

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.

□ 1640

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

Secretary by the mortgagee, including public reporting on—

“(A) the number of loans that—

“(i) were not originated or underwritten in accordance with the requirements established by the Secretary; and

“(ii) involved fraud or misrepresentation in connection with the origination or underwriting; and

“(B) the financial impact on the Mutual Mortgage Insurance Fund when indemnification is required.”.

#### SEC. 4. EARLY PERIOD DELINQUENCIES.

Subsection (a) of section 202 of the National Housing Act (12 U.S.C. 1708(a)) is amended by adding at the end the following new paragraphs:

“(8) PROGRAMMATIC REVIEW OF EARLY PERIOD DELINQUENCIES.—The Secretary shall establish and maintain a program—

“(A) to review the cause of each early period delinquency on a mortgage that is an obligation of the Mutual Mortgage Insurance Fund;

“(B) to require indemnification of the Secretary for a loss associated with any such early period delinquency that is the result of a material violation, as determined by the Secretary, of any provision, regulation, or other guideline established or promulgated pursuant to this title; and

“(C) to publicly report—

“(i) a summary of the results of all early period delinquencies reviewed under subparagraph (A);

“(ii) any indemnifications required under subparagraph (B); and

“(iii) the financial impact on the Mutual Mortgage Insurance Fund of any such indemnifications.

“(9) DEFINITION OF EARLY PERIOD DELINQUENCY.—For purposes of this section, the term ‘early period delinquency’ means, with respect to a mortgage, that the mortgage becomes 90 or more days delinquent within 24 months of the origination of such mortgage.”.

#### SEC. 5. SEMIANNUAL ACTUARIAL STUDIES OF MMIF DURING PERIODS OF CAPITAL DEPLETION.

(a) IN GENERAL.—Paragraph (4) of section 202(a) of the National Housing Act (12 U.S.C. 1708(a)(4)) is amended—

(1) in the first sentence, by inserting “except as provided in subparagraph (B),” after “to be conducted annually.”;

(2) in the second sentence, by inserting “, except as provided in subparagraph (B),” after “annually.”;

(3) by striking the paragraph designation and heading and all that follows through “The Secretary shall provide” and inserting the following:

“(4) INDEPENDENT ACTUARIAL STUDY.—

“(A) ANNUAL STUDY.—The Secretary shall provide”; and

(4) by adding at the end the following new subparagraph:

“(B) SEMIANNUAL STUDIES DURING PERIODS OF CAPITAL DEPLETION.—During any period that the Fund fails to maintain sufficient capital to comply with the capital ratio requirement under section 205(f)(2)—

“(i) the independent study required by subparagraph (A) shall be conducted semiannually and shall analyze the financial position of the Fund as of September 30 and March 31 of each fiscal year during such period; and

“(ii) the Secretary shall submit a report meeting the requirements of subparagraph (A) for each such semiannual study.”.

(b) ANALYSIS OF QUARTERLY ACTUARIAL STUDIES.—The Secretary of Housing and Urban Development shall conduct an analysis of the cost and feasibility of providing for an independent actuarial study of the Mutual Mortgage Insurance Fund on a cal-

endar quarterly basis, which shall compare the cost and feasibility of conducting such a study on a quarterly basis as compared to a semi-annual basis and shall determine whether such an actuarial study can be conducted on a quarterly basis without substantial additional costs to the taxpayers. Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary shall submit a report to the Congress setting forth the findings and conclusion of the analysis conducted pursuant to this subsection.

#### SEC. 6. DELEGATION OF FHA INSURING AUTHORITY.

Section 256 of the National Housing Act (12 U.S.C. 1715z–21) is amended—

(1) by striking subsection (c);

(2) in subsection (e), by striking “, including” and all that follows through “by the mortgagee”; and

(3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

#### SEC. 7. AUTHORITY TO TERMINATE FHA MORTGAGE ORIGINATION AND UNDERWRITING APPROVAL.

Section 533 of the National Housing Act (12 U.S.C. 1735f–11) is amended—

(1) in the first sentence of subsection (b), by inserting “or areas or on a nationwide basis” after “area” each place such term appears; and

(2) in subsection (c), by striking “(c)” and all that follows through “The Secretary” in the first sentence of paragraph (2) and inserting the following:

“(c) TERMINATION OF MORTGAGEE ORIGINATION AND UNDERWRITING APPROVAL.—

“(1) TERMINATION AUTHORITY.—If the Secretary determines, under the comparison provided in subsection (b), that a mortgagee has a rate of early defaults and claims that is excessive, the Secretary may terminate the approval of the mortgagee to originate or underwrite single family mortgages for any area, or areas, or on a nationwide basis, notwithstanding section 202(c) of this Act.

“(2) PROCEDURE.—The Secretary.”.

#### SEC. 8. AUTHORIZATION TO PARTICIPATE IN THE ORIGINATION OF FHA-INSURED LOANS.

(a) SINGLE FAMILY MORTGAGES.—Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) is amended by striking paragraph (1) and inserting the following new paragraph:

“(1) Have been made to a mortgagee approved by the Secretary or to a person or entity authorized by the Secretary under section 202(d)(1) to participate in the origination of the mortgage, and be held by a mortgagee approved by the Secretary as responsible and able to service the mortgage properly.”.

(b) HOME EQUITY CONVERSION MORTGAGES.—Section 255(d) of the National Housing Act (12 U.S.C. 1715z–20(d)) is amended by striking paragraph (1) and inserting the following new paragraph:

“(1) have been originated by a mortgagee approved by, or by a person or entity authorized under section 202(d)(1) to participate in the origination by, the Secretary.”.

#### SEC. 9. REPORTING OF MORTGAGEE ACTIONS TAKEN AGAINST OTHER MORTGAGEES.

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

“(j) NOTIFICATION OF MORTGAGEE ACTIONS.—The Secretary shall require each mortgagee, as a condition for approval by the Secretary to originate or underwrite mortgages on single family or multifamily housing that are insured by the Secretary, if such mortgagee engages in the purchase of mortgages insured by the Secretary and

originated by other mortgagees or in the purchase of the servicing rights to such mortgages, and such mortgagee at any time takes action to terminate or discontinue such purchases from another mortgagee based on any determination or evidence of fraud or material misrepresentation in connection with the origination of such mortgages, to notify the Secretary of the action taken and the reasons for such action not later than 15 days after taking such action.”.

#### SEC. 10. DEFAULT AND ORIGINATION INFORMATION BY LOAN SERVICER AND ORIGINATING DIRECT ENDORSEMENT LENDER.

(a) COLLECTION OF INFORMATION.—Paragraph (2) of section 540(b) of the National Housing Act (12 U.S.C. 1712 U.S.C. 1735f–18(b)(2)) is amended by adding at the end the following new subparagraph:

“(C) For each entity that services insured mortgages, data on the number of claims paid to each servicing mortgagee during each calendar quarter occurring during the applicable collection period.”.

(b) APPLICABILITY.—Information described in subparagraph (C) of section 540(b)(2) of the National Housing Act, as added by subsection (a) of this section, shall first be made available under such section 540 for the applicable collection period (as such term is defined in such section) relating to the first calendar quarter ending after the expiration of the 12-month period that begins on the date of the enactment of this Act.

#### SEC. 11. DEPUTY ASSISTANT SECRETARY OF FHA FOR RISK MANAGEMENT AND REGULATORY AFFAIRS.

(a) ESTABLISHMENT OF POSITION.—Subsection (b) of section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533(b)) is amended—

(1) by inserting “(1)” after “(b)”;

(2) by adding at the end the following new paragraph:

“(2) There shall be in the Department, within the Federal Housing Administration, a Deputy Assistant Secretary for Risk Management and Regulatory Affairs, who shall be appointed by the Secretary and shall be responsible to the Federal Housing Commissioner for all matters relating to managing and mitigating risk to the mortgage insurance funds of the Department and ensuring the performance of mortgages insured by the Department.”.

(b) TERMINATION.—Upon the appointment of the initial Deputy Assistant Secretary for Risk Management and Regulatory Affairs pursuant to section 4(b)(2) of the Department of Housing and Urban Development Act, as amended by subsection (a) of this section, the position of chief risk officer within the Federal Housing Administration, filled by appointment by the Federal Housing Commissioner, is abolished.

#### SEC. 12. ESTABLISHMENT OF CHIEF RISK OFFICER FOR GNMA.

Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding after subsection (g), as added by section 1442 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111–203; 124 Stat. 2163), the following new subsection:

“(h) There shall be in the Department a Chief Risk Officer for the Government National Mortgage Association, who shall—

“(1) be designated by the Secretary;

“(2) be responsible to the President of the Association for all matters related to evaluating, managing, and mitigating risk to the programs of the Association;

“(3) be in the competitive service or the senior executive service;

“(4) be a career appointee;

“(5) be designated from among individuals who possess demonstrated ability in general

management of, and knowledge of and extensive practical experience in risk evaluation practices in large governmental or business entities; and

“(6) shall not be required to obtain the prior approval, comment, or review of any officer or agency of the United States before submitting to the Congress, or any committee or subcommittee thereof, any reports, recommendations, testimony, or comments if such submission include a statement indicating that the views expressed therein are those of the Chief Risk Officer of the Association and do not necessarily represent the views of the Secretary.”.

### SEC. 13. REPORT ON MORTGAGE SERVICERS.

(a) EXAMINATION.—The Secretary of Housing and Urban Development shall conduct an examination into mortgage servicer compliance with the loan servicing, loss mitigation, and insurance claim submission guidelines of the FHA mortgage insurance programs under the National Housing Act (12 U.S.C. 1701 et seq.), and an estimate of the annual costs to the Mutual Mortgage Insurance Fund, since 2008, resulting from any failures by mortgage servicers to comply with such guidelines.

(b) REPORT.—Not later than the expiration of the 120-day period that begins upon the date of the enactment of this Act, the Secretary shall submit a report to the Congress on the results of the examination conducted pursuant to subsection (a), including recommendations for any administrative and legislative actions to improve mortgage servicer compliance with the guidelines referred to in subsection (a).

### SEC. 14. FHA EMERGENCY CAPITAL PLAN.

(a) ESTABLISHMENT.—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall develop, submit to the Congress, and commence implementation of an emergency capital plan for the restoration of the fiscal solvency of the Mutual Mortgage Insurance Fund (in this section referred to as the “Fund”).

(b) CONTENTS.—The emergency capital plan developed pursuant to this section shall—

(1) provide a detailed explanation of the processes and controls by which amounts of capital that are assets of the Fund are monitored and tracked;

(2) establish a plan to ensure the financial safety and soundness of the Fund that avoids the need for borrowing amounts from the Treasury of the United States to meet obligations of the Fund; and

(3) describe the procedure by which, if necessary, any amounts from the Treasury needed to meet obligations of the Fund will be obtained from the Treasury.

#### (c) MONTHLY REPORTS.—

(1) REPORTS.—Subject to paragraph (3), upon the conclusion of each calendar month ending after the 14-day period that begins on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a report assessing the financial status of the Fund at the conclusion of such month and setting forth the information described in paragraph (2).

(2) CONTENTS.—Each report required under paragraph (1) for a month shall contain the following information regarding the Fund as of the conclusion of such month:

(A) The number of mortgages that are obligations of the Fund that are 60 or more days delinquent, the expected losses to the Fund associated with such delinquent mortgages, and the methodology used to make such calculation.

(B) The number of mortgages that are obligations of the Fund that have a loan-to-value ratio at the time of origination that is

less than 80 percent and the percentage of all mortgages that are obligations of the Fund having such a ratio.

(C) The number of mortgages that are obligations of the Fund that had an original principal obligation exceeding 125 percent of the median house price, for a home of the size of the residence subject to the mortgage, for the area in which such residence is located, and the percentage of all mortgages that are obligations of the Fund having such an original principal obligation.

(D) The number of mortgages that are obligations of the Fund for which the mortgagor's income at the time of origination of the mortgage is greater than the median income for the area in which the residence subject to the mortgage is located, and the percentage of all mortgages that are obligations of the Fund for which the mortgagor has such an income.

(E) The balances for the financing and capital reserve accounts of the Fund.

(F) Any actions taken during such month to help ensure the financial soundness of the Fund and compliance with section 205(f) of the National Housing Act (12 U.S.C. 1711(f); relating to a capital ratio requirement).

(3) TERMINATION OF REPORTING REQUIREMENT.—The requirement to submit reports under paragraph (1) shall terminate on the first date after the date of the enactment of this Act that the Fund attains a capital ratio (as such term is defined in section 205(f)(3) of the National Housing Act) of 2.0 percent.

### SEC. 15. FHA SAFETY AND SOUNDNESS REVIEW.

(a) REVIEW.—The Comptroller General of the United States shall provide for an independent third party to—

(1) conduct a one-time review of the mortgage insurance programs and funds of the Secretary of Housing and Urban Development that shall determine, as of the time of such review—

(A) the financial safety and soundness of such programs and funds; and

(B) the extent of loan loss reserves and capital adequacy of such programs and funds; and

(2) to submit a report under subsection (b). Such review shall be conducted in accordance with generally accepted accounting principles applicable to the private sector and Federal entities.

(b) REPORT.—The report under this subsection shall describe the methodology and standards used to conduct the review under subsection (a)(1), set forth the results and findings of the review, including the extent of loan loss reserves and capital adequacy of the mortgage insurance programs and funds of the Secretary of Housing and Urban Development, and include recommendations regarding restoring such reserves and capital to maintain such programs and funds in a safe and sound condition.

(c) TIMING.—The review required under subsection (a) shall be completed, and the report required under subsection (b) shall be submitted, not later than the expiration of the 60-day period beginning on the date of the enactment of this Act.

(d) RULE OF CONSTRUCTION.—Nothing in this section may be construed to alter or affect, or exempt the Secretary of Housing and Urban Development from complying with, any laws, regulations, or guidance relating to preparation or submission of budgets or audits or financial or management statements or reports.

### SEC. 16. FHA DISCLOSURE STANDARDS.

Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall review and revise all standards and requirements relating

to disclosure of information regarding the mortgage insurance programs and funds, including actuarial studies conducted under section 202(a)(4) of the National Housing Act (12 U.S.C. 1708(a)(4)), quarterly reports under section 202(a)(5) of such Act, and annual audited financial statements under section 538 of such Act (12 U.S.C. 1735f-16), to ensure that, after the date of the enactment of this Act, such disclosures—

(1) provide meaningful financial and other information that is timely, comprehensive, and accurate;

(2) do not contain any material misstatements or misrepresentations;

(3) make available all relevant information; and

(4) prohibit material omissions that make the contents of the disclosure misleading.

### SEC. 17. REPORT ON STREAMLINING FHA PROGRAMS.

(a) EXAMINATION.—The Secretary of Housing and Urban Development shall conduct an examination of the mortgage insurance and any other programs of the Federal Housing Administration to identify—

(1) the level of use and need for such programs;

(2) any such programs that are unused or underused; and

(3) methods for streamlining, consolidating, simplifying, increasing the efficiency of, and reducing the number of such programs.

(b) REPORT.—Not later than the expiration of the 12-month period that begins upon the date of the enactment of this Act, the Secretary shall submit a report to the Congress on the results of the examination conducted pursuant to subsection (a), including recommendations for any administrative and legislative actions to streamline, consolidate, simplify, increase the efficiency of, and reduce the number of such programs.

### SEC. 18. BUDGET COMPLIANCE.

The Secretary of Housing and Urban Development shall allocate \$2,500,000 from the account for Administrative Contract Expenses each fiscal year through September 30, 2017, which amounts shall be available only for the purposes of this Act and the amendments made by this Act, including such additional actuarial reviews as may be required by section 5 of this Act and the amendments made by such section.

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 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.

Mr. Speaker, H.R. 4264, the FHA Emergency Fiscal Solvency Act of 2012, will provide the tools necessary to ensure the financial soundness of the Federal Housing Administration, or FHA. Right now, FHA is well below its mandatory 2 percent capital reserve with only .24 percent to cover losses.

The administration's fiscal year 2013 budget recently admitted that the FHA

may need a \$688 million taxpayer bailout because of the depleted capital reserve fund. Last Friday, September 7, HUD issued its FHA quarterly report, which said that it anticipates increased foreclosures, claim activity, and related expenditures.

The FHA has had an abysmal fiscal track record and, to top it off, recent data furnished by the GAO confirmed that the FHA represents about 75 percent of the insured mortgage market. FHA is a government program that has put taxpayers at significant risk and flies in the face of private capital returning to the housing financial market.

The FHA Emergency Fiscal Solvency Act will provide FHA with the tools that it needs to shore up the program, lower the program's risk, and reduce taxpayers' liabilities.

The bill would establish for the first time a minimum annual premium of 55 basis points and allow FHA to charge up to 2.05 percent. It would strengthen FHA's ability to recoup losses from lenders for fraudulent, misrepresented and early delinquent loans, and it would allow FHA on a nationwide basis to terminate bad lenders. It also codifies the position of FHA Deputy Assistant Secretary for Risk and establishes a chief risk officer for Ginnie Mae.

These are commonsense targeted changes that would ensure accountability and financial stability within the FHA. On March 27, the Financial Services Committee unanimously passed this bill, and I would urge my colleagues to support H.R. 4264.

I reserve the balance of my time.

Ms. MOORE. Mr. Speaker, I believe that H.R. 4264 will further strengthen and protect the MMI fund, and I would urge all Members to adopt this resolution.

I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Illinois (Mrs. BIGGERT) that the House suspend the rules and pass the bill, H.R. 4264, as amended.

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.

# LIONS CLUBS INTERNATIONAL CENTURY OF SERVICE COMMEMORATIVE COIN ACT

Mr. DOLD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2139) to require the Secretary of the Treasury to mint coins in commemoration of the centennial of the

establishment of Lions Clubs International, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2139

*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 "Lions Clubs International Century of Service Commemorative Coin Act".

## SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Lions Clubs International is the world's largest service club organization founded in 1917 by Chicago business leader Melvin Jones. Lions Clubs International empowers volunteers to serve their communities, meet humanitarian needs, encourage peace and promote international understanding through Lions clubs.

(2) Today, Lions Clubs International has over 1.35 million members in more than 45,000 clubs globally, extending its mission of service throughout the world every day.

(3) In 1945, Lions Clubs International became one of the first nongovernmental organizations invited to assist in drafting the United Nations Charter and has enjoyed a special relationship with the United Nations ever since.

(4) In 1968, Lions Clubs International Foundation was established to assist with global and large-scale local humanitarian projects and has since then awarded more than \$700 million to fund five unique areas of service: preserving sight, combating disability, promoting health, serving youth and providing disaster relief.

(5) In 1990, the Lions Clubs International Foundation launched the SightFirst program to build comprehensive eye care systems to fight the major causes of blindness and care for the blind or visually impaired. Thanks to the generosity of Lions worldwide, over \$415 million has been raised, resulting in the prevention of serious vision loss in 30 million people and improved eye care for hundreds of millions of people.

(6) On June 7, 2017, Lions Clubs International will celebrate 100 years of community service to men, women, and children in need throughout the world.

## SEC. 3. COIN SPECIFICATIONS.

(a) \$1 SILVER COINS.—The Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall mint and issue not more than 400,000 \$1 coins in commemoration of the centennial of the founding of the Lions Clubs International, each of which shall—

- (1) weigh 26.73 grams;
- (2) have a diameter of 1.500 inches; and
- (3) contain 90 percent silver and 10 percent copper.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136 of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

## SEC. 4. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this Act shall be emblematic of the centennial of the Lions Clubs International.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this Act, there shall be—

- (A) a designation of the value of the coin;
- (B) an inscription of the year "2017"; and

(C) inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b) SELECTION.—The design for the coins minted under this Act shall be—

(1) chosen by the Secretary after consultation with Lions Clubs International Special Centennial Planning Committee and the Commission of Fine Arts; and

(2) reviewed by the Citizens Coinage Advisory Committee.

## SEC. 5. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act shall be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—Only one facility of the United States Mint may be used to strike any particular quality of the coins minted under this Act.

(c) PERIOD FOR ISSUANCE.—The Secretary may issue coins under this Act only during the calendar year beginning on January 1, 2017.

## SEC. 6. SALE OF COINS.

(a) SALE PRICE.—The coins issued under this Act shall be sold by the Secretary at a price equal to the sum of—

- (1) the face value of the coins;
- (2) the surcharge provided in section 7 with respect to such coins; and

(3) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this Act at a reasonable discount.

(c) PREPAID ORDERS.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this Act before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

## SEC. 7. SURCHARGES.

(a) IN GENERAL.—All sales of coins issued under this Act shall include a surcharge of \$10 per coin.

(b) DISTRIBUTION.—Subject to section 5134(f) of title 31, United States Code, all surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the Lions Clubs International Foundation for the purposes of—

(1) furthering its programs for the blind and visually impaired in the United States and abroad;

(2) investing in adaptive technologies for the disabled; and

(3) investing in youth and those affected by a major disaster.

(c) AUDITS.—The Lions Clubs International Foundation shall be subject to the audit requirements of section 5134(f)(2) of title 31, United States Code, with regard to the amounts received under subsection (b).

(d) LIMITATION.—Notwithstanding subsection (a), no surcharge may be included with respect to the issuance under this Act of any coin during a calendar year if, as of the time of such issuance, the issuance of such coin would result in the number of commemorative coin programs issued during such year to exceed the annual 2 commemorative coin program issuance limitation under section 5112(m)(1) of title 31, United States Code. The Secretary may issue guidance to carry out this subsection.

## SEC. 8. FINANCIAL ASSURANCES.

The Secretary shall take such actions as may be necessary to ensure that—

(1) minting and issuing coins under this Act will not result in any net cost to the United States Government; and

(2) no funds, including applicable surcharges, shall be disbursed to any recipient