

This is more than 1.5 million farms in the SPCC regulatory net next year alone.

The University of Arkansas, Division of Agriculture did a study recently concluding that the FUELS Act would exempt over 80 percent of producers from SPCC compliance. It could save, in my home State, up to \$240 million in costs. Over the entire country, it could save small farmers up to \$3.36 billion.

This year, the ag sector of the economy is facing a crisis. Over two-thirds of the Nation is being impacted by drought, and farm revenue has dropped substantially. Food costs are projected to skyrocket for consumers. On top of that, the fate of a multiyear farm bill is still unknown, creating long-term uncertainty for the agriculture community. The last thing the government should be doing right now is imposing a regulation on producers that could cost our Nation's family farmers up to \$3.36 billion during next year's planting season. There is absolutely no justification for such an expensive regulation, especially when the EPA cannot provide data or even anecdotal evidence of agriculture spills.

By nature of occupation, family farmers are already careful stewards of the land and water. No one has more at stake than those who work on the ground from which they derive their livelihood.

I urge adoption of H.R. 3158 and reserve the balance of my time.

Mr. BOSWELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. CRAWFORD, I believe that you pretty much covered the details of this. And I see the gentleman sitting beside you there and I'm sure he's going to add to it, so I don't think I'll spend a lot of time repeating what you said. But I want you to know that as a hands-on farmer producer, I appreciate the efforts you put into this to bring this forward because there are just too many times we see where the farmers in your State, my State, and across the country are burdened with these extra expenses and criteria that they don't really need. Because you know, I know, and I think those of us that are familiar with the farming industry, we are stewards of the land. We don't want to ruin the land; we certainly don't want to ruin the water.

So this is a good thing to come forth with this piece of legislation, to put a practical sense, practical application to the situation. It's been delayed and delayed and delayed.

It refers to American farmers. American farmers are very much dedicated to what they represent. And again, those that, as I do and as I'm sure you do and others, when we have fuel on the farm for whatever reason—to run the tractors, the combines, the irrigation pumps, or whatever—we're very careful. The cost of the fuel and the exposure of it being stolen or something is something we don't have a lot of excess sitting around these days anyway. Those that are large operators, seems

to me like quite a few of them have got a tank wagon.

So I appreciate what you've offered up here, and I'm very supportive of it.

With that, I reserve the balance of my time.

Mr. CRAWFORD. Again, thank you, Mr. BOSWELL, not only for your support, but your real-world common sense as an ag producer. I appreciate it.

I'd just like to yield 2 minutes to my esteemed colleague from Oklahoma (Mr. LANKFORD) and thank him for his patience.

Mr. LANKFORD. I may not even use all 2 minutes of that, but I do want to be able to just tell the story a little bit of an Oklahoma farm.

The things that they're up against right now are common to farms all across the Midwest. They're dealing with drought right now. They're dealing with the threat of new dust particulate rules coming down from the EPA. They just fought through a battle to try to be able to have family farms be able to function with their own kids working on their family farms or their grandparents' farms, or their cousin's farm down the road—is that permissible or not—point source pollution rules that are coming down on them. Farm truck distance rules, if they want to drive 151 miles in their farm truck and the new regulations they deal with on it. All these different regulations.

And then imagine the Federal Government contacting them and saying, on top of all those rules and all those threatened rules, now you need to go find a professional engineer to check out your fuel tank, and we want to send a regulator to be able to evaluate it. And we want you to have a whole new set of rules around your tank as well. It assumes family farms and farmers don't take care of their land. Nothing could be further from the truth.

A family farm, and farms all around the country, these are individuals that they farm that land, they take care of that land, that water is very important to them. Many of them live on well water itself, and so a spill into their groundwater is incredibly important to them for their own personal family as well. They're great stewards of the land; that's how they make their living.

In addition to that, they're careful guardians of their storage tank because that tank itself, if it spills, they lose a tremendous amount of money; and the margins on a farm are not very high.

I'd like to stand with my colleagues, as well, to say let's respect the farmer for what they're doing already on their land and not send someone from Washington to come check out their farm and check out their tank and be able to evaluate all those things. Let's allow some trust to the commonsense folks in the country that take care of our food and take care of the land and water every single day.

With that, I'd urge my colleagues to support this.

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Mr. BOSWELL. Mr. Speaker, we have no other speakers.

In closing, I feel like we've defined what the need is. This will be very helpful to the Nation's producers, and it's a step in the right direction. So I will urge agreement and support of H.R. 3158. And thank you again for bringing this forth.

I yield back the balance of my time.

Mr. CRAWFORD. Mr. Speaker, again my thanks to the gentleman from Iowa and to those who spoke tonight. I just urge my colleagues to join me in supporting this important legislation.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. CRAWFORD) that the House suspend the rules and pass the bill, H.R. 3158, as amended.

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

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6233, AGRICULTURAL DISASTER ASSISTANCE ACT OF 2012

Ms. FOXX, from the Committee on Rules, submitted a privileged report (Rept. No. 112-644) on the resolution (H. Res. 752) providing for consideration of the bill (H.R. 6233) to make supplemental agricultural disaster assistance available for fiscal year 2012 with the costs of such assistance offset by changes to certain conservation programs, and for other purposes, which was referred to the House Calendar and ordered to be printed.

MARINE DEBRIS ACT AMENDMENTS OF 2012

Mr. YOUNG of Alaska. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1171) to reauthorize and amend the Marine Debris Research, Prevention, and Reduction Act, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1171

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 "Marine Debris Act Amendments of 2012".

SEC. 2. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment is expressed as an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Marine Debris Research, Prevention, and Reduction Act (33 U.S.C. 1951 et seq.), as in effect immediately before the enactment of this Act.

SEC. 3. SHORT TITLE AMENDMENT.

Section 1 (33 U.S.C. 1951 note) is amended by striking "Research, Prevention, and Reduction".

SEC. 4. PURPOSE.

Section 2 (33 U.S.C. 1951) is amended to read as follows:

“SEC. 2. PURPOSE.

“The purpose of this Act is to address the adverse impacts of marine debris on the United States economy, the marine environment, and navigation safety through identification, determination of sources, assessment, prevention, reduction, and removal of marine debris.”

SEC. 5. NOAA MARINE DEBRIS PROGRAM.

(a) NAME OF PROGRAM.—

(1) IN GENERAL.—Section 3 (33 U.S.C. 1952) is amended—

(A) in the section heading by striking “PREVENTION AND REMOVAL”; and

(B) in subsection (a)—

(i) by striking “Prevention and Removal Program to reduce and prevent” and inserting “Program to identify, determine sources of, assess, prevent, reduce, and remove”; and

(ii) by inserting “the economy of the United States,” after “marine debris on”; and

(iii) by inserting a comma after “environment”.

(2) CONFORMING AMENDMENT.—Paragraph (7) of section 7 (33 U.S.C. 1956) is amended by striking “Prevention and Removal”.

(b) PROGRAM COMPONENTS.—Section 3(b) (33 U.S.C. 1952(b)) is amended to read as follows:

“(b) PROGRAM COMPONENTS.—The Administrator, acting through the Program and subject to the availability of appropriations, shall—

“(1) identify, determine sources of, assess, prevent, reduce, and remove marine debris, with a focus on marine debris posing a threat to living marine resources and navigation safety;

“(2) provide national and regional coordination to assist States, Indian tribes, and regional organizations in identification, determination of sources, assessment, prevention, reduction, and removal of marine debris;

“(3) undertake efforts to reduce adverse impacts of lost and discarded fishing gear on living marine resources and navigation safety, including—

“(A) research and development of alternatives to gear posing threats to the marine environment, and methods for marking gear used in specific fisheries to enhance the tracking, recovery, and identification of lost and discarded gear; and

“(B) development of effective nonregulatory measures and incentives to cooperatively reduce the volume of lost and discarded fishing gear and to aid in its recovery; and

“(4) undertake outreach and education of the public and other stakeholders on sources of marine debris, threats associated with marine debris, and approaches to identify, determine sources of, assess, prevent, reduce, and remove marine debris and its adverse impacts on the United States economy, the marine environment, and navigational safety, including outreach and education activities through public-private initiatives.”

(c) REPEAL.—Section 2204 of the Marine Plastic Pollution Research and Control Act of 1987 and the item relating to that section in the table of contents contained in section 2 of the United States-Japan Fishery Agreement Approval Act of 1987 (33 U.S.C. 1915) are repealed.

(d) GRANT CRITERIA AND GUIDELINES.—Section 3(c) (33 U.S.C. 1952(c)) is amended—

(1) in paragraph (1), by striking “section 2(1)” and inserting “section 2”;

(2) by repealing paragraph (5); and

(3) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6).

SEC. 6. REPEAL OF OBSOLETE PROVISIONS.

Section 4 (33 U.S.C. 1953) is amended—

(1) by striking “(a) STRATEGY.—”; and

(2) by repealing subsections (b) and (c).

SEC. 7. AMENDMENTS TO DEFINITIONS.

(a) INTERAGENCY MARINE DEBRIS COORDINATING COMMITTEE.—

(1) IN GENERAL.—Except as provided in subsection (b), section 2203 of the Marine Plastic Pollution Research and Control Act of 1987 (33 U.S.C. 1914) is redesignated and moved to replace and appear as section 5 of the Marine Debris Research, Prevention, and Reduction Act (33 U.S.C. 1954).

(2) CLERICAL AMENDMENT.—The item relating to section 2203 in the table of contents contained in section 2 of the United States-Japan Fishery Agreement Approval Act of 1987 is repealed.

(b) BIENNIAL PROGRESS REPORTS.—Section 5(c)(2) (33 U.S.C. 1954(c)(2)), as in effect immediately before the enactment of this Act—

(1) is redesignated as subsection (e) of section 5, as redesignated and moved by the amendment made by subsection (a) of this section; and

(2) is amended—

(A) by striking “ANNUAL PROGRESS REPORTS.—” and all that follows through “thereafter” and inserting “BIENNIAL PROGRESS REPORTS.—Biennially”; and

(B) by inserting “Natural” before “Resources”;

(C) by redesignating subparagraphs (A) through (E) as paragraphs (1) through (5) of such subsection; and

(D) by moving such subsection 2 ems to the left.

SEC. 8. CONFIDENTIALITY OF SUBMITTED INFORMATION.

Section 6(2) (33 U.S.C. 1955(2)) is amended by striking “by the fishing industry”.

SEC. 9. MARINE DEBRIS DEFINITION.

Section 7 (33 U.S.C. 1956) is amended—

(1) by redesignating paragraph (3) as paragraph (9), and moving such paragraph to appear after paragraph (8); and

(2) by inserting after paragraph (2) the following:

“(3) MARINE DEBRIS.—The term ‘marine debris’ means any persistent solid material that is manufactured or processed and directly or indirectly, and intentionally or unintentionally, disposed of or abandoned into the marine environment or the Great Lakes.”

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Section 9 (33 U.S.C. 1958) is amended—

(1) by striking “are” and inserting “is”;

(2) by striking “2006 through 2010” and all that follows through “(1)” and inserting “through fiscal year 2015”;

(3) in paragraph (1), by striking “\$10,000,000” and inserting “\$4,900,000”; and

(4) by striking “; and” and all that follows through the end of paragraph (2) and inserting a period.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alaska (Mr. YOUNG) and the gentleman from Washington (Mr. LARSEN) each will control 20 minutes.

The Chair recognizes the gentleman from Alaska.

GENERAL LEAVE

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous materials on H.R. 1171.

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

There was no objection.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

H.R. 1171, the Marine Debris Act Amendments of 2012, reauthorizes the National Oceanic and Atmospheric Administration's, NOAA, Marine Debris Program at currently appropriated levels through 2015. The program has played a crucial role in preventing and reducing the amount of trash on our beaches and in the ocean.

I think it's important to note that this program is not regulatory in nature. It takes a voluntary approach to improving the conditions of our marine environment.

Failure to adequately address marine debris has major consequences on our economy. Large objects floating in our oceans threaten the safe navigation of cargo ships and recreational boaters. Derelict fishing gear costs commercial fishermen millions of dollars in lost revenue. And debris washing up on our shores forces the closing of beaches, a major blow to local economies reliant on tourism.

In Alaska, NOAA's Marine Debris has worked with local partners to conduct more than 20 projects that have removed 750,000 pounds of debris from our shoreline since 2006. But the problem of marine debris is about to get worse for Alaska and other Pacific coast States. NOAA estimates there's 1.5 million tons of debris headed our way as a result of the 2011 Japanese earthquake and the tsunami.

Alaskans are already finding Styrofoam, plastic, wood, and other lightweight debris washing up on our islands. In May, the Coast Guard was forced to sink an abandoned Japanese vessel laden with fuel oil before it broke open on the Southeast panhandle.

Reauthorization of the Marine Debris Program is critical to help Alaska and other coastal States protect our economies and ecosystems and ensure the safety of those transiting our waters.

I want to commend Representative SAM FARR from California for introducing this bill. As an original cosponsor of this important bipartisan effort, I urge all Members to support the bill.

I reserve the balance of my time.

Mr. LARSEN of Washington. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I rise in support of H.R. 1171, bipartisan legislation that reauthorizes the Marine Debris Research Prevention and Reduction Act through fiscal year 2016.

Just this June, on the Pacific coast, an entire 70-foot dock washed up on the coast of Oregon. This is only one piece of the estimated 1.5 million tons of marine debris from the disastrous 2011 Japanese tsunami that will wash up on the west coast. Disasters like this are why it is so important that we reauthorize this legislation today.

Marine debris remains a persistent threat to maritime safety and to the health of our oceans and to our lakes.

Thanks to the enactment of the Marine Debris Research Prevention and Reduction Act in 2006, we now have a much better understanding of marine debris and its impact on our shorelines.

This law led to the establishment of effective partnerships between the National Oceanic and Atmospheric Administration, or NOAA, and the United States Coast Guard. It has led to better coordinated research and debris removal activities, and it built greater understanding of the challenges we face in addressing this threat.

Marine debris is a much larger and growing problem than we first thought, and with the recent disaster in Japan, it will continue to grow. Cleaning up marine debris takes coordination between several agencies and States and requires expensive resources to clean up.

Earlier this week, NOAA provided a new analysis estimating that it now costs the agency, on average, more than \$4,300 to remove 1 ton of marine debris from the environment. NOAA also said that the dock that washed up on the shores of Oregon will cost \$85,000 alone.

Despite what we've learned, and despite the fact that States on the Pacific coast and Hawaii will have to contend with 1.5 million tons of marine debris from the 2011 Japanese tsunami for years to come, the majority has insisted on cutting authorized funding levels for this program in half. Cutting authorized funding for this program at this time seems shortsighted, and I'm confident that the Senate will insist on the higher authorized funding level in any final compromise bill.

But despite those reservations about the reduced funding levels in this bill as reported by the majority, it is imperative that we reauthorize the Marine Debris Act today to address this growing threat in our future.

I want to thank the sponsor of the legislation, the gentleman from California (Mr. FARR), for his extraordinary leadership on this issue. I urge my colleagues to join me in supporting H.R. 1171.

I reserve the balance of my time.

Mr. YOUNG of Alaska. I continue to reserve the balance of my time.

Mr. LARSEN of Washington. Mr. Speaker, I yield as much time as he may consume to the gentleman from California (Mr. FARR).

Mr. FARR. Mr. Speaker, I truly appreciate the support we've seen in a bipartisan fashion here for this legislation known as the Marine Debris Act Amendments of 2012.

This bill was first carried and introduced in the United States Senate by Senator INOUE and the late Senator Ted Stevens. They recognized, Senator INOUE from Hawaii, the entire island surrounded by ocean, and so much washes up on the shores of the islands, and Alaska, with probably one of the longest coastlines in the United States, certainly impacts from the ocean on them. And that's why it's so nice and

wonderful to have my colleague DON YOUNG from Alaska, the only Representative in the House from Alaska, to be a strong proponent of this.

As he pointed out, Alaska has already seen the consequences of not having reauthorization when the Japanese tsunami has started to wash up. They've spent, in the first wave of the tsunami debris, Alaska's already spent over \$200,000 of State money in just aerial monitoring of the local debris from the Japanese tsunami.

What this legislation does in reauthorization is allow States to receive grants from NOAA so that the States can deal with their coastline debris problems.

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It is important we do this for an even bigger purpose, which is that, frankly, life on land is dependent on the quality of life at sea. We know that we have over the years and decades been dumping everything we don't like on land—and can't figure out where else to dump it—into the ocean. At the same time, we take whatever we want out of the ocean. Dumping and taking can upset the system so badly that you have oceans die; and, certainly, we have big parts of the ocean that are dying because of all the debris and waste that are in the oceans.

What this bill does is allow the Coast Guard, in working with NOAA, which is the National Oceanic and Atmospheric Administration, to jointly look at, monitor and figure out ways to clean this stuff up. If we don't do that, we're going to suffer. It's like living in pollution in your own backyard. Eventually, there are consequences.

I think that those of us who have done ocean legislation over the years—and DON YOUNG has been one of the greater ones to understand it—realize that, in solving the problem, it's going to require local action and that it's going to require national and international coordination. It's not our ocean alone. It goes all over the world, and things in the ocean go all over the world. Just think of the old stories about bottles and where they wind up. Now we see with the tsunami that all this Japanese land mass stuff that was washed into the sea is now showing up in Alaska and is showing up in Oregon and has shown up on the beaches in California—in Capitola, where I live.

This problem is also going to require some partnerships between the private sector and the fishermen community, in that it knows where some of these drift nets are, and between the public sector. It's going to require innovative technology. You have to detect it. We have found nets that have been left in Monterey Bay that are too heavy to lift out with conventional craft. We're going to have to go back to the fishing boats and to the families who lost those nets and use their fishing boats, which is a private enterprise supported by the public know-how of how to retrieve those nets. I think it's very ex-

citing. It's certainly going to require education so that people don't keep dumping things they don't want into the ocean.

There are consequences for dumping. California is now addressing it in every local community by just storm water, the fact that all the water that falls on our streets and roads picks up oil and picks up other stuff that isn't compatible with ocean life and washes into it. We have done a lot to clean up sewers and to say we're not going to dump that stuff out into the ocean anymore, but we're still allowing other storm water to get out there. California is addressing this almost community by community, that being: How do we stop storm water and polluted storm water from getting into the ocean?

So this legislation of reauthorizing debris cleanup is much more than just giving NOAA some money to go out there and figure it out. It's really an entire program of figuring out how to keep oceans healthy.

I appreciate the bipartisan support. I appreciate the leadership of Mr. YOUNG, and I appreciate the leadership on the committees. This bill went to two committees—to the Transportation and Infrastructure Committee and to the Natural Resources Committee. Both committees passed it out in bipartisan fashion, and now we have to pass it in the Senate. I hope it's not too late, and I hope Congressman YOUNG will work with me in getting bipartisan support in the Senate so that we can get this bill to the President and get it signed before the calendar year runs out.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

I want to thank the gentleman from California. Mr. FARR has been one of the leaders who has been concerned with the oceans, and this debris bill is crucially important to the State of California and especially to Alaska. Mr. FARR came to me many months ago and said we've got to get this done. We've got to get this done. A lot of people weren't interested, and now we finally get to a point where we see what's occurring from the tsunami, although we may not have that recur again.

The crisis in the ocean, though, is detrimental, as I mentioned in my opening statement, to the fishermen whom I represent and to the recreational people whom I represent. So to get it out of the ocean even before it reaches the beaches is crucially important. The beaches sometimes are sort of fun to beachcomb, but if there is something bad that's in the ocean, we should try to retrieve it sooner, if possible; and when it gets there, we really want to be able to take care of it.

There should be more money—I won't disagree with the gentleman from Washington—but we're moving this down the road. We'll see what happens on the Senate side, and we'll see if we can't get a little more effort, because it's a partnership program that makes

this thing work. A lot of people have interest in Alaska and in trying to clean the beaches after it arrives, and we're trying to get more people interested in cleaning the ocean up before it does arrive. Hopefully, it will work together.

With that, I reserve the balance of my time.

Mr. LARSEN of Washington. I have no more speakers, and I yield back the balance of my time.

Mr. YOUNG of Alaska. I have no more speakers, so I yield back the balance of my time.

Ms. BORDALLO. Mr. Speaker, I rise today in strong support of H.R. 1171, the Marine Debris Act Amendments of 2012. I want to commend my colleague and friend Congressman SAM FARR from California for introducing this legislation and continually working for its passage.

As a member of the Subcommittee on Fisheries, Wildlife and Oceans, one of my top priorities was to take action on legislation to address our nation's ocean environment. I am pleased to say that this legislation, H.R. 1171, would continue to combat the adverse impacts of marine debris on the United States economy, the marine environment, and navigation safety through identification, determination of sources, assessment, prevention, reduction, and removal of marine debris.

This legislation will reauthorize NOAA's existing Marine Debris Program to support important projects throughout the country, including beach cleanups, derelict fishing gear location and removal, and educational campaigns. The program helps to identify, determine sources of, assess, prevent, reduce, and remove marine debris, with a focus on marine debris posing a threat to living marine resources and navigation safety. This reauthorizing language would serve to streamline these programs by avoiding any overlaps or conflicts with other federal agencies.

The legislation would help protect the environment and the economy of coastal communities throughout the Nation. Earlier this year, tsunami debris washed ashore the coasts of Oregon and Washington, calling attention to the need for a comprehensive plan to coordinate clean-up efforts. Indeed, the impacts of the March 2011 tsunami in Japan will continue to impact our shores over the coming months and years and this bill gives us the tools to respond to this situation. In particular, Guam would greatly benefit from the passage of the Marine Debris Act Amendments of 2012 as it would give states and local communities the additional tools needed to effectively care for our marine environments and wildlife.

Again, I applaud Representative FARR for introducing this legislation. I thank Chairman MICA, Chairman HASTINGS, Ranking Member RAHALL and Ranking Member MARKEY for their leadership in bringing this important bill which enhances our understanding of the marine environment to the House floor. I encourage my colleagues to continue supporting this important legislation that addresses one of the most serious threats to our oceans today.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alaska (Mr. YOUNG) that the House suspend the rules and pass the bill, H.R. 1171, as amended.

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

A motion to reconsider was laid on the table.

RESPA HOME WARRANTY CLARIFICATION ACT OF 2011

Mrs. BIGGERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2446) to clarify the treatment of homeowner warranties under current law, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2446

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 "RESPA Home Warranty Clarification Act of 2012".

SEC. 2. TREATMENT OF HOMEOWNER WARRANTIES.

Section 8 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2607) is amended by adding at the end the following new subsection:

"(e) HOMEOWNER WARRANTIES.—

"(1) IN GENERAL.—Nothing in this section, section 2, or section 3 shall be deemed to include, or be deemed to have included, homeowner warranties or similar residential service contracts for the repair or replacement of home system components or home appliances.

"(2) NOTICE BY HOME WARRANTY COMPANY.—Any person that pays another person not employed by the person for selling, advertising, marketing, or processing, or performing an inspection in connection with, a homeowner warranty or similar residential service contract for the repair or replacement of home system components or home appliances shall include the following statement, in boldface type that is 10-point or larger, in any such warranty or contract offered or sold as an incident to or as part of any transaction involving the origination of a federally related mortgage loan:

"NOTICE: THIS COMPANY MAY PAY PERSONS NOT EMPLOYED BY THE COMPANY FOR SELLING, ADVERTISING, MARKETING, OR PROCESSING, OR PERFORMING AN INSPECTION IN CONNECTION WITH, A HOMEOWNER WARRANTY OR SIMILAR RESIDENTIAL SERVICE CONTRACT FOR REPAIRING OR REPLACING HOME SYSTEM COMPONENTS OR HOME APPLIANCES."

"(3) NOTICE BY REAL ESTATE AGENT OR BROKER.—Any person who has contracted to receive payment from a provider of the services described in paragraph (1) for recommending the purchase of a home warranty or similar residential service contract, and is not an employee of such provider, shall provide the potential purchaser, upon first recommending the purchase of a homeowner warranty or similar residential service contract, a written notice containing the following language in boldface type that is 10-point or larger (with the bracketed matter being replaced with the information described by such bracketed matter):

"NOTICE: THIS IS TO GIVE YOU NOTICE THAT [the provider of the notice] HAS RECEIVED OR WILL RECEIVE COMPENSATION FROM [the home warranty company] FOR [the residential service for which the notice provider is being compensated]. YOU ARE NOT REQUIRED TO PURCHASE A HOME WARRANTY OR A SIMILAR RESIDENTIAL SERVICE CONTRACT AND IF YOU CHOOSE TO PURCHASE SUCH COVERAGE YOU ARE FREE TO PURCHASE IT FROM ANOTHER PROVIDER."

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

The Chair recognizes the gentlewoman from Illinois.

GENERAL LEAVE

Mrs. BIGGERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to

revise and extend their remarks and add extraneous material on this bill.

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

There was no objection.

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

I rise in support of H.R. 2446, the RESPA Home Warranty Clarification Act, and urge my colleagues to support the bill. H.R. 2446 is a bipartisan bill that Mr. CLAY of Missouri and I introduced last year. The bill has 40 cosponsors, including 13 Democrats and 27 Republicans, and I thank the gentleman from Georgia (Mr. SCOTT) for managing this bill.

On March 27, the Financial Services Committee reported out the bill by voice vote. The RESPA Home Warranty Clarification Act would amend the Real Estate Settlement Procedures Act of 1974, or RESPA, to clarify that, as long as a consumer or borrower receives specific disclosures about it, a fee paid to a real estate broker or agent related to the sale of a home warranty is not a RESPA violation.

When Congress passed RESPA in 1974, it intended for the law to provide consumers or borrowers with timely disclosures related to the cost of real estate settlement services. Title insurance, a flood elevation certificate and homeowners insurance are a few examples of services required at a mortgage settlement. Unlike these settlement services, a home warranty is not a required service. For a borrower or a consumer, the purchase of a home warranty is optional. It is a service contract under which a home warranty company provides repair or replacement coverage for a home's system components and/or appliances. A real estate broker or agent typically acts as a representative for the home warranty company that offers the home warranty, and the real estate broker or agent receives a commission from the home warranty company for presenting the home warranty to the home buyer if the homeowner chooses to purchase the warranty.

Congress originally delegated RESPA rulemaking and enforcement authority to the U.S. Department of Housing and Urban Development, HUD. For nearly 20 years, from 1974 to 1992, HUD issued no rules or guidance related to the sale of a home warranty by a real estate broker or agent.

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In 1992, HUD issued regulations adding homeowners warranties as a settlement service, but was silent on the matter until recent years. Citing evidence to demonstrate a problem with home warranty-related sale practices, commission arrangements, disclosures, or the product itself between 2008 and 2010, HUD issued an unofficial staff interpretive rule and the subsequent guidance. In short, after 34 years, with no apparent problem with a product that is not required for closing, HUD determined that, under RESPA, it is a violation for a real estate broker or an agent to be compensated by a home warranty company for offering a home warranty to a borrower in connection with the real estate transaction.