

baseball team. He later graduated from Cal State Long Beach.

His professional career began at a California video security products firm, and in 1989, Ken launched his own company in Irvine, California, where he served as CEO for 26 years.

Ken is survived by his wife, Barbara; his daughters, Katie and Chrissie; his grandson, Griffin; his son-in-law, Ryan Downey; and his four siblings.

I am honored to have had the privilege of calling Ken a friend. I have very fond memories of our political discussions, and they were dynamic.

He will be deeply missed by all those who knew him, and his memory will live on.

#### DEADLY ATTACKS IN PARIS

(Mrs. DAVIS of California asked and was given permission to address the House for 1 minute.)

Mrs. DAVIS of California. Mr. Speaker, this past Friday, the world watched in horror the unfolding of the deadliest attack on French soil since World War II.

The attacks in Paris killed 129 people from 26 countries, including one American, a young student from California. To all those affected by these terrible acts, I offer my deepest sympathies.

Around the world, tragedies of this scale have become distressingly familiar, but to see one happen in a country at peace, a country with which the United States has shared such a special relationship since our founding days, hits particularly hard.

Those who carried out these horrific attacks want us to react with divisiveness and hate; in fact, they depend on it. They know they cannot survive in a world that stands united against them.

We must, of course, respond to this threat with strength. But we cannot forget our compassion toward those in France and those in the Middle East fleeing the very same dangers.

As Dr. Martin Luther King, Jr., once said: "Darkness cannot drive out darkness; only light can do that. Hate cannot drive out hate; only love can do that."

#### SUPPORT LIFESAVING CURES

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

Mr. YODER. Mr. Speaker, I rise today in support of lifesaving research at the National Institutes of Health.

As we debate the priorities for the upcoming omnibus appropriations act, one of our top initiatives must be an increase in support for research to cure and prevent disease. Cancer, Alzheimer's, Parkinson's, and more than 10,000 known diseases in our world affect millions of families throughout our country and in each and every one of our districts.

This year, 600,000 Americans will die of cancer. The best defense to saving

those lives is enhancing and supporting funding at the National Institutes of Health.

Earlier this year, we passed the 21st Century Cures Act, which increased funding for the NIH by over \$3 billion in FY 2016. Passing with 344 votes, it also had the support of both parties, including 170 Republican votes.

Now is the time to meet the moment and to increase NIH by \$3 billion in the upcoming appropriations act.

Now is also the time to send a message of hope to each and every patient waiting for a cure, that Congress hears you, and Congress is going to do everything we can to find innovative cures and treatments that can ease suffering and save lives.

#### LOCAL BUSINESSES DESERVE OUR SUPPORT

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

Mr. BLUM. Mr. Speaker, I rise today on behalf of small businesses in the United States and especially those in the First District of Iowa that I represent. As a career small businessman myself, I understand firsthand the difficulties our entrepreneurs face when starting and running a business.

Small business is the backbone of our economy and a place where the American Dream happens every day. In fact, 2 million of the roughly 3 million private sector jobs generated in 2014 were created by small businesses.

As I visit small businesses throughout the First District, I am amazed at their innovation, determination, and optimism, often in the face of government policies that make doing business most difficult.

Mr. Speaker, local business deserves our support. I encourage my colleagues in Congress, as well as my constituents, to shop local on Small Business Saturday, November 28.

I also urge my colleagues to join me in cosponsoring the Small Business Saturday Resolution to highlight the contribution small businesses make to our economy.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

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

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, November 18, 2015.

Hon. PAUL D. RYAN,  
*The Speaker, U.S. Capitol,  
House of Representatives, Washington, DC.*

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on November 18, 2015 at 9:17 a.m.:

That the Senate agreed to S.J. Res. 24.

That the Senate agreed to S.J. Res. 23.

With best wishes, I am

Sincerely,

KAREN L. HAAS.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

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

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, November 18, 2015.

Hon. PAUL D. RYAN,  
*The Speaker, U.S. Capitol,  
House of Representatives, Washington, DC.*

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on November 18, 2015 at 11:03 a.m.:

That the Senate passed with amendments H.R. 2297.

With best wishes, I am

Sincerely,

KAREN L. HAAS.

□ 1230

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

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

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, November 18, 2015.

Hon. PAUL D. RYAN,  
*The Speaker, U.S. Capitol,  
House of Representatives, Washington, DC.*

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on November 18, 2015 at 11:56 a.m.:

That the Senate disagrees to the Amendment of the House S. 1177.

And agrees to conference requested by the House Senate appoints conferees.

With best wishes, I am

Sincerely,

KAREN L. HAAS.

PROVIDING FOR CONSIDERATION OF H.R. 1210, PORTFOLIO LENDING AND MORTGAGE ACCESS ACT; PROVIDING FOR CONSIDERATION OF H.R. 3189, FED OVERSIGHT REFORM AND MODERNIZATION ACT OF 2015; AND PROVIDING FOR PROCEEDINGS DURING THE PERIOD FROM NOVEMBER 20, 2015, THROUGH NOVEMBER 27, 2015

Mr. STIVERS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 529 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 529

*Resolved*, That upon adoption of this resolution it shall be in order to consider in the House the bill (H.R. 1210) to amend the Truth in Lending Act to provide a safe harbor from certain requirements related to qualified mortgages for residential mortgage loans held on an originating depository institution's portfolio, and for other purposes. All points of order against consideration of the bill are waived. An amendment in the nature

of a substitute consisting of the text of Rules Committee Print 114-34 shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions in the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services; (2) the further amendment printed in part A of the report of the Committee on Rules accompanying this resolution, if offered by Representative Norcross of New Jersey or his designee, which shall be in order without intervention of any point of order, shall be considered as read, shall be separately debatable for 10 minutes equally divided and controlled by the proponent and an opponent, and shall not be subject to a demand for division of the question; and (3) one motion to recommit with or without instructions.

SEC. 2. At any time after adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3189) to amend the Federal Reserve Act to establish requirements for policy rules and blackout periods of the Federal Open Market Committee, to establish requirements for certain activities of the Board of Governors of the Federal Reserve System, and to amend title 31, United States Code, to reform the manner in which the Board of Governors of the Federal Reserve System is audited, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 114-35, modified by the amendment printed in part B of the report of the Committee on Rules accompanying this resolution, shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against provisions in the bill, as amended, are waived. No further amendment to the bill, as amended, shall be in order except those printed in part C of the report of the Committee on Rules. Each such further amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such further amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill, as amended, and any further amendment thereto to final passage without intervening motion except one mo-

tion to recommit with or without instructions.

SEC. 3. On any legislative day during the period from November 20, 2015, through November 27, 2015—

(a) the Journal of the proceedings of the previous day shall be considered as approved; and

(b) the Chair may at any time declare the House adjourned to meet at a date and time, within the limits of clause 4, section 5, article I of the Constitution, to be announced by the Chair in declaring the adjournment.

SEC. 4. The Speaker may appoint Members to perform the duties of the Chair for the duration of the period addressed by section 3 of this resolution as though under clause 8(a) of rule I.

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 1 hour.

Mr. STIVERS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

#### GENERAL LEAVE

Mr. STIVERS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks.

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

There was no objection.

Mr. STIVERS. Mr. Speaker, on Tuesday, the Rules Committee met and reported a rule for H.R. 1210, the Portfolio Lending and Mortgage Access Act, and H.R. 3189, the Fed Oversight Reform and Modernization Act of 2015. House Resolution 529 provides a structured rule for consideration of H.R. 1210 and H.R. 3189.

The resolution provides 1 hour of debate equally divided between the chair and ranking minority member of the Committee on Financial Services for H.R. 1210 and for H.R. 3189. The resolution provides for the consideration of one amendment to H.R. 1210 and consideration of six amendments to H.R. 3189. The resolution also provides a motion to recommit for each bill. In addition, the rule provides the normal recess authorities to allow the chair to manage pro forma sessions during next week's district work period.

Mr. Speaker, I rise today in support of the resolution and the underlying legislation.

Mr. Speaker, as you know, the 2008 financial crisis was caused, in part, by the subprime lending meltdown. Financial institutions would originate loans. They would sell off 100 percent of those loans with no skin in the game to some investment party, a third party, and they would keep their fee. But they wouldn't keep any of the risk.

This led to a lot of loans to individuals and families that had an inability to repay those loans, and that resulted in our crisis. The bottom line was these institutions had no skin in the game.

The situation became so egregious that, at one point, there was a term in

the industry called a NINJA loan. NINJA stood for no income, no job, no assets.

Borrowers across the country were being given loans by loan originators. Those originators knew they were impossible to repay, but the originators didn't care because they took their fee and had no skin in the game.

When the borrowers began to default on these loans, banks and others holding these mortgages began to lose tremendous amounts of assets, which precipitated the financial collapse.

In response, Congress passed the Dodd-Frank Act, which reforms mortgage lending and makes a lot of changes. One of those is around the ability to repay.

The Dodd-Frank statute created a category of loans called qualified mortgages that are deemed to comply with the law's ability-to-repay requirements. It provided a safe harbor from lawsuits, and it made sure that that safe harbor also covered regulatory action, provided that those loans met certain characteristics and underwriting criteria.

While it is important that we ensure the creditworthiness of potential homeowners and home buyers to avoid repeating our past mistakes, the current regulatory environment has unnecessarily restrained mortgage lending and has made it difficult for some creditworthy borrowers to obtain a loan. The bottom line of this crisis was that it was created by no skin in the game.

The Portfolio Lending and Mortgage Access Act would provide much-needed regulatory relief and allow consumers to buy a home and ensure not only that there is some skin in the game—there is 100 percent skin in the game. The banks and institutions that make these portfolio loans have 100 percent skin in the game. They lose dollar one when the loans go bad.

This bill provides that, when residential mortgages are held by that originator, the bank, if they hold them in their portfolio as opposed to being sold into the secondary market, they will be considered a qualified mortgage for the purpose of ability to repay.

It will make sure that more financial institutions have an incentive to make loans to individuals and the requirement for making those loans will be to take the entire risk, not pass that risk on to some un-named third-party investor, but keep that risk in their portfolio.

That is why it is called the Portfolio Lending Act. They will have 100 percent of the skin in the game. This legislation will also help borrowers gain access to mortgages that they badly need.

H.R. 3189, the Fed Oversight Reform and Modernization Act, pulls back the curtain at the Federal Reserve and makes it more accountable and transparent to the American people. The Federal Reserve has more power and responsibility today than ever before,

and that is precisely why this law is so important. The institution needs to be modernized, and the decisions they make need to be transparent and predictable to the marketplace.

The FORM Act, as it is called, requires the Federal Reserve to transparently communicate its monetary policy decisions to the American people. It does not require them to choose any one method.

Some people talk a lot about the so-called Taylor rule. This bill does not require the Federal Reserve to use the Taylor rule or any other process. It just requires that, when they make decisions, they need to make that decision and the reasons behind it transparent to the American people and explain how they make their decisions. Whether they use a rule or whether they use some other process, it needs to be transparent.

This bill also requires the Federal Reserve to conduct a cost-benefit analysis that every other Federal agency already has to comply with so that we know whether the costs of complying with the regulations exceed or are less than the benefits of those regulations. It is simple common sense. Other agencies use this cost-benefit analysis today.

The FORM Act protects the Federal Reserve's independence, as it requires the Federal Reserve to generate a monetary strategy of their own choosing, but requires them to give more accounting of their actions and transparency to their actions. The bill ensures that the American people understand how the Federal Reserve makes the decisions they make and why they make the decisions they make.

Mr. Speaker, I know that I, along with many of our colleagues in the House, have believed for a long time that we should audit the Federal Reserve. I am pleased to inform my colleagues that this legislation requires an audit of the Fed, and it contains provisions that remove restrictions placed on the GAO's ability to conduct an audit of the Federal Reserve. It directs the GAO, in fact, to conduct an audit of the Federal Reserve within 12 months of enactment and requires the GAO to report to Congress within 90 days of completion of that audit.

As the Federal Reserve plays an outsized role in the health of our Nation's economy, it is imperative that we make sure that their opaque structure is made transparent so the American people understand the decisions the Federal Reserve makes and why they make them because it has such an incredible impact on our economy.

Mr. Speaker, I look forward to debating these bills with our colleagues in the House as well as the amendments yet to come, and I would ask adoption of both the underlying bills and support of the underlying bills.

I reserve the balance of my time.

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

I thank the gentleman, my friend from Ohio, for yielding me the customary 30 minutes for debate.

I rise today, Mr. Speaker, in opposition to this rule, which provides for consideration of both H.R. 1210, the Portfolio Lending and Mortgage Access Act, and H.R. 3189, the Fed Oversight Reform and Modernization Act of 2015.

As the first matter of business, I would like to recognize that yesterday's rule, H. Res. 526, marked the 45th closed rule of this congressional session, making it the most closed session in history.

□ 1245

I join my colleagues in the minority in their distaste for this closed and exclusive process and echo their calls to Speaker RYAN to maintain his pledge to usher in a more transparent and open debate process that includes input from Members of both parties.

Very occasionally I talk about when I first came to Congress in 1993. The radio at that time was hammering those who were perpetrating closed rules. My party was in the majority and was being rightly, in my opinion, accused in that regard. I didn't know what a closed rule was. I didn't come here and start on this committee. But now that I have had a considerable amount of experience on this committee, I have come to believe that it is wrong for either party in the majority to conduct a process that disallows Members in this body from having an opportunity to participate in refining the underlying bills that come here for our consideration.

Mr. Speaker, H.R. 1210 seeks to amend the Truth in Lending Act to provide that depository institution creditors be subject to a legal safe harbor for mortgage loans meeting specified limitations that, since origination, have been held on the institution's balance sheet. The bill would extend this legal safe harbor to mortgage originators that steer borrowers to a non-qualified mortgage loan if the originator and borrower are notified that the lender intends to hold the loan in its portfolio.

We have seen firsthand the consequences that ensue when underwriting standards are virtually abandoned by both large and small lenders. This phenomenon, which contributed to the financial crisis and a bank bailout to the tune of \$700 billion in taxpayer money, enabled predatory lenders to offer loans, the terms of which individuals could not afford or, worse, incentivize their brokers to steer families into more expensive loans, even when they qualified for lower rates and a standard mortgage product. African American and Latino borrowers and single persons were disproportionately affected by these bad loans.

This legislation would eliminate effective reforms that require lenders to verify a consumer's ability to repay and would allow lenders to once again steer families into the same risky

mortgage products with the same predatory practices that destroyed the savings and investments of American families a few short years ago.

Today's rule also allows for consideration of H.R. 3189, the Fed Oversight Reform and Modernization Act. This bill will fundamentally change the way the Federal Reserve implements monetary policy. In doing so, this bill will change the current proven nonpartisan approach to monetary policy the Fed currently embraces and will replace it with a rule-based and politically partisan regime.

H.R. 3189 will tie the hands of the Federal Reserve whose objective with regard to monetary policy is to maximize employment, stabilize prices, and moderate long-term interest rates. This legislation will require the Fed to engage in a rulemaking to provide a ridged mathematical formula for setting the interest rate. This notion is not only bad policy that will prevent the Fed from acting swiftly and nimbly to address a potential financial crisis, but Fed Chair Janet Yellen has stated that it "would be a grave mistake for the Federal Reserve to commit to conduct monetary policy according to a mathematical rule."

Additionally, this bill will create a partisan commission, with twice as many Republican Members as Democrats, to review the Federal Reserve monetary policy and make changes to its current vital role in determining that policy. The objectives of the Fed and the policy behind our money supply are much too important to be subjected to political pressure from a partisan commission.

This legislation will do serious harm to the Federal Reserve, leading us down a path of politicizing monetary policy and hamstringing the agency with onerous and unnecessary rulemakings.

Mr. Speaker, I reserve the balance of my time.

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

I would like to address, Mr. Speaker, a couple of the gentleman from Florida's points about the process.

Under our new Speaker, we have had five rules. Four have been structured, and let's look at today's rule.

All of the germane amendments were made in order. In fact, to H.R. 1210, there is one amendment, and it is a Democratic amendment; to H.R. 3189, there are six amendments, and four are Democratic amendments. That is 75 percent of the amendments are Democratic amendments. That is a pretty open process. I am leaving out the fact that we also allow for a motion to recommit to each of the bills.

Mr. HASTINGS. Will the gentleman yield?

Mr. STIVERS. I yield to the gentleman from Florida.

Mr. HASTINGS. My question to you is, even though the germane amendments were made in order, under the structured rule, am I correct that

other Members of the House of Representatives who did not, at the time, file an amendment before the Rules Committee that you and I serve, that they are precluded? That is basically what I am arguing.

Mr. STIVERS. Mr. Speaker, to the gentleman from Florida's point, it is true that, with a structured rule, somebody can't walk in off the street, a Member of Congress, that didn't come to the Rules Committee, and come up with an amendment right now that they are writing on a napkin and bring it in here.

But we did have an open process. We published the deadline, and we accepted not only ones that met the deadline, but late amendments. In fact, I think, of the amendments that we made in order, five of the seven amendments made in order today were actually filed late, so we did allow late amendments. That is off the top of my head. We will double-check the facts on five, but it was several of the amendments that were even filed late, we allowed.

It is true, though, that somebody can't just walk right in here. It is not an open rule. It is a structured rule. So you can't just walk in the day of the floor hearing in about 45 minutes and offer an amendment that nobody has ever seen before. So I understand the gentleman's point.

Mr. HASTINGS. Will the gentleman continue to yield?

Mr. STIVERS. I yield again to the gentleman from Florida.

Mr. HASTINGS. I thank the gentleman for yielding.

My ultimate point was that in this year, we have had 45 closed rules and, clearly, Members are precluded. That 45, I might add, has been achieved in this year, and that is more than in the previous session of Congress. That is the point I wish to make.

Mr. STIVERS. I appreciate the gentleman making his point.

Mr. Speaker, my point is, under the new Speaker, we have only had one closed rule.

Will we occasionally have a closed rule? Yes. When the other party was in charge, they had closed rules all the time, too. Closed rules will happen occasionally, but we will have an open process. I think having four out of five as structured rules is a pretty good measurement for the brand-new Speaker in our new day that we are experiencing.

I appreciate the gentleman's point, but the point is we are making the process more open. It may not be to the gentleman's liking, Mr. Speaker, but we are attempting to make the process more open and will continue to work on that.

I do want to make a couple of points, and then I will reserve the balance of my time.

With regard to the charge that somehow in H.R. 1210 this will result in risky mortgage loans—and that is why I went through the history of the crisis where people took a fee, securitized the

loan. They privatized gains and socialized losses for the taxpayers to cover. The only way this portfolio lending bill works is if these lenders hold these loans in their own portfolio and take 100 percent of the downside risk. That is not placing it on anybody else. That was one of the reforms that was put in place, and Dodd-Frank was skin in the game. I can't think of anything more than 100 percent skin in the game. We think that will ensure that nobody privatizes the gains and socializes the losses, and we think it is a reasonable step to allow people to get access to mortgages where somebody is willing to put their own money at risk.

With regard to the charge that this is going to somehow tie the Federal Reserve's hands in H.R. 3189, this bill is about transparency and accountability. It is making sure the Federal Reserve communicates whatever they use. If they want to use a Magic 8 Ball, they just have to tell everybody, "Hey, we are using a Magic 8 Ball."

I think there is nothing wrong with transparency. Transparency is great for the American economy, and it is great for the American people. The gentleman was just making the argument about how we need to be more open and transparent, and I think we need to demand it of the Federal Reserve.

Mr. Speaker, I reserve the balance of my time.

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

Mr. Speaker, I include in the RECORD Statements of Administration Policy.

STATEMENT OF ADMINISTRATION POLICY  
H.R. 1210—PORTFOLIO LENDING AND MORTGAGE  
ACCESS ACT

(Rep. Barr, R-KY, Nov. 17)

As a result of the Ability-to-Repay rules issued by the Consumer Financial Protection Bureau, pursuant to the Truth in Lending Act, American consumers are protected against harmful mortgage products and abusive lending practices that were common in the run-up to the 2008 financial crisis. Among other protections, the Consumer Financial Protection Bureau's Qualified Mortgage (QM) rule requires a lender to make a good faith effort to determine that a borrower has the ability to repay a mortgage, and that the loan does not include excessive upfront points and fees. The final rule also contains special provisions and exemptions that are available only to small lenders or to small lenders that operate predominantly in rural or underserved areas.

H.R. 1210 would broaden the definition of qualified mortgages—those that qualify for the safe harbor—to include all mortgages held on a lender's balance sheet. Under the bill, depository institutions that hold a loan in portfolio would receive a legal safe harbor even if the loan contains terms and features that are abusive and harmful to consumers. The bill would limit the right of borrowers to file claims against holders of such loans and against mortgage originators who directed them to the loans. H.R. 1210 also would open the door to risky lending by allowing balloon loans made in any geographic area to qualify for the safe harbor as long as they are held in portfolio.

The Administration strongly opposes this bill because it would undermine critical consumer protections by exempting all deposi-

tory financial institutions, large and small, from QM standards—including very basic standards like verifying a consumer's income—as long as the mortgage loans in question are held in portfolio by the institution. This bill would undermine the essential protections provided under the Qualified Mortgage rule. The Congressional Budget Office estimates that the mortgages offered legal protections under the bill would likely default at a greater rate than the qualified mortgages with current legal protections.

For these reasons, if the President were presented with H.R. 1210, his senior advisors would recommend that he veto the bill.

STATEMENT OF ADMINISTRATION POLICY  
H.R. 3189—FED OVERSIGHT REFORM AND  
MODERNIZATION ACT OF 2015

(Rep. Huizenga, R-MI, Nov. 17, 2015)

H.R. 3189 would establish requirements for policy rules, codify blackout periods of the Federal Open Market Committee, establish a cost-benefit requirement for other rulemakings by the Federal Reserve Board, and establish numerous, burdensome reporting requirements for the Federal Reserve Board and its members. The Administration therefore strongly opposes H.R. 3189.

The Federal Reserve is an independent entity designed to be free from political pressures, and its independence is key to its credibility and its ability to act in the long-term interest of the Nation's economic health. One of the most problematic provisions in the bill would require the Comptroller General to audit the conduct of monetary policy by the Federal Reserve Board and the Federal Open Market Committee. The operations of the Federal Reserve are already subject to numerous audit requirements that ensure it is accountable to the Congress and the American people. The only aspect of the Federal Reserve's operations not subject to audit is its monetary policy decision-making, and for good reason. Subjecting the Federal Reserve's exercise of monetary policy authority to audits based on political whims of members of the Congress—of either party—threatens one of the central pillars of the Nation's financial system and economy, and would almost certainly have negative impacts on the Federal Reserve's work to promote price stability and full employment.

H.R. 3189 also would impose numerous, burdensome requirements for the Federal Reserve Board rulemaking authorities, including the imposition of a duplicative requirement that the Federal Reserve Board undertake a prescriptive cost-benefit analysis and a post-adoption impact assessment when promulgating rules. When a Federal agency, including an independent agency such as the Federal Reserve, promulgates a regulation, the agency must adhere to the robust substantive and procedural requirements of Federal law, including the Administrative Procedure Act, the Regulatory Flexibility Act, the Paperwork Reduction Act, and the Congressional Review Act, among other statutes. Additionally, Executive Order 13579 encourages independent regulatory agencies to conduct reasoned cost-benefit analysis, engage in public participation to the extent feasible, and conduct a systematic retrospective review of regulations. The provisions in this bill, therefore, would create unnecessary, duplicative, and onerous requirements for an entity tasked with ensuring the financial safety and soundness of the Nation's financial system.

In addition, the bill would add a number of procedural hurdles that would impede the Federal Reserve's ability to engage with international regulatory bodies and divert its resources to unnecessary reporting requirements. These provisions, along with

provisions imposing parallel notification and consultation requirements on several other Executive Branch entities, could impair the President's exercise of his exclusive constitutional authority to conduct the Nation's diplomatic relations.

If the President were presented with H.R. 3189, his senior advisors would recommend that he veto the bill.

Mr. HASTINGS. Mr. Speaker, I am trying to help us to get to a time constraint and, unfortunately, on either side we don't have a lot of speakers. Therefore, I would not ordinarily have done anything other than include in the RECORD Statements of Administration Policy. But to try to help us meet our deadline, what is said in the Statement of Administration Policy, H.R. 1210, Portfolio Lending and Mortgage Access Act, is:

"As a result of the Ability-to-Repay rules issued by the Consumer Financial Protection Bureau, pursuant to the Truth in Lending Act, American consumers are protected against harmful mortgage products and abusive lending practices that were common in the run-up to the 2008 financial crisis. Among other protections, the Consumer Financial Protection Bureau's qualified mortgage rule requires a lender to make a good faith effort to determine that a borrower has the ability to repay a mortgage, and that the loan does not include excessive upfront points and fees. The final rule also contains special provisions and exemptions that are available only to small lenders or to small lenders that operate predominantly in rural and underserved areas."

Skipping one paragraph, getting to the heart of what the administration says:

"The Administration strongly opposes this bill because it would undermine critical consumer protections by exempting all depository financial institutions, large and small, from QM standards—including very basic standards like verifying a consumer's income—as long as the mortgage loans in question are held in portfolio by the institution. This bill would undermine the essential protections provided under the qualified mortgage rule. The Congressional Budget Office estimates that the mortgages offered legal protections under the bill would likely default at a greater rate than the qualified mortgages with current legal protections.

"For these reasons, if the President were presented with H.R. 1210, his senior advisors would recommend that he veto the bill."

Mr. Speaker, not to belabor the point that my good friend from Ohio and I were speaking about with reference to rules, I join him in saying that the new Speaker at least has had only one closed rule. But I would remind him, of the 45 closed rules that we had previously, the new Speaker voted for every one of those closed rules. So if it is a precursor of what is to come, we will have to judge that in the future.

Now, as to H.R. 3189, the administration says—and I will cut to the heart of the matter:

"H.R. 3189 also would impose numerous, burdensome requirements for the Federal Reserve Board rulemaking authorities, including the imposition of a duplicative requirement that the Federal Reserve Board undertake a prescriptive cost-benefit analysis and a post-adoption impact assessment when promulgating rules."

□ 1300

When a Federal agency, including an independent agency such as the Federal Reserve, promulgates a regulation, the agency must adhere to the robust act—the Regulatory Flexibility Act—the Paperwork Reduction Act, and the Congressional Review Act, among other statutes. Additionally, Executive Order No. 13579 encourages independent regulatory agencies to conduct reasoned cost-benefit analyses, to engage in public participation to the extent feasible, and to conduct a systematic, retrospective review of regulations.

The provisions in this bill, referring to H.R. 3189, would therefore create unnecessary, duplicative, and onerous requirements for an entity tasked with ensuring the financial safety and soundness of the Nation's financial system. In addition, the bill would add a number of procedural hurdles that would impede the Federal Reserve's ability to engage within our national regulatory bodies and divert its resources to unnecessary reporting requirements.

In addition and at the heart of the matter, the bill would add a number of procedural hurdles that are too numerous for me to mention at this time. These provisions, along with provisions imposing parallel notification and consultation requirements on several other executive branch entities, could impair the President's exercise of his exclusive constitutional authority to conduct the Nation's diplomatic relations.

Again, if the President were presented with H.R. 3189, his senior advisors would recommend that he veto the bill.

As I have said time and again, far too much important work still remains. In fact, Congress has only 9 legislative days before the December 11 deadline to avert yet another Republican government shutdown and pass an omnibus spending bill. The clock is ticking. Quite frankly, this Nation cannot afford to shut down once again due to my friends—the House Republicans—continued manufactured crisis.

The American people need and deserve better; so I urge my colleagues to vote "no" on the rule.

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

Mr. STIVERS. Mr. Speaker, I yield myself the balance of my time.

I thank the gentleman from Florida for this civil debate on the rule.

I will remind my colleagues that these two bills are about reform and

transparency. H.R. 1210 is reform that will give more people access to mortgages and, at the same time, will require that these lenders have 100 percent skin in the game. H.R. 3189 is about transparency and accountability for the Federal Reserve to make sure they tell the American people how they make the decisions that they make. These are reasonable bills, important bills.

I urge my colleagues to support the rule and the underlying legislation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. Poe of Texas). The question is on the resolution.

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 243, nays 184, not voting 6, as follows:

[Roll No. 634]

YEAS—243

Abraham	Emmer (MN)	Kline
Aderholt	Farenthold	Knight
Allen	Fincher	Labrador
Amash	Fitzpatrick	LaHood
Amodei	Fleischmann	LaMalfa
Babin	Flores	Lamborn
Barletta	Forbes	Lance
Barr	Fortenberry	Latta
Barton	Fox	LoBiondo
Benishek	Franks (AZ)	Long
Bilirakis	Frelinghuysen	Loudermilk
Bishop (MI)	Garrett	Love
Bishop (UT)	Gibbs	Lucas
Black	Gibson	Luetkemeyer
Blackburn	Gohmert	Lummis
Blum	Goodlatte	MacArthur
Bost	Gosar	Marchant
Boustany	Gowdy	Marino
Brady (TX)	Granger	Massie
Brat	Graves (GA)	McCarthy
Bridenstine	Graves (LA)	McCaul
Brooks (AL)	Graves (MO)	McClintock
Brooks (IN)	Griffith	McHenry
Buchanan	Grothman	McKinley
Buck	Guinta	McMorris
Bucshon	Guthrie	Rodgers
Burgess	Hanna	McSally
Byrne	Hardy	Meadows
Calvert	Harper	Meehan
Carter (GA)	Harris	Messer
Carter (TX)	Hartzler	Mica
Chabot	Heck (NV)	Miller (FL)
Chaffetz	Hensarling	Miller (MI)
Clawson (FL)	Herrera Beutler	Moolenaar
Coffman	Hice, Jody B.	Mooney (WV)
Cole	Hill	Mullin
Collins (GA)	Holding	Mulvaney
Collins (NY)	Hudson	Murphy (PA)
Comstock	Huelskamp	Neugebauer
Conaway	Huizenga (MI)	Newhouse
Cook	Hultgren	Noem
Costello (PA)	Hunter	Nugent
Cramer	Hurd (TX)	Nunes
Crawford	Hurt (VA)	Olson
Crenshaw	Issa	Palazzo
Culberson	Jenkins (KS)	Palmer
Curbelo (FL)	Jenkins (WV)	Paulsen
Davis, Rodney	Johnson (OH)	Pearce
Denham	Johnson, Sam	Perry
Dent	Jolly	Pittenger
DeSantis	Jones	Pitts
DesJarlais	Jordan	Poe (TX)
Diaz-Balart	Joyce	Poliquin
Dold	Katko	Pompeo
Donovan	Kelly (MS)	Posey
Duffy	Kelly (PA)	Price, Tom
Duncan (SC)	King (IA)	Ratcliffe
Duncan (TN)	King (NY)	Reed
Ellmers (NC)	Kinziger (IL)	Reichert



Renacci  
Ribble  
Rice (SC)  
Rigell  
Roby  
Roe (TN)  
Rogers (AL)  
Rogers (KY)  
Rohrabacher  
Rokita  
Rooney (FL)  
Roskam  
Ross  
Rothfus  
Rouzer  
Royce  
Russell  
Salmon  
Sanford  
Scalise  
Schweikert  
Scott, Austin  
Sensenbrenner

# NAYS—184

Adams  
Aguilar  
Ashford  
Bass  
Beatty  
Becerra  
Bera  
Beyer  
Bishop (GA)  
Blumenauer  
Bonamici  
Boyle, Brendan F.  
Brady (PA)  
Brown (FL)  
Brownley (CA)  
Bustos  
Butterfield  
Capps  
Capuano  
Cárdenas  
Carney  
Carson (IN)  
Cartwright  
Castor (FL)  
Castro (TX)  
Chu, Judy  
Cicilline  
Clark (MA)  
Clarke (NY)  
Clay  
Cleaver  
Clyburn  
Cohen  
Connolly  
Conyers  
Cooper  
Costa  
Courtney  
Crowley  
Cuellar  
Cummings  
Davis (CA)  
Davis, Danny  
DeGette  
Delaney  
DeLauro  
DeBene  
DeSaulnier  
Deutch  
Dingell  
Doggett  
Doyle, Michael F.  
Duckworth  
Edwards  
Ellison  
Engel  
Eshoo  
Esty  
Farr  
Fattah  
Foster  
Frankel (FL)

# NOT VOTING—6

DeFazio  
Fleming

# □ 1341

Mr. WELCH changed his vote from “yea” to “nay.”  
So the resolution was agreed to.

Walker  
Walorski  
Walters, Mimi  
Weber (TX)  
Webster (FL)  
Wenstrup  
Westerman  
Westmoreland  
Whitfield  
Williams  
Wilson (SC)  
Wittman  
Womack  
Woodall  
Yoder  
Yoho  
Young (AK)  
Young (IA)  
Young (IN)  
Zeldin  
Zinke

Napolitano  
Neal  
Nolan  
Norcross  
O'Rourke  
Pallone  
Pascarell  
Payne  
Pelosi  
Perlmutter  
Peters  
Peterson  
Pingree  
Pocan  
Polis  
Price (NC)  
Quigley  
Rangel  
Rice (NY)  
Richmond  
Roybal-Allard  
Ruiz  
Rush  
Ryan (OH)  
Sánchez, Linda T.  
Sanchez, Loretta  
Sarbanes  
Schakowsky  
Schiff  
Schrader  
Scott (VA)  
Scott, David  
Serrano  
Sewell (AL)  
Sherman  
Sinema  
Sires  
Slaughter  
Smith (WA)  
Speier  
Swalwell (CA)  
Takano  
Thompson (CA)  
Thompson (MS)  
Titus  
Tonko  
Torres  
Tsongas  
Van Hollen  
Vargas  
Veasey  
Vela  
Velázquez  
Visclosky  
Walz  
Wasserman  
Schultz  
Waters, Maxine  
Watson Coleman  
Welch  
Wilson (FL)  
Yarmuth

Ruppersberger  
Takai

# □ 1345

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING AMENDMENT PROCESS FOR H.R. 8, NORTH AMERICAN ENERGY SECURITY AND INFRASTRUCTURE ACT OF 2015

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

Mr. SESSIONS. Mr. Speaker, I will be sending around a Dear Colleague later this afternoon outlining the amendment process for H.R. 8, the North American Energy Security and Infrastructure Act of 2015. The amendment deadline will be Tuesday, November 24, 2015, at 12 p.m. Amendments should be drafted to the text posted on the Committee on Rules Web site. Please feel free to contact me or my staff if we may be of further assistance.

## REFORMING CFPB INDIRECT AUTO FINANCING GUIDANCE ACT

### GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and submit extraneous materials on the bill (H.R. 1737) to nullify certain guidance of the Bureau of Consumer Financial Protection and to provide requirements for guidance issued by the Bureau with respect to indirect auto lending.

The SPEAKER pro tempore (Rodney Davis of Illinois). Is there objection to the request of the gentleman from Texas? There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 526 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 1737.

The Chair appoints the gentleman from Texas (Mr. POE) to preside over the Committee of the Whole.

### □ 1344

#### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 1737) to nullify certain guidance of the Bureau of Consumer Financial Protection and to provide requirements for guidance issued by the Bureau with respect to indirect auto lending, with Mr. POE of Texas in the chair.

The Clerk read the title of the bill.  
The CHAIR. Pursuant to the rule, the bill is considered read the first time. The gentleman from Texas (Mr. HENSARLING) and the gentlewoman from California (Ms. WATERS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. Chairman, I rise today in support of H.R. 1737, the Reforming CFPB Indirect Auto Financing Guidance Act. It is an important, bipartisan bill cosponsored by 166 Members of the House, including 65 Democratic Members. It was approved by the Financial Services Committee that I chair with strong bipartisan support, including more than half of the committee's Democratic members who voted.

If Congress means what it says when we write a law, then the CFPB cannot be allowed to willfully ignore the law. Without this bill, the CFPB would have done a blatant end run around the Dodd-Frank Act as well as the Administrative Procedure Act.

I would like to thank Representative GUINTA of New Hampshire and Representative PERLMUTTER of Colorado for their leadership in providing the CFPB with an opportunity to live up to its claim of transparency and accountability. I want to thank the gentleman from Texas (Mr. WILLIAMS) as well for his outstanding work on this bill.

The CFPB's flawed bulletin on indirect auto lending attempts to regulate compensation paid to auto dealers despite the fact that auto dealers were specifically exempted in the Dodd-Frank Act from CFPB rulemaking.

By using this bulletin, the Bureau went far beyond merely clarifying existing law and instead, in trying to make new policy through this guidance, did this without using the normal rulemaking process and without public input.

This is an affront, Mr. Chairman, to due process. This is an affront to the rule of law and to basic fairness. Furthermore, the CFPB has not been transparent in revealing the methodology it used to determine whether fair lending violations existed in the auto finance market.

It took a year of constant pressure from Members of Congress and 13 different letters from 90 Democrat and Republican Members to get the CFPB to finally provide documentation regarding its disparate impacts.

In the white paper ultimately provided by the CFPB, they admitted that their own proxy methodology for determining racial disparities is flawed and overestimates the number of African Americans by perhaps as much as 20 percent. Outside statisticians at the well-respected Charles River Associates found the figure could be off by as much as 41 percent.

According to a series of three articles published this past September in the American Banker, internal agency documents show the CFPB was aware that their disparate impact methodology significantly overstates racial impact. In other words, Mr. Chairman, they knowingly used junk science and may have no evidence of unintentional discrimination based on the disparate impact theory.

In those same internal memos, the American Banker newspaper also found that unaccountable CFPB bureaucrats

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