecdotal evidence suggests that investor-owners sometimes rent properties out to tenants with little or no rehabilitation or maintenance of the property.

We had a field hearing in Minneapolis in January 2010. At that field hearing, State Senator Linda Higgins said, "Homes are being snapped up by investors. Some are clueless about how to rehabilitate a building and get good tenants. Others think that the laws really aren't meant for them. They buy a house for pennies, paint the wall, scrub the kitchen appliances, and rent it out. They forget the small details like the condemnation order and the requirements for lifting the condemnation and getting a new certificate of

occupancy and the need for a rental license.”

That is not to say that all private investment is bad, but we must recognize that the work NSP is doing is a critical counterweight to some of these bad practices. For all of these reasons, I will defend the work that NSP is doing across the country. However, we are here now because we need to talk about this amendment and what it would do once this program is terminated.

My NSP study amendment would provide critical information to Members of Congress. If Members knew the number of abandoned and foreclosed properties in their district that will not be mitigated because of this rescission of funds, they would be better prepared to help grantees access responsible private market sources of funds that can help community revitalization. I would ask my colleagues' support.

I yield back the balance of my time.

Mr. GARY G. MILLER of California. Madam Chair, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. GARY G. MILLER of California. I yield myself such time as I may consume.

My friend has said that we need to determine the approximate number of foreclosed and abandoned properties that will be purchased or rehabilitated because of termination of NSP. That is impossible. We have no idea how many times the money will be recycled, because the \$6 billion that is out there could be recycled over and over and over. We don't know. We don't know how much money is going to be given away to somebody who bought the house, how much is going to be taken back in the sale. So that is an unknown quantity.

But my good friend did say that 72,000 units were impacted by NSP 1. So, America, for \$6 billion you impacted 72,000 units. How do you feel about that? Now, I am not sure what we did to impact them, but we impacted them. We sure spent a lot of your money impacting them.

Now, at the same time, we are asking HUD to do a study. That is like the fox guarding the hen house. I am really sorry. Because when I asked Mercedes Marquez of HUD at our committee hearing to discuss where the money went, she finally said, The money is going to homeowners and to American citizens. And they strongly support the program and they are strongly encouraging the President to veto this bill, should it get to him.

So let's just have the very organization do a study on a program that they said they support and love and, if we are successful in getting the bill passed, would encourage the administration to veto it.

That is the biggest conflict of interest I have ever had presented to me to vote on, but it is an easy conflict of interest that I say is a conflict of inter-

est. I would strongly encourage my colleagues to vote “no.”

I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Ms. WATERS).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Ms. WATERS. Madam Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California will be postponed.

□ 1700

AMENDMENT NO. 8 OFFERED BY MRS. MALONEY

The Acting CHAIR. It is now in order to consider amendment No. 8 printed in part B of House Report 112-34.

Mrs. MALONEY. Madam Chair, I have an amendment at the desk which is in order under the rule.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end the following new section:
SEC. 5. FINDINGS.

The Congress finds the following:

(1) The Neighborhood Stabilization Program funds have the potential to rehabilitate housing units in all 50 states:

(A) There are 13369 homes in Alabama that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(B) There are 974 homes in Arkansas that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(C) There are 52511 homes in Arizona that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(D) There are 92186 homes in California that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(E) There are 20671 homes in Colorado that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(F) There are 8501 homes in Connecticut that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(G) There are 224 homes in the District of Columbia that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(H) There are 549 homes in Delaware that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(I) There are 203882 homes in Florida that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(J) There are 92950 homes in Georgia that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(K) There are 754 homes in Hawaii that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(L) There are 2609 homes in Iowa that have been vacant 90 or more days and could be eli-

gible to receive funding under the Neighborhood Stabilization Program.

(M) There are 375 homes in Idaho that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(N) There are 49043 homes in Illinois that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(O) There are 74100 homes in Indiana that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(P) There are 2311 homes in Kansas that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(Q) There are 1191 homes in Kentucky that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(R) There are 2439 homes in Louisiana that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(S) There are 7331 homes in Massachusetts that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(T) There are 1878 homes in Maryland that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(U) There are 167 homes in Maine that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(V) There are 120365 homes in Michigan that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(W) There are 13937 homes in Minnesota that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(X) There are 20084 homes in Missouri that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(Y) There are 4431 homes in Mississippi that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(Z) There are 172 homes in Montana that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(AA) There are 4510 homes in North Carolina that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(BB) There are 7 homes in North Dakota that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(CC) There are 2911 homes in Nebraska that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(DD) There are 155 homes in New Hampshire that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(EE) There are 10859 homes in New Jersey that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(FF) There are 41297 homes in Nevada that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(GG) There are 16422 homes in New York that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(HH) There are 116325 homes in Ohio that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(II) There are 2961 homes in Oklahoma that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(JJ) There are 32 homes in Oregon that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(KK) There are 847 homes in Pennsylvania that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(LL) There are 3142 homes in Rhode Island that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(MM) There are 11172 homes in South Carolina that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(NN) There are 18141 homes in Tennessee that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(OO) There are 33982 homes in Texas that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(PP) There are 85 homes in Utah that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(QQ) There are 5638 homes in Virginia that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(RR) There are 71 homes in Washington that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(SS) There are 5413 homes in Wisconsin that have been vacant 90 or more days and could be eligible to receive funding under the Neighborhood Stabilization Program.

(2) Congress finds that by voting to terminate the Neighborhood Stabilization Program these housing units may not be able to be rehabilitated and may remain vacant.

The Acting CHAIR. Pursuant to House Resolution 170, the gentlewoman from New York (Mrs. MALONEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York.

Mrs. MALONEY. Madam Chair, I rise in support of my amendment to the Neighborhood Stabilization Program Termination Act which will quantify the number of vacant homes across the country and add findings to the bill listing these numbers in every State so that it will be transparent exactly what the impact will be in not continuing this program that is needed.

The Neighborhood Stabilization Program is one of four programs that my friends and colleagues on the other side of the aisle are attempting to eliminate. All of these programs in one way or another help to stabilize neighborhoods and help to provide affordable housing to keep people in their homes.

Economists have testified before our committee and other committees that housing is as much as 25 percent of our economy, so it is critical that we do what we can to stabilize housing, not just for the benefit of the families ben-

efiting from the housing, but also for their neighbors, for their localities, for their cities, for their States and for the overall economy.

Foreclosed properties lead to volatile housing prices, blight and the deterioration of communities. The mayor of New York cited at a recent meeting of the delegation how important the Neighborhood Stabilization Program has been to help New York recover from the housing crisis. He said that over 500 units were rehabbed and converted into affordable rental housing through the three rounds of funding that have come forward.

Now, some of my colleagues say this is not important or should not be a priority, but I can tell you it has been a lifesaving program, particularly to the families that are living there now and to their neighbors and to the housing prices and the neighbors where these housing units are located.

Funding has also been used to assist multifamily buildings in distress and has provided long-term affordability for renters. It also has provided jobs. The two main priorities of most communities across this country are housing and jobs, and this program helps provide both.

My amendment points out why the program is so desperately needed by listing, through findings, the number of vacant homes that could be eligible for funding by State. For example, in the home State of my good friend and colleague Mr. MILLER, California, there are over 92,000 homes that have been vacant for 90 or more days. In my State of New York, there are over 16,000 homes that have been vacant for over 90 days.

The amendment clarifies that by terminating the program, vacant homes across the country cannot benefit from the Neighborhood Stabilization funds that could help acquire, demolish in some cases, rehab in some cases and redevelop in other cases.

We have all seen the pictures on television of bulldozers plowing vacant homes under because they are pulling down the prices and are a blight in neighborhoods. This is one program that I have received phone calls on, not just from the mayor in the city in which I serve, but in cities across this country, where they have expressed the importance of the program in helping them to stabilize and to recover from this financial crisis caused primarily from the subprime mortgages.

The Neighborhood Stabilization Program accomplishes the dual goals of incentivizing homeownership while also improving the housing stock in neighborhoods devastated by foreclosures. Vacant, foreclosed properties have a very negative effect on the surrounding neighborhoods and on the property values of homes in those neighborhoods.

I believe this is an important amendment to highlight the potential housing stock in this country that Neighborhood Stabilization funds could be

used to help, to rehab, to redevelop, to resell, to preserve neighborhood property values in communities across our great country; so I urge my colleagues to support my amendment.

I reserve the balance of my time.

Mr. GARY G. MILLER of California. Madam Chair, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. GARY G. MILLER of California. I yield myself such time as I may consume.

Well, I know my good friend Mrs. MALONEY has the best of intentions in putting this amendment forward, but you are talking about the number of homes in each State that have been vacant 90 days or more and could ultimately receive funding under the NSP.

Well, the homes are not eligible to receive funding. Entities are eligible to receive funding. Then those entities, whether they be government or private sector, can go buy those homes. The problem is they can buy any home they want to. The only restriction on the program is that you can only earn up to 120 percent of the median income in an area to qualify to buy the house, but it does not restrict the price of the home being bought by the agency or the nonprofit. They can buy virtually any home they want to, and that is one of the flaws in the bill.

For example, if you have any home that has been vacant 90 days or more, well, I have a partner of mine and myself, we had four homes for sale in the last year that were on the market more than 90 days. The houses were in perfect condition, but yet they remained on the market for over 90 days. So based on this encouragement, one of these groups, whether it be a city, a county, a private entity that is not affiliated with government, could have bought those houses and resold the houses for far less than they paid for them. That is the flaw with this program here.

We are saying that what this wants us to do here is congressional findings to the bill listing all 50 States and the District of Columbia in separate subparagraphs and the number of homes in each State that have been vacant 90 days or more and could be eligible to receive funding in NSP.

What you mean is any home vacant for over 90 days would have to be listed, because there is not a dollar amount in the bill saying how much you can pay for a house. There is only a dollar amount saying how much a person can earn to buy the house.

For example, if you live in Hawaii, you can make up to \$73,825.20 a year and qualify to buy a home. In California, you can earn \$68,416.80 a year and qualify to buy a home. It might be an \$800,000 home, but you can still qualify, if they sell it to you cheap enough. In Virginia, you could earn \$74,382 and buy a home; in New Jersey, \$78,367; in Massachusetts, \$72,384; in

Utah, \$75,044; in Alaska, \$76,786; in Colorado, \$73,131; and in New Hampshire, \$79,411.

So the concept of this program is just helping people at the lower rungs who are really struggling. I am not saying people aren't struggling in these income brackets. That is not what I mean. But I don't want the American people to have the perception we are just trying to pick up deals and sell them to the lowest of income levels.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. GARY G. MILLER of California. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. The gentleman is listing those numbers. Would the gentleman tell us what the maximum number is he thinks people should be eligible to get a house through the FHA and Fannie Mae and Freddie Mac.

Mr. GARY G. MILLER of California. Reclaiming my time, I was in the building industry from my early twenties, and the most excitement you could ever see on a person's face was when they bought a home and they were moving into that home and they thought about raising their family.

I would love a country that every person in this country has the ability and the opportunity at some point in their life to buy a home. But, in some fashion, lenders have put people in positions to put them in homes that they could not afford, and those homes, in many cases the individuals lost those homes through foreclosures. And those people, who were well-intentioned, moved into homes that they could not afford because the lender perhaps did not describe it exactly or they thought the way the economy is going, in 3 or 4 or 5 years the house is going to be worth 40 percent more than I paid and I am going to make a lot of money. The problem is the market went the other way, as it did in 1974–1975, 1981–1983, 1990–1996, and recently in 2007 to current the market slid.

□ 1710

And then we're saying we're going to go out and we're going to ask to do a survey and we're going to list any home throughout the United States in separate paragraphs that have been vacant for 90 days or more that could be eligible. Well, all of them would be eligible.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. GARY G. MILLER of California. I yield to the gentleman.

Mr. FRANK of Massachusetts. From my recollection, I was struck by the gentleman talking about those figures, that they were too high, because the last I heard, the gentleman and I were together in trying to establish—

Mr. GARY G. MILLER of California. Reclaiming my time, Mr. FRANK, what specifically has been said throughout this debate, as if we're trying to help people at the lower rungs, which I have

no problem with, but I'm saying that there was not a restriction on the amount that could be paid for the house and there was not a requirement of how much it should be sold for.

I ask for a "no" vote.

I yield back the balance of my time.

The Acting CHAIR. The gentleman from New York has 30 seconds remaining.

Mrs. MALONEY. The problem is the other side of the aisle wants to abolish four programs that help people stay in their homes, helps affordable housing. They have no idea or no program to be helpful. They say it will be taxpayers' money. But if they supported the Democratic plan, it would have come out of an assessment on the banks.

I understand the chairman will be introducing a bill, and I would like to co-sponsor that.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mrs. MALONEY. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I just would say that the gentleman from California previously had agreed with some of us that you could be able to get a house in the FHA for up to \$729,000.

Mrs. MALONEY. Reclaiming my time, I urge a "yes" vote on the amendment.

STATEMENT OF ADMINISTRATION POLICY

H.R. 861—NSP TERMINATION ACT

(Rep. Miller, R-CA, and 4 cosponsors)

The Administration strongly opposes House passage of H.R. 861, which would eliminate the Department of Housing and Urban Development's Neighborhood Stabilization Program (NSP) and rescind \$1 billion of funding from the program's current efforts. This program allows States and select local governments to stabilize neighborhoods by redeveloping foreclosed and abandoned properties, leading to increased property values and lowered risk of foreclosure from remaining residents. The Administration is committed to helping struggling American homeowners stay in their homes, and has taken many steps over the last two years to stabilize what was a rapidly-declining housing market. With many communities still struggling with the impact of the severe decline in the housing market, the Administration believes that continued funding of the NSP grants is important to the Nation's sustained economic recovery.

If the President is presented with H.R. 861, his senior advisors would recommend that he veto the bill.

CITY OF LOS ANGELES,

March 7, 2011.

Hon. SPENCER BACHUS,
Chairman, Financial Services Committee, House of Representatives, Washington, DC.

DEAR CHAIRMAN BACHUS: I am writing to express my strong opposition to H.R. 861, the Neighborhood Stabilization Program (NSP) Termination Act. NSP has helped cities across the country address and mitigate the deleterious effects that vacant and blighted properties have on neighborhoods and property values. As a result of the foreclosure crisis, communities throughout the country, including Los Angeles, face significant challenges as foreclosed homes create a vicious cycle of blight, neighborhood decay, and lower property values. NSP has been instru-

mental in helping to stem this downward spiral by addressing the negative effects of abandoned and foreclosed properties.

In the City of Los Angeles, where, over the past four years, we have an estimated 39,000 foreclosed properties, NSP has played a critical role stabilizing our fragile housing market and helping to construct and rehabilitate a total of 1,200 housing units. Furthermore, at a time when unemployment in our construction industry is at an all-time high, NSP has created more than 900 jobs spurring Los Angeles' economic recovery.

Given the economic challenges facing cities today, I urge the committee to continue funding for the Neighborhood Stabilization Program.

Very truly yours,

ANTONIO R. VILLARAIGOSA,
Mayor.

OFFICE OF THE MAYOR,
CITY OF CHICAGO,

March 8, 2011.

Hon. BARNEY FRANK,
Ranking Member, House Committee on Financial Services, Washington, DC.

DEAR RANKING MEMBER FRANK: I understand that the Financial Services committee is marking up two bills on Wednesday, March 9, and marked up two more last week. I am concerned that these bills would eliminate four important programs that help both homeowners facing foreclosure and localities facing increasing numbers of vacant and abandoned properties. I am especially concerned with the NSP Termination Act, which would terminate the Neighborhood Stabilization Program and eliminate a third round of funding, known as NSP 3, created under the Dodd-Frank Wall Street Reform bill.

Localities, like Chicago, are in desperate need of funding such as NSP 3 to assist neighborhoods that are facing unprecedented numbers of foreclosures. In 2010, for example, there were 23,364 foreclosure filings in Chicago. To put this in perspective, before the housing crisis began in 2007, Chicago saw an average of 8,375 foreclosure filings per year.

As you are aware, foreclosures are devastating for neighborhoods—vacant and abandoned properties depress home values, weaken the tax base, breed crime, and drive up government costs as municipalities bear the burden of securing and maintaining them. Cities are already stretched thin financially and need as much support as possible from the federal government.

We have already used funds from previous NSP programs to revitalize neighborhoods and create jobs. To date, the City of Chicago has committed funds from the first two rounds of NSP to assist 579 units in 120 properties in targeted hard-hit areas, representing more than \$75 million in NSP investment. In addition, our NSP work thus far has created 344 construction jobs.

Using the \$15.9 million the City of Chicago expects to receive in NSP 3 funds, we estimate we can acquire and rehabilitate approximately 70 vacant units and demolish approximately 100 vacant, blighted units. These funds will allow us to continue the work we have started in communities across Chicago that have been hardest hit by foreclosure. Every vacant property that is rehabbed moves us closer to stabilizing these neighborhoods.

Thank you for your consideration in this matter.

Sincerely,

RICHARD M. DALEY,
Mayor.

MARCH 1, 2011.

Re Neighborhood Stabilization Program.

Hon. JUDY BIGGERT,
Subcommittee on Insurance, Housing and Community Opportunity, House of Representatives, Washington, DC.

Hon. LUIS GUTIERREZ,
Subcommittee on Insurance, Housing and Community Opportunity, House of Representatives, Washington, DC.

DEAR CHAIRPERSON BIGGERT AND RANKING MEMBER GUTIERREZ: The undersigned organizations representing local elected officials, State and local program practitioners, and community-based organizations write in support of the Neighborhood Stabilization Program—NSP1, NSP2, and NSP3. The collapse of the housing market in 2008 wreaked havoc on neighborhoods across America; foreclosures were rampant and abandoned homes dotted both urban and rural landscapes. This national crisis threatened to bring down local economies. Congress stepped in to provide funding for NSP1—the first round of funding under the Neighborhood Stabilization Program—to abate the crisis. This funding was quickly followed by NSP2 and NSP3 to further aid local neighborhoods. While more funding is needed, the contribution these programs have made have been important to abating the foreclosure crisis and arresting neighborhood decline. NSP3 is needed to continue the reverberating effect of the activities started under NSP1 and NSP2.

According to the Department of Housing and Urban Development (HUD), NSP1 and NSP2, combined, have assisted approximately 100,000 properties. The programs have assisted a wide mix of income levels, from very-low income persons at or below 50% of area median income to middle-income people with incomes up to 120% of area median income.

NSP funds are efficiently allocated and managed. NSP funds are highly targeted to communities with the most severe neighborhood problems associated with the foreclosure crisis. Grantees are under very tight deadlines to obligate and expend the funds, ensuring that funds are spent quickly. The programs have strict reporting requirements that allows HUD to see that the funds are being spent as directed by statute and regulation and in a timely fashion.

The programs could not have been implemented in such an efficient and quick manner without the guidance and technical assistance that has been provided by HUD. HUD staff have devoted a lot of time and resources to NSP grantees to ensure they have the capacity and tools to allocate funds quickly and implement program activities to arrest neighborhood decline.

We urge you and the other Subcommittee members to support these valuable neighborhood revitalization programs.

Sincerely,

National Association of Counties, National League of Cities, U.S. Conference of Mayors, National Community Development Association, National Association for County Community and Economic Development, Council of State Community Development Agencies, Enterprise Community Partners, Inc.

NYC DEPARTMENT OF HOUSING
PRESERVATION & DEVELOPMENT,
New York, NY, March 9, 2011.

Re H.R. 839—“The HAMP Termination Act of 2011”; H.R. 861—“NSP Termination Act”.

Hon. SPENCER BACHUS,
Chairman,

Hon. BARNEY FRANK,
Ranking Member, Financial Services Committee, House of Representatives, Washington, DC.

DEAR REPRESENTATIVES: I am writing this letter to express the City of New York’s op-

position to the above-referenced bills coming before the House Financial Services Committee. These measures would eliminate crucial foreclosure prevention and neighborhood stabilization support available to homeowners and communities grappling with the devastating effects of the foreclosure crisis here in New York City.

The Home Affordable Modification Program (HAMP) has been an invaluable tool for homeowners throughout the city who have unsustainable mortgages.

Data shows us that permanent HAMP modifications have on average saved homeowners almost \$400 more in monthly payments than the savings achieved by non-HAMP modifications (\$1200 vs. \$828).

Of the permanent modifications reported by the Center for New York City Neighborhood’s extensive network of service providers, 46% are HAMP modifications (479 out of 1036), which is on par with the national average of 41%, as reported by the OCC (<http://tinyurl.com/4qajkkt>).

HAMP has had a tremendous impact in New York. In the NYC MSA, there have been 41,785 HAMP modifications (32,785 permanent and 9,000 active trials), which represents 6% of all HAMP activity nationwide.

Without HAMP foreclosure prevention efforts would be greatly diminished. HAMP has been critically important in moving the mortgage industry to make more affordable, sustainable modifications for homeowners who have the ability to stay in their homes. We know from counselors on the ground that the banks’ own proprietary modifications have become more affordable and ‘HAMP-like’ since the full roll-out of the program, further illustrating HAMP’s impact. However, HAMP must be preserved because even as the quality of non-HAMP modifications improves, they are not nearly as beneficial as HAMP modifications.

The Neighborhood Stabilization Program (NSP) provides states and municipalities with much-needed funds to stabilize neighborhoods hardest-hit by the foreclosure crisis. In NYC, we have used NSP funds to acquire and rehabilitate foreclosed homes for resale as affordable housing.

NSP funds are reducing the city’s stock of vacant, foreclosed homes that are a blight on communities. To date, we have acquired 65 homes that are in various stages of rehab, and on track to buy and restore 25 more. We are poised to launch a program that will offer NSP funds as downpayment assistance to encourage homeowners to buy foreclosed homes. These programs accomplish dual goals of incentivizing homeownership while also improving the housing stock in neighborhoods devastated by foreclosure.

NSP funding has also been used to assist multifamily rental buildings in distress, providing long-term affordability for income-eligible families. As a result of the economic downturn, New York City is witnessing an increase in the number of rental buildings with deteriorating physical conditions, with many of these buildings in default on their mortgages. Addressing the needs of these properties is putting a strain on our typical funding sources, making NSP a particularly valuable tool. We have expended over \$3M of NSP funds on the acquisition of foreclosed multi-family buildings, creating over 200 affordable rental units in The Bronx and Brooklyn. At least \$10 million in future NSP funds will be targeted towards stabilizing some of the most distressed multi-family rental housing in the City.

As outlined here, the aforementioned programs offer critical assistance to New York City families and neighborhoods suffering from the harmful effects of the foreclosure crisis. These programs’ positive impacts are extensive and they are compelling. To elimi-

nate them now would be unwise. For these reasons, The City of New York oppose their termination.

Sincerely,

RAFAEL E. CESTERO,
Commissioner.

REPORT ON THE NUMBER OF HOMES VACANT 90 DAYS OR MORE

State	Number of Homes Vacant 90 Days or More
Alabama	13,369
Arkansas	974
Arizona	52,511
California	92,186
Colorado	20,671
Connecticut	8,501
Washington, DC	224
Delaware	549
Florida	203,882
Georgia	92,950
Hawaii	754
Iowa	2,609
Idaho	375
Illinois	49,043
Indiana	74,100
Kansas	2,311
Kentucky	1,191
Louisiana	2,439
Massachusetts	7,331
Maryland	1,878
Maine	167
Michigan	120,365
Minnesota	13,937
Missouri	20,084
Mississippi	4,431
Montana	172
North Carolina	4,510
North Dakota	7
Nebraska	2,911
New Hampshire	155
New Jersey	10,859
New Mexico	0
Nevada	41,297
New York	16,422
Ohio	116,325
Oklahoma	2,961
Oregon	32
Pennsylvania	847
Puerto Rico	0
Rhode Island	3,142
South Carolina	11,172
Tennessee	18,141
Texas	33,982
Utah	85
Virginia	5,638
Vermont	0
Washington	71
Wisconsin	5,413
Wyoming	0

Mrs. MALONEY. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from New York (Mrs. MALONEY).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mrs. MALONEY. Madam Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from New York will be postponed.

EN BLOC AMENDMENTS NO. 9 AND 10 OFFERED BY MS. CASTOR OF FLORIDA

The Acting CHAIR. It is now in order to consider en bloc amendments No. 9 and 10 printed in part B of House Report 112-34.

Ms. CASTOR of Florida. Madam Chair, I have en bloc amendments at the desk.

The Acting CHAIR. The Clerk will designate the en bloc amendments.

The text of the en bloc amendments is as follows:

AMENDMENT NO. 9

At the end of the bill, add the following new section:

SEC. 5. GAO STUDY OF ECONOMIC IMPACTS OF ROUND 3 NSP FUNDING.

The Comptroller General of the United States shall conduct a study to determine the economic impacts that providing assistance under the Neighborhood Stabilization Program, using the funding identified in section 2, would have on States and communities in the United States, if such funding were not rescinded and canceled under such section, but remained available and was used in accordance with the provisions of law applicable to such amounts as in effect immediately before the repeal under section 3(a). Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Comptroller General shall submit to the Congress a report setting forth the results and conclusions of the study under this section.

AMENDMENT NO. 10

At the end of the bill, add the following new section:

SEC. 5. GAO STUDY OF ECONOMIC IMPACTS OF ROUNDS 1 AND 2 NSP FUNDING.

The Comptroller General of the United States shall conduct a study to determine the economic impacts that providing assistance under the Neighborhood Stabilization Program has had on States and communities in the United States. The study shall identify such impacts resulting from the funding under the each of the provisions of law specified in subparagraphs (A) and (B) of section 3(b)(2). Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Comptroller General shall submit to the Congress a report setting forth the results and conclusions of the study under this section.

The Acting CHAIR. Pursuant to House Resolution 170, the gentlewoman from Florida (Ms. CASTOR) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Florida.

Ms. CASTOR of Florida. Madam Chair, my amendments are very simple. They say that 90 days after enactment of this bill, we will commence a Government Accountability study to determine the impact of Neighborhood Stabilization rounds 1, 2, and 3 on communities all across the country.

Now, I have to tell you, Madam Chair, I do not need a study to tell me that in my community Neighborhood Stabilization has provided terrific benefits. Neighborhood Stabilization in the Tampa Bay area in Florida, a community that was very hard hit by predatory lending, subprime mortgage, and the foreclosure crisis, Neighborhood Stabilization has given us the tools to create vital housing in the midst of this horrendous crisis and it has created jobs.

Things have been tough in my neck of the woods, and Neighborhood Stabilization has given communities in our neighborhoods and our nonprofit agencies a little bit of hope. Property values in the Tampa Bay area have plummeted by over 40 percent since 2007. Neighborhood Stabilization has helped us to stop the bleeding. Neighborhood Stabilization has helped us protect our property values. And

Neighborhood Stabilization has turned some of the worst abandoned and foreclosed homes that were causing blight all across our community into rehabilitated properties. And here are just a few examples of what Neighborhood Stabilization has done in Tampa and in Hillsborough County.

First, with the help of our local nonprofit partners, in East Tampa we have taken an abandoned, dilapidated residential property and we are turning it into housing for 18 homeless female veterans and their families. If you come down to my neck of the woods, unfortunately, you will see folks out on the street corner. We have a panhandling problem like never before—nothing I have ever seen in my lifetime in my hometown—and it's very difficult to deal with. A lot of the homeless are veterans, and some of them are female veterans. So we've taken that Neighborhood Stabilization money and plugged it into buying an old abandoned residential property, and we're now providing housing for those homeless veterans. We broke ground last fall, and all of the construction workers, the architects, the engineers, they were there to thank us because they also needed the work.

Here's a second example. We also breathed new life into a new downtown redevelopment mixed use initiative. Years ago, the Tampa community tore down what was the worst public housing project anywhere around. It was named Central Park Village. Well, thanks to Neighborhood Stabilization, next week we are going to break ground on the first residential piece of this new community. The first residential piece will provide affordable apartments to seniors. Neighborhood Stabilization did that. We did not have the funds and our local partners did not have the funds to continue on that mixed use public-private partnership. And it gets even better, because that big mixed use project is going to create 4,000 construction jobs in an area that really needs them and 1,000 permanent jobs once the new redevelopment is finished.

Third, through our community, we have targeted those ugly, abandoned, dilapidated houses and duplexes on the street or boarded-up apartment complexes. We put people to work cleaning them up. We've sold them or rented them to a family that met eligibility standards. A renovated home can sometimes set off a chain reaction of home improvement throughout your neighborhood, and that is what we're seeing.

The alternative would be letting houses stay vacant, continuing to drag down property values in my community even further. We're putting families back into these homes. Our local nonprofit partners are returning them to the fabric of the neighborhoods rather than just having them sit there or seeing them flipped by out-of-town investors.

In addition to the meaningful tools Neighborhood Stabilization gives to

local communities like mine and the thousands of jobs it has helped create, I would like you to take one step back and consider the modest investment Neighborhood Stabilization has provided—overall, \$7 billion over the past few years. I can't help but compare that to the \$700 billion that was provided to Wall Street through the Wall Street bailout that I did not support because that was not directing the big banks to provide any help to our local communities. Well, Neighborhood Stabilization, this very modest investment—1 percent of the Wall Street bailout funds—now is providing greater stabilization throughout our communities.

So I urge my colleagues to support my amendments and oppose H.R. 861.

Mr. GARY G. MILLER of California. Madam Chair, I rise to claim the time in opposition.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. GARY G. MILLER of California. Some of the arguments that the gentle lady made are heart-wrenching. You hate to think about homeless people. Veterans are suffering in this country, there's no doubt about it. Veterans are coming back. Some of them have problems from being on the front in combat. In our church every week, our pastor talks about that, and we pray for these veterans. You feel sorry for them.

But we talk about elderly; we talk about veterans; we talk about children; we talk about homeless. Nothing in this bill prioritizes them in any fashion. There are groups that could be helped as a consequence of it, and I understand that, but nothing prioritizes.

I'm going to accept the gentle lady's amendment because I have no problem with trying to determine the economic impact of the Neighborhood Stabilization Program. I think there's been a huge impact on the economy because we've given away, to date, \$6 billion of taxpayers' money on this program. And I think we could have done a much better job at investing that money in another fashion that wouldn't have put the taxpayers at risk and perhaps created jobs in doing that.

But I met with the NAHB, National Association of Home Builders, to talk about all the people in the industry out of work. I've talked to BIA, talking about all the Building Industry Association members out of work, and they're trying to put them to work. This bill does not help them.

We talk about a giveaway to banks. In TARP 1, we lent money to banks, yes, and they paid it back with interest. Freddie and Fannie, yes, we're lending money to Freddie and Fannie. They're paying 10 percent interest on the money. So to create this straw man out there of the bank giveaway and Wall Street and Freddie and Fannie is fallacious. Freddie and Fannie are paying 10 percent interest on the money.

We did not just, the people who voted for the first half of TARP, vote to give

banks money and forget it, go home. It was to stop a major run on the banks and to stop this economy from plummeting. And Bernanke and Paulson and the administration, everybody on both sides of the aisle agreed it had to be done. And the money was paid back, and we made money on it. Shock.

This money was given away and we will not be getting it back.

I yield 1½ minutes to the gentleman from Arizona (Mr. SCHWEIKERT).

□ 1720

Mr. SCHWEIKERT. Madam Chairwoman, I am pleased that we're actually accepting this amendment, because if we get an honest study from it, it could be some very interesting numbers. But I hope it's an honest study that also looks from top to bottom. Such as in the Neighborhood Stabilization Program in the previous \$6 billion that has been spent, what crowding out has it done? What first-time homebuyers, what investors, found themselves competing with government? It would be interesting to know.

Also, we keep hearing the numbers of saying, well, with our government money we created this many jobs. How many jobs were being created if they were private investors or first-time homebuyers or other families that were acquiring the same sort of properties and fixing them up? If we're going to get like for like, it will be fascinating.

Then we also have to deal with the reality of it as we saw in the previous amendment. In that amendment, it was claiming there were about 1,061,000, we'll call them vacant units in the country. Okay. If we start doing the math with the remaining billion dollars of additional money, how much impact does that have? And will the study also step up and say, with the \$6 billion that's out there that's supposed to be acting like a revolving fund, 5 years from the beginning of this program, which was what, last summer? How is that money being used? How much velocity is it really getting? Or is it now sitting in houses that are competing with other neighbors who are trying to sell theirs.

Mr. GARY G. MILLER of California. I would be happy to yield to the gentleman. I was not meaning to be rude or forget about you.

Ms. CASTOR of Florida. I thank my colleague very much for agreeing to accept my amendments.

My point on comparing neighborhood stabilization to the Wall Street bailout was just to point out—and I know both sides of the aisle were involved in the Wall Street bailout. It was the Bush administration, but a number of Democrats worked to do that, and I'm not here to criticize that. It's just to compare the scale. There was \$700 billion provided to Wall Street banks, just to compare, and 1 percent of that to communities under neighborhood stabilization.

Mr. GARY G. MILLER of California. Madam Chair, I reclaim my time.

I was going to allow for adequate time on that, but it was not a giveaway. It was a loan. You're comparing \$350 billion in the first half that was lent to lenders to stabilize the economy versus \$700 billion that was a giveaway.

It's my time, Madam Chair.

The Acting CHAIR. The gentleman has 15 seconds remaining.

Mr. FRANK of Massachusetts. Will the gentleman yield to me briefly?

Mr. GARY G. MILLER of California. Regular order, Madam Chair.

The Acting CHAIR. The gentleman from Massachusetts will allow the gentleman from California to continue.

Mr. GARY G. MILLER of California. I think we're comparing things that have nothing to do with the bill before us. So we can talk about Wall Street. We can talk about banks. If anything, this has helped banks because it's taken foreclosed properties that they've had and it's bought them. So we can add all these straw men to the debate that we want to. The thing is, should we give away taxpayer dollars? I say no and I ask for an "aye" on the gentlelady's amendment.

The Acting CHAIR. The question is on the amendments en bloc offered by the gentlewoman from Florida (Ms. CASTOR).

The en bloc amendments were agreed to.

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in part B of House Report 112-34 on which further proceedings were postponed, in the following order:

Amendment No. 3 by Mr. ELLISON of Minnesota.

Amendment No. 6 by Ms. WATERS of California.

Amendment No. 7 by Ms. WATERS of California.

Amendment No. 8 by Mrs. MALONEY of New York.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 3 OFFERED BY MR. ELLISON

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Minnesota (Mr. ELLISON) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 183, noes 244, not voting 5, as follows:

[Roll No. 183]

AYES—183

Ackerman	Garamendi	Owens
Andrews	Gonzalez	Pallone
Baca	Green, Al	Pascrell
Baldwin	Green, Gene	Pastor (AZ)
Barrow	Grijalva	Payne
Bass (CA)	Gutierrez	Pelosi
Becerra	Hanabusa	Perlmutter
Berkley	Hastings (FL)	Peters
Berman	Heinrich	Pingree (ME)
Bishop (GA)	Higgins	Polis
Bishop (NY)	Himes	Price (NC)
Blumenauer	Hinchey	Quigley
Boren	Hinojosa	Rahall
Boswell	Hirono	Rangel
Brady (PA)	Holt	Reyes
Braley (IA)	Honda	Richardson
Brown (FL)	Hoyer	Richmond
Butterfield	Inslee	Ross (AR)
Capps	Israel	Rothman (NJ)
Capuano	Jackson (IL)	Royal-Allard
Cardoza	Jackson Lee	Ruppersberger
Carnahan	(TX)	Rush
Carney	Johnson (GA)	Ryan (OH)
Carson (IN)	Johnson, E. B.	Sánchez, Linda
Castor (FL)	Kaptur	T.
Chu	Keating	Sanchez, Loretta
Cicilline	Kildee	Sarbanes
Clarke (MI)	Kind	Schakowsky
Clarke (NY)	Kissell	Schiff
Clay	Kucinich	Scott (VA)
Cleaver	Langevin	Scott, David
Clyburn	Larsen (WA)	Serrano
Connolly (VA)	Larson (CT)	Sewell
Conyers	Lee (CA)	Sherman
Cooper	Levin	Shuler
Costa	Lewis (GA)	Sires
Costello	Lipinski	Slaughter
Courtney	Loeb sack	Smith (WA)
Critz	Lofgren, Zoe	Speier
Crowley	Lowey	Stark
Cuellar	Lujan	Sutton
Cummings	Lynch	Thompson (CA)
Davis (CA)	Maloney	Thompson (MS)
Davis (IL)	Markey	Tierney
DeFazio	Matheson	Tonko
DeGette	Matsui	Towns
DeLauro	McCarthy (NY)	Tsongas
Deutch	McCollum	Van Hollen
Dicks	McDermott	Velázquez
Dingell	McGovern	Vislosky
Doggett	McIntyre	Walz (MN)
Donnelly (IN)	McNerney	Wasserman
Doyle	Meeks	Schultz
Edwards	Michaud	Waters
Ellison	Miller (NC)	Watt
Engel	Miller, George	Waxman
Eshoo	Moore	Weiner
Farr	Moran	Welch
Fattah	Murphy (CT)	Wilson (FL)
Filner	Napolitano	Woolsey
Frank (MA)	Neal	Wu
Fudge	Olver	Yarmuth

NOES—244

Adams	Calvert	Fincher
Aderholt	Camp	Fitzpatrick
Akin	Campbell	Flake
Alexander	Canseco	Fleischmann
Altmire	Cantor	Fleming
Amash	Capito	Flores
Austria	Carter	Forbes
Bachmann	Cassidy	Fortenberry
Bachus	Chabot	Fox
Barletta	Chaffetz	Franks (AZ)
Bartlett	Chandler	Frelinghuysen
Barton (TX)	Coble	Gallely
Bass (NH)	Coffman (CO)	Gardner
Benishek	Cole	Garrett
Berg	Conaway	Gerlach
Biggart	Cravaack	Gibbs
Bilbray	Crawford	Gibson
Bilirakis	Crenshaw	Gingrey (GA)
Bishop (UT)	Culberson	Gohmert
Black	Davis (KY)	Goodlatte
Blackburn	Denham	Gosar
Bonner	Dent	Gowdy
Bono Mack	DesJarlais	Granger
Boustany	Diaz-Balart	Graves (GA)
Brady (TX)	Dreier	Graves (MO)
Brooks	Duffy	Griffin (AR)
Broun (GA)	Duncan (SC)	Griffith (VA)
Buchanan	Duncan (TN)	Grimm
Bucshon	Ellmers	Guinta
Buerkle	Emerson	Guthrie
Burgess	Farenthold	Hall
Burton (IN)		Hanna

Harper	McClintock	Ros-Lehtinen	Brady (PA)	Heinrich	Pascrell	Lamborn	Paul	Scott, Austin
Harris	McCotter	Roskam	Braley (IA)	Higgins	Pastor (AZ)	Lance	Paulsen	Sensenbrenner
Hartzler	McHenry	Ross (FL)	Brown (FL)	Himes	Payne	Landry	Pearce	Sessions
Hastings (WA)	McKeon	Royce	Butterfield	Hinchey	Pelosi	Lankford	Pence	Shimkus
Hayworth	McKinley	Runyan	Capps	Hinojosa	Perlmutter	Latham	Peters	Shuler
Heck	McMorris	Ryan (WI)	Capuano	Hirono	Pingree (ME)	LaTourette	Peterson	Shuster
Heller	Rodgers	Scalise	Carmahan	Holt	Polis	Latta	Petri	Simpson
Hensarling	Meehan	Schilling	Carney	Honda	Price (NC)	Lewis (CA)	Pitts	Smith (NE)
Hergert	Mica	Schmidt	Carson (IN)	Hoyer	Quigley	LoBiondo	Platts	Smith (NJ)
Herrera Beutler	Miller (FL)	Schock	Castor (FL)	Insee	Rahall	Long	Poe (TX)	Smith (TX)
Holden	Miller (MI)	Schrader	Chu	Israel	Rangel	Lucas	Pompeo	Smith (WA)
Huelskamp	Miller, Gary	Schweikert	Cicilline	Jackson (IL)	Reyes	Luetkemeyer	Posey	Southerland
Huizenga (MI)	Mulvaney	Scott (SC)	Clarke (MI)	Jackson Lee	Richardson	Lummis	Price (GA)	Stearns
Hultgren	Murphy (PA)	Scott, Austin	Clarke (NY)	Clay	Richmond	Lungren, Daniel	Quayle	Stivers
Hunter	Myrick	Sensenbrenner	Clay	Johnson (GA)	Ross (AR)	E.	Reed	Stutzman
Hurt	Neugebauer	Sessions	Cleaver	Johnson, E. B.	Rothman (NJ)	Mack	Rehberg	Sullivan
Issa	Noem	Shimkus	Kaptur	Kaptur	Roybal-Allard	Manzullo	Reichert	Terry
Jenkins	Nugent	Shuster	Keating	Keating	Ruppersberger	Marino	Renacci	Thompson (PA)
Johnson (IL)	Nunes	Simpson	Kildee	Kildee	Rush	McCarthy (CA)	Ribble	Thornberry
Johnson (OH)	Nunnelee	Smith (NE)	Kind	Kind	Ryan (OH)	McCaul	Rigell	Tipton
Johnson, Sam	Olson	Smith (NJ)	Kissell	Kissell	Sánchez, Linda	McClintock	Rivera	Tiberi
Jones	Palazzo	Smith (TX)	Critz	Kucinich	T.	McCotter	Roby	Turner
Jordan	Paul	Southerland	Crowley	Langevin	Sanchez, Loretta	McHenry	Roe (TN)	Upton
Kelly	Paulsen	Stearns	Crowley	Larsen (WA)	Sarbanes	McKeon	Rogers (AL)	Visclosky
King (IA)	Pearce	Stivers	Cummings	Larson (CT)	Schakowsky	McKinley	Rogers (KY)	Walberg
King (NY)	Pence	Stutzman	Davis (CA)	Lee (CA)	Schiff	McMorris	Rogers (MI)	Walden
Kingston	Peterson	Sullivan	Davis (IL)	Levin	Scott (VA)	Rodgers	Rohrabacher	West
Kinzing (IL)	Petri	Terry	DeFazio	Lewis (GA)	Scott, David	Meehan	Rokita	Westmoreland
Kline	Pitts	Thompson (PA)	DeGette	Lipinski	Serrano	Mica	Rooney	Whitfield
Lamborn	Platts	Thornberry	DeLauro	Loebsack	Sewell	Miller (FL)	Ros-Lehtinen	Wilson (SC)
Lance	Poe (TX)	Tiberi	Deutch	Lofgren, Zoe	Sherman	Miller (MI)	Roskam	Wittman
Landry	Pompeo	Tipton	Dicks	Lowey	Sires	Miller, Gary	Ross (FL)	Wolf
Lankford	Posey	Turner	Dingell	Luján	Slaughter	Mulvaney	Royce	Womack
Latham	Price (GA)	Upton	Doggett	Lynch	Speier	Murphy (PA)	Runyan	Woodall
LaTourette	Quayle	Walberg	Donnelly (IN)	Maloney	Stark	Myrick	Ryan (WI)	Yoder
Latta	Reed	Walden	Dreier	Markey	Sutton	Neugebauer	Scalise	Young (AK)
Lewis (CA)	Rehberg	Walsh (IL)	Edwards	Matheson	Thompson (CA)	Noem	Schilling	Young (FL)
LoBiondo	Reichert	Webster	Edwards	Matsui	Thompson (MS)	Nugent	Schmidt	Young (IN)
Long	Renacci	West	Ellison	McCarthy (NY)	Tierney	Nunes	Schock	
Lucas	Ribble	Westmoreland	Engel	McCollum	Tonko	Nunnelee	Schrader	
Luetkemeyer	Rigell	Whitfield	Eshoo	McDermott	Towns	Olson	Schweikert	
Lummis	Rivera	Wilson (SC)	Farr	McGovern	Tsongas	Palazzo	Scott (SC)	
Lungren, Daniel	Roby	Wittman	Fattah	McIntyre	Van Hollen			
E.	Roe (TN)	Wolf	Filner	McNerney	Velázquez			
Mack	Rogers (AL)	Womack	Frank (MA)	Meeks	Walz (MN)	Bass (CA)	Labrador	Schwartz
Manzullo	Rogers (KY)	Woodall	Fudge	Michaud	Wasserman	Cohen	Marchant	Welch
Marchant	Rogers (MI)	Yoder	Garamendi	Miller (NC)	Schultz	Franks (AZ)	Nadler	
Marino	Rohrabacher	Young (AK)	Gonzalez	Miller, George	Waters	Giffords	Owens	
McCarthy (CA)	Rokita	Young (FL)	Green, Al	Moore	Watt			
McCaul	Rooney	Young (IN)	Green, Gene	Moran	Waxman			
			Grijalva	Murphy (CT)	Weiner			
			Gutierrez	Napolitano	Wilson (FL)			
			Hanabusa	Neal	Woolsey			
			Harris	Olver	Wu			
			Hastings (FL)	Pallone	Yarmuth			

NOT VOTING—5

Cohen	Labrador	Schwartz
Giffords	Nadler	

□ 1749

Messrs. BERG, PENCE, PITTS, and YOUNG of Indiana changed their vote from “aye” to “no.”

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 6 OFFERED BY MS. WATERS

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. WATERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 174, noes 248, not voting 10, as follows:

[Roll No. 184]

AYES—174

Ackerman	Barrow	Bishop (GA)
Andrews	Becerra	Bishop (NY)
Baca	Berkley	Blumenauer
Baldwin	Berman	Boswell

NOES—248

Adams	Chabot	Gohmert
Aderholt	Chaffetz	Goodlatte
Akin	Chandler	Gosar
Alexander	Coble	Gowdy
Altmire	Coffman (CO)	Granger
Amash	Cole	Graves (GA)
Austria	Conaway	Graves (MO)
Bachmann	Cooper	Griffin (AR)
Bachus	Costa	Griffith (VA)
Barletta	Cravaack	Grimm
Bartlett	Crawford	Guinta
Barton (TX)	Crenshaw	Guthrie
Bass (NH)	Culberson	Hall
Benishek	Davis (KY)	Hanna
Berg	Denham	Harper
Biggert	Dent	Hartzler
Bilbray	DesJarlais	Hastings (WA)
Bilirakis	Diaz-Balart	Hayworth
Bishop (UT)	Dold	Heck
Black	Duffy	Heller
Blackburn	Duncan (SC)	Hensarling
Bonner	Duncan (TN)	Hergert
Bono Mack	Ellmers	Herrera Beutler
Boren	Emerson	Holden
Boustany	Farenthold	Huelskamp
Brady (TX)	Fincher	Huizenga (MI)
Brooks	Fitzpatrick	Hultgren
Broun (GA)	Flake	Hunter
Buchanan	Fleischmann	Hurt
Bucshon	Fleming	Issa
Buerkle	Flores	Jenkins
Burgess	Forbes	Johnson (IL)
Burton (IN)	Fortenberry	Johnson (OH)
Calvert	Fox	Johnson, Sam
Camp	Frelinghuysen	Jones
Campbell	Gallegly	Jordan
Canseco	Gardner	Kelly
Cantor	King (IA)	King (IA)
Capito	King (NY)	King (NY)
Cardoza	Gibbs	Kingston
Carter	Gibson	Kinzing (IL)
Cassidy	Gingrey (GA)	Kline

NOT VOTING—10

Bass (CA)	Labrador	Schwartz
Cohen	Marchant	Welch
Franks (AZ)	Nadler	
Giffords	Owens	

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There are 2 minutes remaining in this vote.

□ 1757

Mr. MEEHAN changed his vote from “aye” to “no.”

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 7 OFFERED BY MS. WATERS

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. WATERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 178, noes 249, not voting 5, as follows:

[Roll No. 185]

AYES—178

Ackerman	Becerra	Boswell
Andrews	Berkley	Berkley (PA)
Baca	Berman	Braley (IA)
Baldwin	Bishop (GA)	Brown (FL)
Barrow	Bishop (NY)	Butterfield
Bass (CA)	Blumenauer	Capps

Capuano	Hirono	Perlmutter	Lamborn	Olson	Schweikert	Clyburn	Johnson (GA)	Quigley
Cardoza	Holden	Pingree (ME)	Lance	Palazzo	Scott (SC)	Connolly (VA)	Johnson, E. B.	Rahall
Carnahan	Holt	Polis	Landry	Paul	Scott, Austin	Conyers	Kaptur	Rangel
Carney	Honda	Price (NC)	Lankford	Paulsen	Sensenbrenner	Costa	Keating	Reyes
Carson (IN)	Hoyer	Quigley	Latham	Pearce	Sessions	Costello	Kildee	Richardson
Castor (FL)	Inslee	Rahall	LaTourette	Pence	Shimkus	Courtney	Kind	Richmond
Chu	Israel	Rangel	Latta	Peters	Shuster	Critz	Kissell	Ross (AR)
Cicilline	Jackson (IL)	Reyes	Lewis (CA)	Peterson	Simpson	Crowley	Kucinich	Rothman (NJ)
Clarke (MI)	Jackson Lee	Richardson	Lipinski	Petri	Smith (NE)	Cummings	Langevin	Royal-Allard
Clarke (NY)	(TX)	Richmond	LoBiondo	Pitts	Smith (NJ)	Davis (CA)	Larsen (WA)	Ruppersberger
Clay	Johnson (GA)	Ross (AR)	Long	Platts	Smith (TX)	Davis (IL)	Larson (CT)	Rush
Cleaver	Johnson, E. B.	Rothman (NJ)	Lucas	Poe (TX)	Smith (WA)	DeFazio	Lee (CA)	Ryan (OH)
Clyburn	Kaptur	Roybal-Allard	Luetkemeyer	Pompeo	Southerland	DeGette	Levin	Sánchez, Linda
Connolly (VA)	Keating	Ruppersberger	Lummis	Posey	Stearns	DeLauro	Lewis (GA)	T.
Conyers	Kildee	Rush	Lungren, Daniel	Price (GA)	Stivers	Deutch	Lipinski	Sánchez, Loretta
Costa	Kind	Ryan (OH)	E.	Quayle	Stutzman	Dicks	Loeback	Sarbanes
Costello	Kissell	Sánchez, Linda	Manzullo	Reed	Sullivan	Dingell	Lofgren, Zoe	Schakowsky
Courtney	Kucinich	T.	Marchant	Rehberg	Terry	Doggett	Lowey	Schiff
Critz	Langevin	Sanchez, Loretta	Marino	Reichert	Thompson (PA)	Donnelly (IN)	Lujań	Scott (VA)
Crowley	Larsen (WA)	Sarbanes	McCarthy (CA)	Renacci	Thornberry	Doyle	Lynch	Scott, David
Cuellar	Larson (CT)	Schakowsky	McCaul	Ribble	Tiberi	Edwards	Maloney	Serrano
Cummings	Lee (CA)	Schiff	Rigell	McClintock	Tipton	Ellison	Markey	Sewell
Davis (CA)	Levin	Scott (VA)	McClintock	Roby	Turner	Engel	Matheson	Sherman
Davis (IL)	Lewis (GA)	Scott, David	McCotter	Roe (TN)	Upton	Eshoo	Matsui	Shuler
DeFazio	Loeback	Serrano	McHenry	Rogers (AL)	Visclosky	Farr	McCarthy (NY)	Shuler
DeGette	Lofgren, Zoe	Sewell	McKeon	Rogers (KY)	Walberg	Fattah	McCollum	Slaughter
DeLauro	Lowey	Sherman	McKinley	Rogers (MI)	Walden	Filner	McDermott	Smith (WA)
Deutch	Lujań	Shuler	McMorris	Rohrabacher	Walsh (IL)	Frank (MA)	McGovern	Speier
Dicks	Lynch	Sires	McMorris	Rohrabacher	Webster	Fudge	McIntyre	Stark
Dingell	Maloney	Slaughter	Meehan	Rokita	West	Garamendi	McNerney	Sutton
Doggett	Markey	Speier	Mica	Rooney	Westmoreland	Green, Al	Meeks	Thompson (CA)
Donnelly (IN)	Matheson	Stark	Miller (FL)	Ros-Lehtinen	Whitfield	Green, Gene	Michaud	Thompson (MS)
Doyle	Matsui	Stark	Miller (MI)	Roskam	Whitson (SC)	Grijalva	Miller, George	Tierney
Edwards	McCarthy (NY)	Sutton	Miller, Gary	Ross (FL)	Wittman	Gutierrez	Moore	Tonko
Ellison	McCollum	Thompson (CA)	Mulvaney	Royce	Wolf	Hanabusa	Moran	Towns
Engel	McDermott	Thompson (MS)	Murphy (PA)	Runyan	Womack	Hastings (FL)	Murphy (CT)	Tsongas
Eshoo	McGovern	Tierney	Myrick	Ryan (WI)	Woodall	Heinrich	Napolitano	Van Hollen
Farr	McIntyre	Tonko	Neugebauer	Scalise	Yoder	Higgins	Neal	Velázquez
Fattah	McNerney	Towns	Noem	Schilling	Young (AK)	Himes	Olver	Walz (MN)
Filner	Meeks	Tsongas	Nugent	Schmidt	Young (FL)	Hinchev	Owens	Wasserman
Frank (MA)	Michaud	Van Hollen	Nunes	Schock	Schrader	Hinojosa	Pallone	Schultz
Fudge	Miller (NC)	Velázquez	Nunnelee			Hirono	Pascrell	Waters
Garamendi	Miller, George	Walz (MN)				Holt	Pascrell	Watt
Gonzalez	Moore	Wasserman				Honda	Pastor (AZ)	Waxman
Green, Al	Moran	Schultz				Hoyer	Payne	Weiner
Green, Gene	Murphy (CT)	Waters				Inslee	Pelosi	Welch
Grijalva	Napolitano	Watt				Israel	Perlmutter	Wilson (FL)
Gutierrez	Neal	Waxman				Jackson (IL)	Pingree (ME)	Woolsey
Hanabusa	Olver	Weiner				Jackson Lee	Polis	Wu
Harris	Owens	Welch				(TX)	Price (NC)	Yarmuth
Hastings (FL)	Pallone	Wilson (FL)						
Higgins	Pascrell	Woolsey						
Himes	Pastor (AZ)	Wu						
Hinchev	Payne	Yarmuth						
Hinojosa	Pelosi							

NOT VOTING—5

Cohen Labrador Schwartz
Giffords Nader

ANNOUNCEMENT BY THE ACTING CHAIR
The Acting CHAIR (during the vote).
There are 2 minutes remaining in this vote.

□ 1803

So the amendment was rejected.
The result of the vote was announced as above recorded.

AMENDMENT NO. 8 OFFERED BY MRS. MALONEY
The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York (Mrs. MALONEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.
The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.
The Acting CHAIR. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 179, noes 246, not voting 7, as follows:

[Roll No. 186]

AYES—179

Adams	Chaffetz	Gohmert	Ackerman	Bishop (NY)	Carnahan
Aderholt	Chandler	Goodlatte	Andrews	Blumenauer	Carney
Akin	Coble	Gosar	Baca	Boswell	Carson (IN)
Alexander	Coffman (CO)	Gowdy	Baldwin	Brady (PA)	Castor (FL)
Altmire	Cole	Granger	Barrow	Brayley (IA)	Chu
Amash	Conaway	Graves (GA)	Bass (CA)	Brown (FL)	Cicilline
Austria	Cooper	Graves (MO)	Becerra	Butterfield	Clarke (MI)
Bachmann	Cravaack	Griffin (AR)	Berkley	Capps	Clarke (NY)
Bachus	Crawford	Griffith (VA)	Berman	Capuano	Clay
Barletta	Crenshaw	Grimm	Bishop (GA)	Cardoza	Cleaver
Bartlett	Culberson	Guinta			
Barton (TX)	Davis (KY)	Guthrie			
Bass (NH)	Denham	Hall			
Benishkek	Dent	Hanna			
Berg	DesJarlais	Harper			
Biggert	Diaz-Balart	Hartzler			
Bilbray	Dold	Hastings (WA)			
Bilirakis	Dreier	Hayworth			
Bishop (UT)	Duffy	Heck			
Black	Duncan (SC)	Heinrich			
Blackburn	Duncan (TN)	Heller			
Bonner	Ellmers	Hensarling			
Bono Mack	Emerson	Herger			
Boren	Farenthold	Herrera Beutler			
Boustany	Fincher	Huelskamp			
Brady (TX)	Fitzpatrick	Huizenga (MI)			
Brooks	Flake	Hultgren			
Broun (GA)	Fleischmann	Hunter			
Buchanan	Fleming	Hurt			
Bucshon	Flores	Issa			
Buerkle	Forbes	Jenkins			
Burgess	Fortenberry	Johnson (IL)			
Burton (IN)	Fox	Johnson (OH)			
Calvert	Franks (AZ)	Johnson, Sam			
Camp	Frelinghuysen	Jones			
Campbell	Gallely	Jordan			
Canseco	Gardner	Kelly			
Cantor	Garrett	King (IA)			
Capito	Gerlach	King (NY)			
Carter	Gibbs	Kingston			
Cassidy	Gibson	Kinzing (IL)			
Chabot	Gingrey (GA)	Kline			

NOES—246

Adams	Cole	Griffin (AR)
Aderholt	Conaway	Griffith (VA)
Akin	Cooper	Grimm
Alexander	Cravaack	Guinta
Altmire	Crawford	Guthrie
Amash	Crenshaw	Hall
Austria	Cuellar	Hanna
Bachmann	Culberson	Harper
Bachus	Davis (KY)	Harris
Barletta	Denham	Hartzler
Bartlett	Dent	Hastings (WA)
Barton (TX)	DesJarlais	Hayworth
Bass (NH)	Diaz-Balart	Heck
Benishkek	Dold	Heller
Berg	Dreier	Hensarling
Biggert	Duffy	Herger
Bilbray	Duncan (SC)	Herrera Beutler
Bilirakis	Duncan (TN)	Holden
Bishop (UT)	Ellmers	Huelskamp
Black	Emerson	Huizenga (MI)
Blackburn	Farenthold	Hultgren
Bonner	Fincher	Hunter
Bono Mack	Fitzpatrick	Hurt
Boren	Flake	Issa
Boustany	Fleischmann	Jenkins
Brady (TX)	Fleming	Johnson (IL)
Brooks	Flores	Johnson, Sam
Broun (GA)	Forbes	Jones
Buchanan	Fortenberry	Jordan
Bucshon	Fox	Kelly
Buerkle	Franks (AZ)	King (IA)
Burgess	Frelinghuysen	King (NY)
Burton (IN)	Gallely	Kingston
Calvert	Gardner	Kinzing (IL)
Camp	Garrett	Kline
Campbell	Gerlach	Lamborn
Canseco	Gibbs	Lance
Cantor	Gibson	Landry
Capito	Gingrey (GA)	Lankford
Carter	Gohmert	Latham
Cassidy	Goodlatte	LaTourette
Chabot	Gosar	Latta
	Gowdy	Lewis (CA)
	Granger	LoBiondo
	Graves (GA)	Long
	Graves (MO)	Lucas

Luetkemeyer	Petri	Sessions
Lummis	Pitts	Shimkus
Lungren, Daniel	Platts	Shuster
E.	Poe (TX)	Simpson
Mack	Pompeo	Smith (NE)
Manzullo	Posey	Smith (NJ)
Marchant	Price (GA)	Smith (TX)
Marino	Quayle	Southerland
McCarthy (CA)	Reed	Stearns
McCaul	Rehberg	Stivers
McClintock	Reichert	Stutzman
McCotter	Ribble	Sullivan
McHenry	Rigell	Terry
McKeon	Rivera	Thompson (PA)
McKinley	Roby	Thornberry
McMorris	Roe (TN)	Tiberi
Rodgers	Rogers (AL)	Tipton
Meehan	Rogers (KY)	Turner
Mica	Rogers (MI)	Upton
Miller (FL)	Rohrabacher	Visclosky
Miller (MI)	Rokita	Walberg
Miller, Gary	Rooney	Walden
Mulvaney	Ros-Lehtinen	Walsh (IL)
Murphy (PA)	Roskam	Webster
Myrick	Ross (FL)	West
Neugebauer	Royce	Westmoreland
Noem	Runyan	Whitfield
Nugent	Ryan (WI)	Wilson (SC)
Nunes	Scalise	Wittman
Nunnelee	Schilling	Wolf
Olson	Schmidt	Womack
Palazzo	Schock	Woodall
Paul	Schrader	Yoder
Paulsen	Schweikert	Young (AK)
Pearce	Scott (SC)	Young (FL)
Pence	Scott, Austin	Young (IN)
Peterson	Sensenbrenner	

NOT VOTING—7

Cohen	Labrador	Schwartz
Giffords	Nadler	
Johnson (OH)	Renacci	

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There are 2 minutes remaining in this vote.

□ 1809

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIR. The question is on the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The Acting CHAIR. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. CHAFFETZ) having assumed the chair, Mrs. EMERSON, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 861) to rescind the third round of funding for the Neighborhood Stabilization Program and to terminate the program, and, pursuant to House Resolution 170, reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment reported from the Committee of the Whole?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the 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. BRALEY of Iowa. Mr. Speaker, I have a motion to recommit at the desk.

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

Mr. BRALEY of Iowa. I am in its current form.

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

The Clerk read as follows:

Mr. Braley of Iowa moves to recommit the bill, H.R. 861, to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

In section 3(b)(1), before "shall continue" insert the following: ", and all amounts made available for use pursuant to subsection (d),".

In section 3(c), before ", and outlays" insert "or under subsection (d)".

At the end of section 3, add the following new subsection:

(d) CONTINUATION OF STATE PROGRAM; PRIORITY FOR RURAL AREAS.—There is authorized to be appropriated an amount equal to the portion of the unobligated balances described in section 2 that, pursuant to the provision of law specified in section 2, was allocated to States. Any amounts made available pursuant to the authorization under this subsection shall be used for assistance under the same provisions of law applicable to the amounts made available by the provision of law specified in section 2, except that assistance made available pursuant to the authorization under this subsection shall be allocated only to States and any State that receives an allocation from such amounts shall, in distributing such allocated amounts, give priority emphasis and consideration to rural areas (within the meaning given such term for purposes of the provision of law specified in section 2).

In section 4, after "(NSP)" insert the following: "for assistance for units of general local government".

Mr. BRALEY of Iowa (during the reading). Mr. Speaker, I ask unanimous consent to dispense with the reading.

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

There was no objection.

Mr. GARY G. MILLER of California. Mr. Speaker, I reserve a point of order against the amendment.

The SPEAKER pro tempore. A point of order is reserved.

The gentleman from Iowa is recognized for 5 minutes.

Mr. BRALEY of Iowa. Mr. Speaker, this picture tells the story of why this amendment is so important. This isn't Wall Street. You don't see any hedge fund managers or investment bankers here. They are doing pretty well these days. This isn't the headquarters of BP.

Most small towns are lucky to have a single convenience store, and they are even luckier if that convenience store sells gasoline. This is a Main Street in my State of Iowa, and there are far too many of these in communities in my State and in my district. And I guar-

antee you, there are far too many of these in rural communities in your States. Because while Wall Street and big corporations are doing fine, our rural communities and small towns are facing a real crisis, and the Neighborhood Stabilization Program is making a real difference in rural America.

I want to tell you about a woman from Oelwein, a small town in my district. She is 23 years old. She only makes \$22,000 a year working at a day care. She grew up in Oelwein and she wants to raise her children in Oelwein, and the national Neighborhood Stabilization Program is helping her become a first-time homeowner.

Now, our amendment would simply take the money that has already been allocated for this program and prioritize it for our rural communities so we can change the way that streets like this look, and so we can make sure that more moms can raise their kids in the towns where they grew up. This amendment doesn't cost any money. It allows a mom to raise a child in her home community. And our amendment will not kill this bill. It would simply give our rural communities the ability to weather the worst crisis they have faced in a generation.

Now, maybe our small towns or this young mom should incorporate as a bank. Maybe then they would get the same kind of attention that we have given to Wall Street. Because, folks, Wall Street is getting through this crisis; Main Streets are not. And it is time we answer this question: Are we going to stand with Wall Street and Big Oil and corporate CEOs, or are we going to stand up for small towns all across America that need our help now more than ever?

At this time, I yield to my good friend from the State of Iowa, Congressman BOSWELL.

Mr. BOSWELL. I appreciate the opportunity to speak on this. And, again, I want to say this amendment does not kill the bill.

Republicans have put forth a bill that again forces our middle class and our working families to sacrifice, sacrifice, and sacrifice so they can continue the giveaways for Big Oil, billionaires, and corporations that outsource American jobs.

As a former professional soldier, I approach our economy with a military eye to take the hill and get our economy going again, and we need all of our troops behind us. In this case, our troops are our workers, the middle class Americans who must be healthy and armed with the tools to rebuild the economy. Our camps are the communities that must have the resources to do just that. So why are our troops and communities in rural America being left behind?

Rural Main Streets in Iowa have been devastated as Republicans have rewarded outsourcing. Manufacturing plants in my district, like Maytag—all of you know who Maytag is—in Newton, Iowa, they have packed up and

moved their jobs to Mexico. Many of you have similar situations.

Rural workers have lost jobs in ethanol, biodiesel, and wind turbine plants because we have given tax breaks to Big Oil while cutting investments in renewable energy. These communities have weathered farm crisis after crisis, as Republicans defend Wall Street speculators tinkering with the markets that they depend on.

I urge my colleagues to say “yes” to rural America and the middle class by supporting this amendment to H.R. 861. Rural America is not blue or red. Rural America is simply hardworking communities that are already struggling to keep the American Dream alive for their residents who live, work, and believe in them.

Mr. BRALEY of Iowa. Mr. Speaker, to many people, rural America is a policy or a program. To Congressman BOSWELL and me, it is where we came from. That is why I urge all of my colleagues to vote for this motion to recommit.

I yield back the balance of my time.

Mr. GARY G. MILLER of California. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER pro tempore. Does the gentleman from California continue to reserve his point of order?

Mr. GARY G. MILLER of California. I withdraw my point of order.

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

Mr. GARY G. MILLER of California. That was a very nice picture of a storefront. It was not a picture of a home. Now, why would you impose a terrible program on rural America that you don't want on urban America?

You have to say we have given away \$6 billion of taxpayer monies and it will never come back to the Federal Government. We are saying let's preserve the last billion dollars.

There is a huge lack of accountability in this program. The inspector general of HUD has already identified multiple misuses of NSP money at the State level. The GAO has questioned the information system that places HUD at risk using the tracking system.

How many of you want to use your money to buy this house that Chairman BACHUS has pointed out? Nobody. But, taxpayers, guess what? We are using your money. The biggest problem with this program is unfair allocation.

Now, rural America, you probably got ripped off in this whole process like everybody else did because, let's see, where did the money go? In the NSP 1, we spent \$4 billion. In the NSP 2, \$1.93 billion. We are saying the last billion dollars, let's at least save that for the taxpayers and use it for some beneficial purpose.

Where did the money go? Let's see if it was fairly distributed. Let's look at my area. L.A. County got \$26.3 million. San Bernardino County, one of the hardest hit, got \$33.2 million. Orange County got \$4.3 million. San Diego

County, \$5.1 million. A total of \$68.9 million on hard-hit counties.

Now, let's see. What did nongovernment agency groups get out there that are incorporated? Neighborhood Lending Partners, Incorporated got \$50 million; the Community Builders, Incorporated got \$78.6 million; Los Angeles Neighborhood Housing Service, Incorporated got \$60 million; Neighborhood Lending Partners of West Florida, Incorporated got \$50 million; and Chicanos por la Causa, Inc. got \$137 million.

Now, all of my counties got \$68.9 million; the Community Builders got \$78.6 million; Chicanos por la Causa got \$137 million. Is that considered nonequitable qualification? It is nonequitable, period. It does not make sense. And we say \$1.3 billion went to nongovernment agencies.

Now, somebody said I was racist because I said Chicanos por la Causa got \$137 million. They got 10 percent of all the funds given to nongovernment agencies. If it was Germans for Affordable Housing that got \$137 million, I would oppose it just like I oppose this one.

Now, taxpayers understand, clearly, it did not prevent one foreclosure in this entire country. Not one person got to keep their home because we spent \$6 billion. In fact, imagine the family who owned the home. Maybe the ma or pa got in trouble with their job. They couldn't quite make the payments. For the last 3 years, they have been unable to repair the plumbing. They couldn't replace the oven that wasn't working. A couple windows were broken out.

□ 1820

The house needed painting. And they had to sit there and let their house go back to the lender, to watch some entity, a nonprofit or government agency, buy that home, fix it up, and sell it to somebody else. How would you feel when nobody came to your aid when you were losing your home, but yet your tax dollars were used to buy that home to give it to somebody else?

Now, understand clearly, the argument they have made is look at all the money we gave to bail out the banks. Well, I got an update from Treasury today. Ninety-nine percent of the money that we lent to banks has been paid back. And, guess what? We made \$20 billion on it. But we gave \$7 billion away to this program. So, yes, we made 20, and we ended up with a net 13, by lending the money that you say bailed out the banks. It was a loan.

This program does nothing but say we are going to send you a check, and you never send us a dime back. And the sweet part is you can pay any amount of money you want for the house. It is almost impossible to violate the terms of this deal, because there are no conditions. You can pay \$800,000 for a house and sell it for \$50. The requirement is whatever you pay for the house, plus whatever you pay to rehabilitate the house, you have to sell it for less.

And it doesn't say who you have to sell it to. A nonprofit, I am not saying they would, could have a cousin who wanted to buy the house that they paid \$180,000 for and they could sell it legitimately for \$20,000, and, guess what? You have not violated the terms of NSP 1, 2 or 3, and you have not broken the law. And when you sell the house, if you sell it, you can take the money and recycle it again. You could even take this money and do a private venture with a private group, splitting profits, and, falling under the conditions of how you buy the house and sell the house, money gets split. There are very few restrictions in this bill.

This is a terrible bill. I would encourage a “no” vote on the motion to recommit.

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.

RECORDED VOTE

Mr. BRALEY of Iowa. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 153, noes 272, not voting 7, as follows:

[Roll No. 187]

AYES—153

Ackerman	Edwards	Lujan
Andrews	Ellison	Maloney
Baca	Engel	Matsui
Baldwin	Eshoo	McCarthy (NY)
Barrow	Farr	McCollum
Bass (CA)	Fattah	McDermott
Bishop (GA)	Filner	McGovern
Bishop (NY)	Frank (MA)	McIntyre
Blumenauer	Fudge	McNerney
Boren	Garamendi	Meeks
Boswell	Gonzalez	Michaud
Brady (PA)	Green, Al	Miller (NC)
Braley (IA)	Grijalva	Miller, George
Brown (FL)	Gutierrez	Moore
Butterfield	Hanabusa	Moran
Capps	Hastings (FL)	Murphy (CT)
Cardoza	Heinrich	Napolitano
Carnahan	Higgins	Olver
Carson (IN)	Hinchee	Owens
Castor (FL)	Hinojosa	Pallone
Chandler	Hirono	Pascarell
Chu	Holden	Pastor (AZ)
Cicilline	Holt	Payne
Clarke (MI)	Honda	Pelosi
Clarke (NY)	Hoyer	Perlmutter
Clay	Inslee	Pingree (ME)
Cleaver	Israel	Polis
Clyburn	Jackson (IL)	Price (NC)
Conyers	Johnson (GA)	Rahall
Costa	Johnson, E. B.	Rangel
Courtney	Kaptur	Reyes
Critz	Keating	Richmond
Crowley	Kind	Ross (AR)
Cuellar	Kissell	Rothman (NJ)
Cummings	Langevin	Ruppersberger
Davis (CA)	Larsen (WA)	Rush
Davis (IL)	Larson (CT)	Ryan (OH)
DeFazio	Levin	Sanchez, Linda
DeLauro	Lewis (GA)	T.
Deutch	Lipinski	Sanchez, Loretta
Dicks	Loeb	Sarbanes
Doggett	Loftgren, Zoe	Schakowsky
Doyle	Lowey	Schrader

Scott (VA)
Scott, David
Serrano
Sewell
Shuler
Sires
Slaughter
Smith (WA)
Speier

NOES—272

Adams
Aderholt
Akin
Alexander
Altmire
Amash
Austria
Bachmann
Bachus
Barletta
Bartlett
Barton (TX)
Bass (NH)
Becerra
Benishek
Berg
Berkley
Berman
Biggart
Billray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Capuano
Carney
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Connolly (VA)
Cooper
Costello
Cravaack
Crawford
Crenshaw
Culberson
Davis (KY)
DeGette
Denham
Dent
DesJarlais
Diaz-Balart
Dingell
Dold
Donnelly (IN)
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Fox
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett

Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Van Hollen
Velázquez

Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Green, Gene
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Heller
Hensarling
Herger
Herrera Beutler
Himes
Huelskamp
Huiזengא (MI)
Hultgren
Hunter
Hurt
Issa
Jackson Lee
(TX)
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Jordan
Kelly
Kildee
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Kucinich
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lee (CA)
Lewis (CA)
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel
E.
Lynch
Mack
Manzullo
Marchant
Marino
Markey
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
McMorris
Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary

Westmoreland
Whitfield
Wilson (SC)
Wittman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1838

Messrs. WATT, MARKEY, KUCINICH, Ms. TSONGAS, Ms. RICHARDSON, and Ms. BERKLEY changed their vote from “yea” to “nay.”

So the motion to recommit was rejected.

The result of the vote was announced as above record.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. McGOVERN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered. The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 242, noes 182, not voting 8, as follows:

[Roll No. 188]

AYES—242

Adams
Aderholt
Akin
Alexander
Amash
Austria
Bachmann
Bachus
Barletta
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggart
Billray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Carter
Cassidy
Chabot
Chaffetz
Chandler
Coble
Coffman (CO)
Cole
Conaway
Cooper
Cravaack
Crawford

Crenshaw
Culberson
Davis (KY)
Denham
Dent
DesJarlais
Diaz-Balart
Dold
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Fox
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler

Young (AK)
Young (FL)
Young (IN)

Lamborn
Nadler
Schwartz

Wasserman
Schultz

McKinley
McMorris
Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Palazzo
Paul
Paulsen
Pearce
Pence
Peterson
Petri
Pitts
Platts
Poe (TX)
Pompeo
Posey
Price (GA)
Quayle
Reed

Ackerman
Altmire
Andrews
Baca
Baldwin
Barrow
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Braley (IA)
Brown (FL)
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Connolly (VA)
Conyers
Costa
Costello
Courtney
Critz
Crowley
Cuellar
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Filner
Frank (MA)
Fudge
Garamendi

Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (FL)
Royce
Runyan
Ryan (WI)
Scalise
Schilling
Schmidt
Schock
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuster
Simpson

NOES—182

Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hanabusa
Hastings (FL)
Heinrich
Higgins
Himes
Hinchev
Hinojosa
Hirono
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee
(TX)
Johnson (GA)
Johnson, E. B.
Kaptur
Keating
Kildee
Kind
Kissell
Kucinich
Langevin
Larsen (WA)
Larson (CT)
LaTourette
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loeback
Lofgren, Zoe
Lowey
Luján
Lynch
Maloney
Markey
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNerney
Meeks
Michaud
Miller (NC)
Miller, George
Moran
Murphy (CT)
Napolitano
Neal
Olver
Owens

Smith (NE)
Smith (NJ)
Smith (TX)
Southernland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Upton
Walberg
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

Pallone
Pascrell
Pastor (AZ)
Payne
Pelosi
Perlmutter
Peters
Pingree (ME)
Polis
Price (NC)
Quigley
Rahall
Rangel
Reyes
Richardson
Richmond
Ross (AR)
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Shuler
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Turner
Van Hollen
Velázquez
Visclosky
Walz (MN)
Waters
Watt
Waxman
Weiner
Welch
Wilson (FL)
Woolsey
Wu
Yarmuth

NOT VOTING—8

Cohen	Moore	Schwartz
Giffords	Nadler	Wasserman
Labrador	Schrader	Schultz

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1845

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1076, PROHIBITING FEDERAL FUNDING OF NATIONAL PUBLIC RADIO

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 112-35) on the resolution (H. Res. 174) providing for consideration of the bill (H.R. 1076) to prohibit Federal funding of National Public Radio and the use of Federal funds to acquire radio content, which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 979

Mr. CLAY. Mr. Speaker, I ask unanimous consent to have my name removed as cosponsor of the bill (H.R. 979) to amend chapter 89 of title 5, United States Code, to ensure program integrity, transparency, and cost savings in the pricing and contracting of prescription drug benefits under the Federal Employees Health Benefits Program.

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

There was no objection.

RECOGNIZING THE CONTRIBUTIONS OF THE MIAMI HEBREW ACADEMY

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I rise today to recognize an extraordinary school in my south Florida community, the Miami Hebrew Academy. Founded in 1947 with just a handful of students, the Hebrew Academy was the first Jewish day school in the southeastern United States.

Today, the Hebrew Academy has grown to over 600 students and serves with distinction the educational and religious needs of our Jewish families and students. In addition to a phenomenal general education, students of the Miami Hebrew Academy are taught the values of the Torah, the benefits of a strong American-Israeli partnership, and the importance of Holocaust education.

I cannot thank the Hebrew Academy enough for its leadership in both the general and spiritual education of our south Florida community.

YUCCA MOUNTAIN

(Ms. BERKLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BERKLEY. Mr. Speaker, I rise today to express my sympathy for the people of Japan as they battle a nuclear disaster that threatens lives and their environment, and I rise to reject calls for more wasteful spending, \$100 billion more of wasteful spending, on the Yucca Mountain project in response to Japan's nuclear tragedy.

Dumping radioactive waste on top of an earthquake fault located inside a volcanic zone 90 miles outside of Las Vegas will only increase the danger to Americans from radioactive waste produced at nuclear power plants. Nuclear industry plans call for decades of waste shipments to be unleashed on communities across the United States that are unprepared to deal with the death and destruction that this radioactive garbage can cause.

Whether it's a tragic accident involving a train or a truck carrying nuclear waste or a deliberate 9/11 style terrorist attack on even one shipment, the risk to human lives and the potential for billions of dollars in economic damage is staggering.

Let us stop pushing Yucca Mountain and start focusing on securing waste at existing plant sites, stored in hardened bunkers engineered to keep this material isolated from our fellow citizens. With what we are witnessing in Japan, these pro-dump forces should put concern for safeguarding lives above concerns about profits.

IN MEMORY OF DERRY BROWNFIELD

(Mr. CRAWFORD asked and was given permission to address the House for 1 minute.)

Mr. CRAWFORD. Mr. Speaker, it is with a heavy heart that I come to the floor today to mourn the passing of Derry Brownfield, a pioneer in the farm broadcasting industry. As the only agri-reporter and farm broadcaster in Congress, I feel compelled to honor him today.

Derry's influence across the farm broadcasting industry was far-reaching, and it will be felt for years to come. While many overlook the importance of agri-reporting, Derry understood the necessity. He prided himself on "speaking as a farmer, to the farmer, for the farmer, from the farm."

His vision and passion for informing and educating rural America was unparalleled and an inspiration to the farmers and farm broadcasters he influenced. There is now a noticeable hole in the agriculture community, but we can take what Derry taught us and

honor his legacy by continuing the tradition of quality agricultural reporting.

□ 1850

HONORING ST. PATRICK'S DAY

(Mr. KEATING asked and was given permission to address the House for 1 minute.)

Mr. KEATING. Mr. Speaker, I rise in honor of the great holiday of St. Patrick's Day. My district is home to the largest population of Irish Americans in the Nation. Like many of my constituents, my paternal grandparents emigrated from Ireland at the turn of the 20th century. When they came to this country, they had all their worldly possessions in one trunk each. Thereafter, they had eight children, five of whom served in our Armed Forces, one of whom gave his life for this country.

So many of my friends and neighbors share similar stories of sacrifice and dedication to family and to their new country. It is no wonder that Irish Americans have come to embody the values of loyalty, community, and hard work in the fabric of our Nation.

As they say, everyone is Irish on St. Patrick's Day. So let us all embody those values as we tackle the challenges facing our Nation currently.

May the road rise up to you,

May the wind be always at your back,

May the sun shine warm upon your face,

The rains fall soft upon your fields and,

Until we meet again,

May God hold you in the palm of His hand.

RETREAT?

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, 9 months after the administration sent 1,200 National Guard troops to the border, Washington has decided that it is time for the troops to withdraw. In my opinion, this decision is dangerously irresponsible. Violence has already spilled into the United States from Mexico. The 16 Texas border counties are packed with foreign nationals charged with serious crimes in the United States.

According to the GAO, 56 percent of the border is wide open; and instead of fulfilling their duty to protect the people of this country, Washington orders retreat. It defies logic that we would remove the National Guard from the border. If anything, we need more troops on the ground.

Doesn't Washington know that the border is a war zone? To abandon the third front puts Americans at risk with cross-border crime. This is a national security issue that cannot be ignored. It is the first duty of the Federal Government to protect the people and the homeland, not order retreat.