

# IN RECOGNITION OF THE OUTSTANDING STUDENTS FROM MORNINGSIDE MIDDLE SCHOOL

(Mr. VEASEY asked and was given permission to address the House for 1 minute.)

Mr. VEASEY. Madam Speaker, I rise today to congratulate eight outstanding students in southeast Fort Worth that attend Morningside Middle School in Fort Worth, Texas. Lexi Stanford, Tomas Altamirano, Alex Delgadillo, Carei Frank, Yontrell George, Jennifer Huynh, Adair Medina, and Paola Rios were all contenders in the Junior National Academic Championship.

This is the first time that students from the 33rd Congressional District's Morningside Middle School participated in the qualifying competition, nicknamed the "Whiz Quiz" competition and also the GE College Bowl, which has been a tradition in the Fort Worth Independent School District since 1978. This challenge of knowledge requires middle school and high school academic teams to accurately answer brain-stretching questions faster than their opponents.

On May 31, these eight students traveled to Washington to compete against other schools across the Nation in the larger Junior National Academic Championship. I would once again like to commend these students on a job well-done and encourage them to continue excelling in their academic pursuits.

## REPUBLICAN SOLUTIONS FOR JOBS

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Madam Speaker, according to last week's jobs report, nearly 12 million Americans—12 million of our fellow citizens—are out of work. That's simply unacceptable.

The American people deserve better than a constant parade of job-destroying regulations coming out of Washington. They deserve better than a government that continues to spend us further into debt.

The American people deserve solutions that will create jobs today, and that's what the House Republican plan is all about. We have a plan to grow our economy and secure the future for all Americans, to expand opportunity, not government.

We want to rein in massive government spending and reform the Tax Code to make it simpler and fairer for all Americans. That's the House Republican plan. It's one of growth, prosperity, and unlimited opportunities for all Americans.

## REPUBLICAN SOLUTIONS FOR JOBS

(Mr. HULTGREN asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. HULTGREN. Madam Speaker, can you blame the American people for being dissatisfied with Washington? The most crucial issue facing our country is the need to create jobs and grow our economy, but what do the American people see? A government run amok.

House Republicans know how important it is to hold the government accountable to the people. After all, that's where power comes from in a democracy. And we know that we can't grow our economy with massive, bloated bureaucracy standing in the way.

House Republicans are committed to clearing out the underbrush, cutting waste, and fixing broken government. It's our constitutional duty to provide effective oversight of the executive branch, and that's just what we're going to do. That's how we secure a good future for all Americans.

## REPUBLICAN SOLUTIONS FOR JOBS

(Mr. HENSARLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENSARLING. Madam Speaker, regrettably for the American people, they see a nonrecovery recovery. Millions of our fellow citizens remain unemployed and underemployed. That's why House Republicans are working to make the Tax Code fairer, flatter, simpler, more competitive, so America can go back to work, but so far we're hearing silence from the White House. We want red tape reform. That is strangling small business people.

Madam Speaker, I heard one small business person in my district say, "It's just like the Federal Government doesn't want me to succeed." We need to unchain them. We need to cut the red tape and allow them to create jobs.

Finally, the Affordable Care Act is not affordable for our American citizens. It is not affordable to small businesses. It is harming job creation and costing trillions of dollars and potentially millions of jobs. Republicans want to repeal it.

This is an agenda to help create jobs for America when Americans need growth, hope, and opportunity.

## STUDENT LOAN RATE HIKES

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Madam Speaker, on July 1 of this year, student loan interest rates are set to double.

This doesn't have to happen, though, and it won't if President Obama and Senate Democrats choose to work with House Republicans on a bipartisan solution.

Unlike the Senate, the House of Representatives successfully acted to stop the unnecessary rate double. The Presi-

dent and Senate should follow our bipartisan example and build off the Smarter Solutions for Students Act.

Despite the White House whiplash on this issue, our legislation is very similar to President Obama's own budget proposal. It will prevent rates from doubling, allowing students to benefit from low rates and protect low- and middle-income students.

The House acted in a way that satisfies the President's original criteria for a long-term, market-based plan. We welcome the Senate to get on board.

Preserving this problem just to be able to campaign on the issue year after year would be a true disservice to every student and taxpayer.

□ 1230

## ELECTING CERTAIN MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE OF REPRESENTATIVES

Ms. FOXX. Madam Speaker, by direction of the House Republican Conference, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 257

*Resolved*, That the following named Members be, and are hereby, elected to the following standing committees of the House of Representatives:

COMMITTEE ON HOMELAND SECURITY: Mr. Sanford.

COMMITTEE ON THE JUDICIARY: Mr. Smith of Missouri.

COMMITTEE ON NATURAL RESOURCES: Mr. Smith of Missouri.

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY: Mr. Collins of New York.

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE: Mr. Sanford.

Ms. FOXX (during the reading). Madam Speaker, I ask unanimous consent that the resolution be considered as read.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later today.

## REVERSE MORTGAGE STABILIZATION ACT OF 2013

Mr. HENSARLING. Madam Speaker, I move to suspend the rules and pass

the bill (H.R. 2167) to authorize the Secretary of Housing and Urban Development to establish additional requirements to improve the fiscal safety and soundness of the home equity conversion mortgage insurance program.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2167

*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 “Reverse Mortgage Stabilization Act of 2013”.

#### SEC. 2. ADDITIONAL SAFETY AND SOUNDNESS REQUIREMENTS FOR HOME EQUITY CONVERSION MORTGAGE INSURANCE PROGRAM.

Subsection (h) of section 255 of the National Housing Act (12 U.S.C. 1715z–20(h)) is amended—

(1) in paragraph (1), by striking “and” at the end;

(2) in paragraph (2), by striking the period at the end and inserting “; and”; and

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

“(3) establish, by notice or mortgagee letter, any additional or alternative requirements that the Secretary, in the Secretary’s discretion, determines are necessary to improve the fiscal safety and soundness of the program authorized by this section, which requirements shall take effect upon issuance.”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. HENSARLING) and the gentleman from Washington (Mr. HECK) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

#### GENERAL LEAVE

Mr. HENSARLING. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and submit extraneous materials for the RECORD on H.R. 2167 currently under consideration.

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

There was no objection.

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

Madam Speaker, I rise in support of the bipartisan H.R. 2167, the Reverse Mortgage Stabilization Act of 2013, introduced by our colleagues, Mr. HECK of Washington and Mr. FITZPATRICK of Pennsylvania.

H.R. 2167 provides authority to the Secretary of Housing and Urban Development to make administrative and policy changes to the FHA’s Home Equity Conversion Mortgage Program through a mortgagee letter rather than the arduous 18-month regulatory process. The bill sets conditions that FHA can only use this new authority when immediate changes are necessary to improve the fiscal safety and soundness of the program. And, Madam Speaker, immediate changes that improve the fiscal safety and soundness of this program are exactly what is needed.

In our efforts in this Congress and on the Financial Services Committee to

help create a sustainable and competitive housing finance system for Americans, our committee and its Housing and Insurance Subcommittee have held a series of hearings this year on the financial problems at the FHA.

In its current form, FHA is most definitely an impediment to a sustainable and competitive housing finance system. Because of this, the Financial Services Committee has been working to examine needed reforms to FHA, reforms that go beyond its fiscal solvency and address serious structural flaws at the FHA.

There is one thing that we know for certain about FHA: the FHA is not just broke; regrettably, it is bailout broke. This is not just my conclusion; it is the conclusion of the annual independent actuarial study of the FHA’s Mutual Mortgage Insurance Fund—the government fund that insures the FHA’s single-family mortgages. This actuarial study shows us “the economic value of the fund as of FY 2012 is negative \$13.48 billion.”

The same actuarial report states that the economic value of the Home Equity Conversion Mortgage portion of the fund—which H.R. 2167 addresses—is “negative \$2.8 billion.” Again, bailout broke.

Madam Speaker, H.R. 2167, which has strong bipartisan support, is a first and modest step in stemming substantial losses from FHA. It provides the tools needed to allow the agency to immediately address serious and significant flaws with its Home Equity Conversion Mortgage Program that threaten hard-working taxpayers with being forced to fund yet another Washington bailout.

That’s why, Madam Speaker, I urge the passage of H.R. 2167 today. The Secretary of HUD has testified that HUD needs this authority from Congress to make immediate changes. As I said, without H.R. 2167, it could take up to 18 months for these vital, needed changes to be made, during which the FHA would continue to lose money.

I thank the bipartisan supporters and authors of this bill for their leadership and for their support in order to help protect taxpayers and improve and reform the FHA program.

I reserve the balance of my time.

Mr. HECK of Washington. Madam Speaker, I yield myself such time as I may consume.

I would like to begin by reciprocating and thanking the gentleman from Texas for his leadership on this issue, and perhaps as notably the gentleman from Pennsylvania for his leadership and cooperation and collaboration in helping to solve this important problem. I thank you, sir. And, more importantly, I thank you on behalf of the many people who will benefit as a result of our action here today.

Madam Speaker, currently the Federal Housing Administration underwrites 100 percent of all reverse mortgages. Let me say that again. The Federal Housing Administration underwrites 100 percent of all reverse mort-

gages, and that is a program that is deeply troubled, as enumerated by the capable chair of the Financial Services Committee.

And so if you believe, as I do, that reverse mortgages are a financial product that actually ought to be available to some people, but under appropriate circumstances and conditions, it’s all the more important that we enact H.R. 2167 today, and not just because TV pitchmen—let’s see if I can name them all—James Garner, Henry “the Fonz” Winkler, Fred Dalton Thompson, Pat Boone, and Robert Wagner—entreat our elderly to do so, but because this legislation is very important.

So the question is, as with all legislation: What’s the problem? There’s probably no better statement of the problem than is represented in this chart which says that 7 percent of the FHA’s portfolio is related to reverse mortgages, but 17 percent of their portfolio that is underwater is attributable to reverse mortgages. That is a stark, salient representation of why this legislation is needed.

I might add, frankly, that if you were to compare reverse mortgages across all, just the going forward, 30-year fixed mortgage market, it would be even more stark. This is against all products.

So what’s the solution? As the chair indicated, it is to give the FHA the authority through mortgagee letter to adopt certain reforms. The alternative is to wait and to endure the arduous rulemaking process.

I had an agency in the office the other day for which I had a problem, and I sought a solution through the rulemaking process. I asked them, what’s the minimum amount of time that would be required for adoption of rules, and they indicated the best of circumstances would be 18 months—sighed, paused—then said more like 24 to 36 months. We can’t wait that long, Madam Speaker.

So what are those reforms that are likely to be adopted via mortgagee letter at the FHA? I think most notably, it would require a financial assessment of potential borrowers to ensure that this financial product is suitable for them. There are others as well. It may reduce the amount of funds granted up front to the borrower, and it may require escrow for provision of payment of taxes and insurance, something that is not uncommon in the mortgage industry.

But the financial assessment portion that very well may ensue as a result of passage of this legislation, it’s important to note that that is a tool and technique used by the VA when it underwrites reverse mortgages. Let me say that again. The VA uses this tool to underwrite reverse mortgages. And how much of a problem does the VA have with reverse mortgages? Zero. Zero.

So we know with a virtual certainty that this solution which the gentleman from Pennsylvania and I bring to you today will solve the problem.

Finally, let me just say this is a twofer. We don't often get the opportunity for a twofer. This will extend some consumer protection insofar as there are consumers who will not purchase or who will purchase under different terms and conditions this product in a way that will not render them at risk as they are today. And secondly, it will inarguably improve the portfolio of the FHA. So, ladies and gentlemen, I entreat you to vote "yes," and I thank once again both the chair of the committee and the gentleman from Pennsylvania.

I reserve the balance of my time.

Mr. HENSARLING. Madam Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. FITZPATRICK), the vice chair of our Oversight and Investigations Subcommittee, and the lead cosponsor of this bill.

□ 1240

Mr. FITZPATRICK. Madam Speaker, I rise in support of H.R. 2167, a bill that I was very happy to work on with the gentleman from Washington. It's an example of us able to work in a bipartisan way on important legislation that will, in fact, institute good, commonsense reforms on an important program for America's seniors.

This bill is very simple. It allows HUD to institute some needed reforms to the Home Equity Conversion Mortgage Program, better known as reverse mortgages, using an expedited process. The legislation requires that any changes to the program being made using the authority contained in this act must be done to improve the fiscal safety and soundness of the reverse mortgage program.

There is concern on both sides of the aisle about the financial health of FHA. Last November, FHA released its annual report to Congress on the financial status of the Mutual Mortgage Insurance Fund. There are some significant shortfalls, and the Financial Services Committee and the chairman have been diligently examining the problems there and what actions that Congress may need to take.

The Home Equity Conversion Mortgage Program is one of those areas that must be reformed, and this bill is going to help the HUD Secretary take some critical steps to ensure the long-term stability of that program.

Madam Speaker, it is important that we make improvements to FHA's HECM program to ensure that reverse mortgages remain an option for seniors. When used appropriately, a reverse mortgage can help seniors pay off debts; deal with unexpected expenses, including health emergencies; and improve or maintain quality of life.

It can be an important financial tool for folks like Robert and Fran Ciaccia of Bristol Township in my district who, because of this program, had access to equity that they used to make their lives and their retirement better—their lives, Robert and Fran, and the lives of countless seniors throughout Pennsylv-

vania that I've spoken to who were able to maintain their home and stay in their home well into their retirement years when they had no other options to do so.

FHA insurance makes these products widely available, while protecting against predatory practices. By using the authority granted in this act, the Secretary of HUD has suggested reforms that protect taxpayers by making the HECM program more fiscally sound, while increasing consumer protections for seniors who may want to take advantage of a reverse mortgage.

So, Madam Speaker, I urge my colleagues to support the legislation. I appreciate the opportunity to work with the gentleman from Washington on this bill.

Mr. HECK of Washington. Madam Speaker, I yield back the balance of my time.

Mr. HENSARLING. Madam Speaker, I'm ready to close. I just simply want to thank my two colleagues for their bipartisan leadership on this bill, something that is going to be very important to sustainable housing, the fiscal sanity of the FHA, and for a number of our consumers as well. I urge the House to adopt the bill.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. HENSARLING) that the House suspend the rules and pass the bill, H.R. 2167.

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

A motion to reconsider was laid on the table.

## BUSINESS RISK MITIGATION AND PRICE STABILIZATION ACT OF 2013

Mr. HENSARLING. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 634) to provide end user exemptions from certain provisions of the Commodity Exchange Act and the Securities Exchange Act of 1934, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 634

*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 "Business Risk Mitigation and Price Stabilization Act of 2013".

### SEC. 2. MARGIN REQUIREMENTS.

(a) COMMODITY EXCHANGE ACT AMENDMENT.—Section 4s(e) of the Commodity Exchange Act (7 U.S.C. 6s(e)), as added by section 731 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, is amended by adding at the end the following new paragraph:

"(4) APPLICABILITY WITH RESPECT TO COUNTERPARTIES.—The requirements of paragraphs (2)(A)(ii) and (2)(B)(ii), including the initial and variation margin requirements imposed by rules adopted pursuant to paragraphs (2)(A)(ii) and (2)(B)(ii), shall not apply

to a swap in which a counterparty qualifies for an exception under section 2(h)(7)(A), or an exemption issued under section 4(c)(1) from the requirements of section 2(h)(1)(A) for cooperative entities as defined in such exemption, or satisfies the criteria in section 2(h)(7)(D)."

(b) SECURITIES EXCHANGE ACT AMENDMENT.—Section 15F(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-10(e)), as added by section 764(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, is amended by adding at the end the following new paragraph:

"(4) APPLICABILITY WITH RESPECT TO COUNTERPARTIES.—The requirements of paragraphs (2)(A)(ii) and (2)(B)(ii) shall not apply to a security-based swap in which a counterparty qualifies for an exception under section 3C(g)(1) or satisfies the criteria in section 3C(g)(4)."

### SEC. 3. IMPLEMENTATION.

The amendments made by this Act to the Commodity Exchange Act shall be implemented—

(1) without regard to—

(A) chapter 35 of title 44, United States Code; and

(B) the notice and comment provisions of section 553 of title 5, United States Code;

(2) through the promulgation of an interim final rule, pursuant to which public comment will be sought before a final rule is issued; and

(3) such that paragraph (1) shall apply solely to changes to rules and regulations, or proposed rules and regulations, that are limited to and directly a consequence of such amendments.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. HENSARLING) and the gentleman from Michigan (Mr. PETERS) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

### GENERAL LEAVE

Mr. HENSARLING. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and submit extraneous materials for the RECORD on H.R. 634, as amended, currently under consideration.

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

There was no objection.

Mr. HENSARLING. Madam Speaker, I yield myself as much time as I may consume.

Madam Speaker, H.R. 634, the Business Risk Mitigation and Price Stabilization Act of 2013, is bipartisan legislation. It will help provide America's job creators with greater certainty so that they can invest more in our still-struggling economy and help create desperately needed jobs for the millions who remain either unemployed or underemployed.

Again, when our so-called recovery has produced 4 million fewer jobs than the average recovery of the last 70 years, clearly nothing is more important than finding solutions that will help grow our economy and create more and better jobs for those who need them.

Americans want and deserve a healthier economy and a more secure