

Nation's independence and identity took place.

In my home State of New Jersey, there are more sites of military engagements than in any other State. More military engagements were fought in New Jersey than in any other State. New Jersey played an influential role in the War for Independence.

I was pleased to join Representative FRELINGHUYSEN and Senator LAUTENBERG, and the rest of the New Jersey delegation, in establishing some years ago the Crossroads of the American Revolution National Heritage Area in our State. The Crossroads Association has made enormous progress toward promoting our State's rich heritage, and the bill before us today, I think, is vital for organizations like Crossroads in New Jersey and others to perform their important work.

As the Civil War Trust said in their letter supporting this legislation:

Preserving these American historic treasures is essential to remember the sacrifices our ancestors made to secure our freedom and independence, and to preserve our Republic.

Historical sites, once lost, are gone forever. They exist only on the pages of books and in fading memories. We must act to preserve these valuable sites while we still can. Approving this bill will demonstrate that the Members of this House can work together. Historic preservation is not a Republican issue, not a Democratic issue. Historic preservation is an American issue because it is our shared history that we are working to preserve and to protect.

I thank the majority for working with me on this bill. During the 111th Congress, similar legislation was twice approved by this body with near unanimous support. In this Congress, the American Battlefield Protection Program Amendments Act is again enjoying bipartisan support, and I certainly hope the other body will act promptly so that we can get about the work of preserving these sites.

I urge my colleagues to support H.R. 2489, and I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, this is good legislation, and I urge its adoption.

With that, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. HASTINGS) that the House suspend the rules and pass the bill, H.R. 2489, 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.

STUDY OF VOLUNTARY COMMUNITY-BASED FLOOD INSURANCE OPTIONS

Mrs. BIGGERT. Mr. Speaker, I move to suspend the rules and pass the bill

(H.R. 6186) to require a study of voluntary community-based flood insurance options and how such options could be incorporated into the national flood insurance program, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6186

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

SECTION 1. STUDIES OF VOLUNTARY COMMUNITY-BASED FLOOD INSURANCE OPTIONS.

(a) STUDY.—

(1) STUDY REQUIRED.—The Administrator of the Federal Emergency Management Agency shall conduct a study to assess options, methods, and strategies for making available voluntary community-based flood insurance policies through the National Flood Insurance Program.

(2) CONSIDERATIONS.—The study conducted under paragraph (1) shall—

(A) take into consideration and analyze how voluntary community-based flood insurance policies—

(i) would affect communities having varying economic bases, geographic locations, flood hazard characteristics or classifications, and flood management approaches; and

(ii) could satisfy the applicable requirements under section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a); and

(B) evaluate the advisability of making available voluntary community-based flood insurance policies to communities, subdivisions of communities, and areas of residual risk.

(3) CONSULTATION.—In conducting the study required under paragraph (1), the Administrator may consult with the Comptroller General of the United States, as the Administrator determines is appropriate.

(b) REPORT BY THE ADMINISTRATOR.—

(1) REPORT REQUIRED.—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains the results and conclusions of the study conducted under subsection (a).

(2) CONTENTS.—The report submitted under paragraph (1) shall include recommendations for—

(A) the best manner to incorporate voluntary community-based flood insurance policies into the National Flood Insurance Program; and

(B) a strategy to implement voluntary community-based flood insurance policies that would encourage communities to undertake flood mitigation activities, including the construction, reconstruction, or improvement of levees, dams, or other flood control structures.

(c) REPORT BY COMPTROLLER GENERAL.—Not later than 6 months after the date on which the Administrator submits the report required under subsection (b), the Comptroller General of the United States shall—

(1) review the report submitted by the Administrator; and

(2) submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains—

(A) an analysis of the report submitted by the Administrator;

(B) any comments or recommendations of the Comptroller General relating to the report submitted by the Administrator; and

(C) any other recommendations of the Comptroller General relating to community-based flood insurance policies.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Illinois (Mrs. BIGGERT) and the gentlewoman from Wisconsin (Ms. MOORE) 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 to 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.

Mr. Speaker, I rise today in support of H.R. 6186, introduced by my friend and colleague on the Financial Services Committee, Congresswoman GWEN MOORE.

H.R. 6186 would require the Federal Emergency Management Agency, FEMA, the agency which administers the National Flood Insurance Program, NFIP, to conduct a study on the advantages and disadvantages of providing voluntary community-based flood insurance through NFIP and report its recommendations for implementation to Congress within 18 months. H.R. 6186 also requires the Government Accountability Office, GAO, to analyze FEMA's report and submit its comments or recommendations on it to Congress within 6 months.

Community-based flood insurance is an insurance technique where a risk assessment is made for all the buildings in a community, and then premiums to cover that risk are paid collectively by that community rather than the current practice of assessing each building individually and having each individual owner pay a premium. This innovative tool may represent a new and better way for some communities at risk of flooding to take the necessary steps to protect their citizens.

In fact, FEMA has stated in congressional testimony that voluntary community-based flood insurance could help the NFIP better account for the full cost of flood risk, as well as provide incentives to encourage communities to implement greater flood mitigation measures. Thus, we think it's appropriate to commission this study of the community-based flood insurance concept so that FEMA can understand how it could be put to the greatest benefit.

Congresswoman MOORE's community-based flood insurance study provision was originally introduced as part of H.R. 1309, the Flood Insurance Reform Act of 2011, the bipartisan, long-term NFIP reauthorization measure that passed the House with over 400 votes

last summer. During the previous year, Congresswoman MOORE's study language was also included as part of long-term NFIP reauthorization efforts that passed the House three additional times as part of other bills.

Unfortunately, Congresswoman MOORE's text, which is now H.R. 6186, was not included in the bipartisan Biggert-Waters Flood Insurance Reform Act that was signed into law on July 6. However, the Financial Services Committee remains committed to enacting this provision, and I want to commend Congresswoman MOORE for all her hard work on this measure, and I am a cosponsor.

With that, I would urge my colleagues to support H.R. 6186, and I reserve the balance of my time.

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

Mr. Speaker, I want to start out by expressing my deepest appreciation to the manager of this bill, Representative BIGGERT, and also a cosponsor of this legislation, in addition to Representative BACHUS and Representative WATERS, a bipartisan initiative.

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As Mrs. BIGGERT has indicated, this study was originally included in the flood insurance bill that passed the House but was later dropped for reasons of expediency. It was not controversial in negotiations with the Senate. I believe that a community-based flood insurance option may eventually provide a wonderful cost-saving option for communities within the framework of the overall National Flood Insurance Program.

The potential for savings and community empowerment certainly merits a study. H.R. 6186 would require FEMA to study voluntary community-based flood insurance options and examine how such options could be incorporated into the National Flood Insurance Program.

The idea is to study group flood insurance policies for a National Flood Insurance Program-participating community or a FEMA-designated flood plain so that everyone in the community would pay the same rate. Now, this approach has merit because it means not only potentially lower rates due to increased participation, but there is also the option of providing lower-income households with access to vouchers to purchase flood insurance as part of the group.

The group rating, of course, would spread the risk to an affordable extent for each individual homeowner. An analogy for this concept is group or employee health insurance coverage versus individual coverage. We all understand that group coverage is less expensive than individual coverage due to the economies of scale of streamlined underwriting. The difference is, in this case, a community, not an individual, would be the policy holder.

Now, this brings me to a very important potential benefit of this approach:

increased incentives for communities to take affirmative actions to mitigate the threat from floods in the community. Now, while an individual flood insurance holder has absolutely no incentive or means to, say, build stronger levees or dikes, a community policyholder would have the means and incentives to take those kinds of precautions. In theory, under this model, the homeowner would pay insurance like a utility bill on a monthly or quarterly basis.

Finally, I want to point out that there is precedent for this idea. Under current regulations, FEMA could issue group flood insurance policies. The program was limited, but it was successful. This bill only adds that FEMA examine the cost and benefits of using this approach on an ongoing basis as an option for communities.

I urge all my House colleagues to support this legislation, and I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Illinois (Mrs. BIGGERT) that the House suspend the rules and pass the bill, H.R. 6186.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mrs. BIGGERT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

FHA EMERGENCY FISCAL SOLVENCY ACT OF 2012

Mrs. BIGGERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4264) to help ensure the fiscal solvency of the FHA mortgage insurance programs of the Secretary of Housing and Urban Development, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4264

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “FHA Emergency Fiscal Solvency Act of 2012”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

- Sec. 1. Short title and table of contents.
- Sec. 2. FHA annual mortgage insurance premiums.
- Sec. 3. Indemnification by FHA mortgagees.
- Sec. 4. Early period delinquencies.
- Sec. 5. Semiannual actuarial studies of MMIF during periods of capital depletion.
- Sec. 6. Delegation of FHA insuring authority.
- Sec. 7. Authority to terminate FHA mortgage origination and underwriting approval.

- Sec. 8. Authorization to participate in the origination of FHA-insured loans.
- Sec. 9. Reporting of mortgagee actions taken against other mortgagees.
- Sec. 10. Default and origination information by loan servicer and originating direct endorsement lender.
- Sec. 11. Deputy Assistant Secretary of FHA for Risk Management and Regulatory Affairs.
- Sec. 12. Establishment of Chief Risk Officer for GNMA.
- Sec. 13. Report on mortgage servicers.
- Sec. 14. FHA emergency capital plan.
- Sec. 15. FHA safety and soundness review.
- Sec. 16. FHA disclosure standards.
- Sec. 17. Report on streamlining FHA programs.
- Sec. 18. Budget compliance.

SEC. 2. FHA ANNUAL MORTGAGE INSURANCE PREMIUMS.

(a) IN GENERAL.—Subparagraph (B) of section 203(c)(2) of the National Housing Act (12 U.S.C. 1709(c)(2)(B)) is amended—

(1) in the matter preceding clause (i)—
(A) by striking “may” and inserting “shall”;

(B) by striking “not exceeding 1.5 percent” and inserting “not less than 0.55 percent”;

and
(C) by inserting “and not exceeding 2.0 percent of such remaining insured principal balance” before “for the following periods.”;

and
(2) in clause (ii), by striking “1.55 percent” and inserting “2.05 percent”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect upon the expiration of the 6-month period beginning on the date of the enactment of this Act.

SEC. 3. INDEMNIFICATION BY FHA MORTGAGEES.

Section 202 of the National Housing Act (12 U.S.C. 1708) is amended by adding at the end the following new subsection:

“(i) INDEMNIFICATION BY MORTGAGEES.—

“(1) IN GENERAL.—If the Secretary determines that the mortgagee knew, or should have known, of a serious or material violation of the requirements established by the Secretary with respect to a mortgage executed by a mortgagee approved by the Secretary under the direct endorsement program or insured by a mortgagee pursuant to the delegation of authority under section 256 such that the mortgage loan should not have been approved and endorsed for insurance, and the Secretary pays an insurance claim with respect to the mortgage within a reasonable period specified by the Secretary, the Secretary may require the mortgagee approved by the Secretary under the direct endorsement program or the mortgagee delegated authority under section 256 to indemnify the Secretary for the loss, irrespective of whether the violation caused the mortgage default.

“(2) FRAUD OR MISREPRESENTATION.—If fraud or misrepresentation was involved in connection with the origination or underwriting and the Secretary determines that the mortgagee knew or should have known of the fraud or misrepresentation, the Secretary shall require the mortgagee approved by the Secretary under the direct endorsement program or the mortgagee delegated authority under section 256 to indemnify the Secretary for the loss regardless of when an insurance claim is paid.

“(3) APPEALS PROCESS.—The Secretary shall, by regulation, establish an appeals process for mortgagees to appeal indemnification determinations made pursuant to paragraph (1) or (2).

“(4) REQUIREMENTS AND PROCEDURES.—The Secretary shall issue regulations establishing appropriate requirements and procedures governing the indemnification of the