

what they are seeing, as Republicans and Democrats in the House and the Senate work together to get a bill through committee, through the Chambers, and to the President's desk to become law. The beneficiaries will be our Nation's veterans.

I rise today to urge passage of H.R. 1988, the Protecting Affordable Mortgages for Veterans Act. It provides more than a technical fix. It is important for recently issued loans refinanced by the Department of Veterans Affairs to remain eligible for the secondary market.

This fix is essential to prevent a liquidity crisis in the veterans home loan market and ensure that the brave men and women who have served our Nation in uniform have access to affordable mortgages.

Through passage of this bill, we can ensure that VA home loans are not adversely impacted by issues in the veterans mortgage market created by the unintended consequences of S. 2155.

The Economic Growth, Regulatory Relief, and Consumer Protection Act, S. 2155, became law in May 2018 and contained some very important bipartisan reforms to protect veterans from predatory lending and deceptive marketing. These provisions are essential to protect the VA home loan market, but unclear timelines laid out in the legislation, and the way that Ginnie Mae chose to implement the requirements of the new law, have left an estimated 2,500 or more VA home loans boxed out of the secondary market.

These mortgages are now considered orphan loans because they are no longer eligible for Ginnie Mae securitization, even though they met all Federal requirements and are backed by the VA.

This bill would prevent a government-triggered liquidity crisis in the VA mortgage market by fixing this problem and restoring eligibility for these orphaned loans.

Addressing this issue ensures that veteran homeowners or prospective home buyers who have earned access to the VA home loan program through their military service aren't hurt by a fluke in S. 2155.

Without this bill, potential damage to the overall VA home loan market is likely because VA lenders may have to sell or finance these orphaned mortgages at a loss. This would have a negative impact on the brave men and women who have served our country and deserve a path to homeownership in order to achieve the American Dream.

If lenders aren't able to securitize VA home loans through Ginnie Mae, closing costs and borrowing costs could go up, and opportunities to borrow or refinance could go down.

Mr. Speaker, veterans have some of the lowest default and foreclosure rates in the Nation. They have earned access to VA home loans through their selfless service to our country.

Even one VA home loan negatively impacted by a minor mistake is one

too many when it comes to giving our veterans access to homeownership. That is why we must pass this bipartisan bill and send it to the President's desk to become law as soon as possible.

Again, I thank my lead bipartisan cosponsors, Congressmen DAVID SCOTT and ANDY BARR, and MIKE LEVIN. I thank Chairwoman WATERS for her efforts and Ranking Member MCHENRY. This was a truly bipartisan effort from the committee. Everyone came together and worked together to get to this important point, a huge bipartisan, bicameral win coming for our Nation's veterans.

I urge adoption of this important bipartisan bill.

The SPEAKER pro tempore. Members are reminded to avoid references to occupants of the gallery.

Ms. WATERS. Mr. Speaker, I would inquire, through the Chair, if my colleague has any remaining speakers on his side.

Mr. BARR. Mr. Speaker, I am prepared to close.

Ms. WATERS. Mr. Speaker, I have no further speakers, and I am prepared to close.

I reserve the balance of my time.

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

Once again, I thank the sponsor of this legislation, the gentleman from Georgia (Mr. DAVID SCOTT).

I thank the gentleman from New York (Mr. ZELDIN) for his continued leadership on this legislation.

I thank the gentleman from California (Mr. LEVIN), whom I have the privilege of serving with on the Veterans Affairs' Committee as well, for his leadership in getting this bipartisan legislation to the House floor and to this point.

I thank the chairwoman of our full committee, the gentlewoman from California (Ms. WATERS), for her leadership in helping navigate this legislation forward.

Mr. Speaker, in conclusion, this is an important piece of legislation. It is bipartisan recognition of a problem created unintentionally by a law passed last year, and it is about providing two basic protections for veterans: protecting veterans who are seeking the dream of homeownership from predatory practices and from this practice of churning, and preserving liquidity in the secondary market for VA loans, which, in a nutshell, means that our veterans will have access to more affordable housing.

Mr. Speaker, I thank my friends on the other side of the aisle, and I thank Mr. ZELDIN for his leadership.

I yield back the balance of my time.

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

H.R. 1988 will address some unintended administrative complications that resulted from implementing laws that were put in place to help protect veterans from unscrupulous lenders.

I thank Mr. SCOTT and Mr. ZELDIN for working in a bipartisan manner to

bring H.R. 1988 before the House. I urge my colleagues to join me in supporting this bill.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 1988, as amended.

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

A motion to reconsider was laid on the table.

WHISTLEBLOWER PROTECTION REFORM ACT OF 2019

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2515) to amend the Securities and Exchange Act of 1934 to amend the definition of whistleblower, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2515

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 "Whistleblower Protection Reform Act of 2019".

SEC. 2. WHISTLEBLOWER.

Section 21F of the Securities Exchange Act of 1934 (15 U.S.C. 78u-6) is amended—

(1) in subsection (a)(6)—

(A) by striking "(6) WHISTLEBLOWER.—The term" and inserting the following:

"(6) WHISTLEBLOWER.—

"(A) IN GENERAL.—The term"; and

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

"(B) SPECIAL RULE.—Solely for the purposes of subsection (h)(1), the term 'whistleblower' shall also include any individual who takes an action described in subsection (h)(1)(A), or 2 or more individuals acting jointly who take an action described in subsection (h)(1)(A)."; and

(2) in subsection (h)(1)(A)—

(A) in clause (ii), by striking "or" at the end;

(B) in clause (iii), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(iv) in providing information regarding any conduct that the whistleblower reasonably believes constitutes a violation of any law, rule, or regulation subject to the jurisdiction of the Commission to—

"(I) a person with supervisory authority over the whistleblower at the whistleblower's employer, where such employer is an entity registered with or required to be registered with the Commission, a self-regulatory organization, or a State securities commission or office performing like functions; or

"(II) such other person working for the employer described under subclause (I) who has the authority to investigate, discover, or terminate misconduct.".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Kentucky (Mr. BARR) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

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

I thank Representative GREEN, the chairman of the Subcommittee on Oversight and Investigations, for working with the gentleman from Michigan (Mr. HUIZENGA) to craft this timely piece of legislation to ensure that all whistleblowers reporting suspected securities law violations are protected from retaliation by their employers.

In the Dodd-Frank Act, Congress provided the Securities and Exchange Commission the authority to reward whistleblowers who voluntarily provide the SEC with original information that leads to a successful enforcement action with monetary sanctions exceeding \$1 million.

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Realizing that these whistleblowers may be deterred by their employers, Congress also required the SEC to issue regulations to protect them from retaliatory efforts, such as firing or demotion; but in 2018, the Supreme Court held that whistleblowers who report alleged misconduct internally but not to the SEC are not protected by the antiretaliation provisions of Dodd-Frank. This is not what Congress intended. Indeed, requiring whistleblowers to race to the SEC in order to be protected discourages them from reporting their suspicions to their superiors.

The U.S. Chamber of Commerce highlighted the importance of internal reporting in its 2010 letter to the SEC, stating: “The experience of the many companies with robust internal reporting programs, as well as the empirical evidence, demonstrate that all stakeholders benefit when those with knowledge of potential securities law violations report internally, thus enabling management to promptly investigate and take remedial action.”

By clarifying that whistleblowers who only report alleged misconduct to the employers are also protected by the antiretaliation provisions in the Dodd-Frank Act, this bill would encourage employees to communicate potential securities law violations to their employers without fear of being fired before they are able to report to the SEC.

Again, I thank Chairman GREEN and Mr. HUIZENGA for pushing this important bill, and I urge my colleagues to join me in supporting it.

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

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

I rise in support of H.R. 2515, the Whistleblower Protection Reform Act of 2019.

I would like to thank my colleagues, Congressman GREEN and Congressman HUIZENGA, for their work on this commonsense, bipartisan legislation.

Mr. Speaker, whistleblowers play a very important role in rooting out bad behavior that harms the market as well as mom-and-pop investors. Additionally, businesses have a self-interest

in detecting and eliminating illegal activity as swiftly as possible within their organizations. To that end, clarifying the concept of encouraging employees to report alleged securities fraud activities to their employers without fear of retaliation just makes simple common sense.

Businesses typically strive to comply with the law, and they have incentives to do so from market pressures, but it is also because unlawful activity hurts the company itself and it hurts its investors, driving down the company's value, tarnishing the company's reputation, repelling business partners and customers, and damaging the overall marketplace. That is why, frankly, the vast majority of actors in the private sector do the right thing.

For these reasons, many companies have implemented strong internal reporting measures to detect and mitigate potential wrongdoing before harm spreads. But if internal whistleblowers who report potential securities law violations internally are not protected from retaliation, what good are these internal reporting systems that these companies have voluntarily established?

That notion might seem counterintuitive, but last year, in the Digital Realty Trust case, the Supreme Court held that the whistleblower antiretaliation protections of the Dodd-Frank Act do not extend to internal whistleblowers; only those who report to the SEC are protected from retaliation.

Now, this is not an error in the Supreme Court's judgment; it is simply a faithful interpretation of the flawed drafting of the Dodd-Frank law. This bill solves this problem by amending section 922 of Dodd-Frank to clarify that whistleblowers who report alleged misconduct internally with their employers but not to the SEC are protected by Dodd-Frank's antiretaliation provisions.

By clarifying that Dodd-Frank's antiretaliation protections also apply to internal whistleblowers, this bill addresses the Supreme Court's interpretation and aligns Dodd-Frank's whistleblower protections with other major whistleblower laws.

Again, I want to thank Congressman GREEN and Congressman HUIZENGA for this important bipartisan legislation, which I proudly support. I urge all of my colleagues to join me in supporting H.R. 2515.

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

Ms. WATERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. GREEN), the chairman of the Subcommittee on Oversight and Investigations and the sponsor of H.R. 2515.

Mr. GREEN of Texas. Mr. Speaker, I am honored to present this legislation, but I am more honored to acknowledge something that is exceedingly important.

The chairwoman of the committee, the Honorable MAXINE WATERS, has,

under her leadership in this Congress, produced many pieces of bipartisan legislation. This is but a continuation of her legislative record. I want to commend her for her efforts, and I would also like to salute Mr. MCHENRY and the persons who are across the aisle for their efforts, as well, in producing bipartisan legislation.

I thank Mr. BARR for his assistance and his help. He is the Oversight ranking member, and he and I will be working together on many pieces of legislation.

I am honored today to say that this piece of legislation was born as a result of honorable intentions metamorphosing into unintended consequences, honorable intentions.

When we passed Dodd-Frank in 2010, we sought to add additional protections for whistleblowers above and beyond what was accorded in Sarbanes-Oxley. In so doing, with the best of intentions, we found that this legislation was taken before the Supreme Court of the United States of America, and the Supreme Court concluded—and I don't quarrel with their conclusion, but the Supreme Court concluded that the legislation would apply only if the person who was a whistleblower took the concern to the SEC first.

I don't quarrel with what the Supreme Court ruled. This is why we have this piece of legislation to correct the best of intentions that metamorphosed into unintended consequences.

Let's talk for just a moment about whistleblowers.

It is exceedingly important to do this because I want people to know that whistleblowers are extraordinary people in the sense only of they do extraordinary things. They are really ordinary people, but they do extraordinary things.

These are the people who are willing to put their livelihoods on the line. These are the people who are willing to take that step that many of us would not take because, when you take that step as a whistleblower, you will sometimes stand alone. But they understand that it is better to stand alone than never to stand at all, and in so doing, they are protecting us: consumers, members of the public.

So I commend the whistleblowers of the world who take these extraordinary steps.

But we also want to do more than commend them. We want to protect them. This legislation will protect those who are willing to step forward, those who will see something and say something, something that we encourage people to do.

You can't encourage people to see something and say something and then allow them to do this without the protections that we should properly accord them and that we intended to accord them under Dodd-Frank. So I am honored today to have this piece of legislation that will give whistleblowers the protection that we intended and will also send a message that the companies that they work for can have the

opportunity to take corrective action before the SEC is informed.

Many of these companies want to do the right thing, and if given the opportunity, they will—not all, many. I think we ought to give them an opportunity to do the right thing; and to do so, we would want whistleblowers to report internally before they take this to an external source such as the SEC.

Mr. Speaker, this legislation is bipartisan. I am honored to tell you that, among the persons who are the cosponsors, we have the Honorable CAROLYN MALONEY; the Honorable Representative GERALD CONNOLLY; the Honorable GREGORY MEEKS; the Honorable JOYCE BEATTY, who is here in this room with us currently; and the Honorable VICENTE GONZALEZ, all of whom support it, along with the Honorable EMANUEL CLEAVER.

I would also add, it is endorsed by the National Whistleblower Center, endorsed by the North American Securities Administrators Association, endorsed by Public Citizen, endorsed by the Government Accountability Project, endorsed by the Project On Government Oversight, and endorsed by the Securities Industry and Financial Markets Association.

It is another example of how, under the leadership of the Honorable MAXINE WATERS, we continue to produce bipartisan legislation. I am honored, Mr. Speaker, to have this honorable chairwoman presiding today.

Mr. BARR. Mr. Speaker, I yield myself the balance of my time, and I am prepared to close.

Mr. Speaker, again, I would thank Congressman GREEN and Congressman HUIZENGA for their leadership on this extending of whistleblower protections, and I yield back the balance of my time.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks.

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

There was no objection.

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

Mr. Speaker, this is a very important measure that will increase corporate accountability and help those companies committed to ferreting out wrongdoing to take action without government involvement and protects those workers who help them to do so.

I commend the gentleman from Texas and the gentleman from Michigan for working in a bipartisan manner to bring this bill before the House.

Mr. Speaker, I urge my colleagues to join me in supporting this important piece of legislation, and I yield back the balance of my time.

Mr. HUIZENGA. Mr. Speaker, I rise today in support of H.R. 2919, the Whistleblower Protection Reform Act of 2019.

Whistleblowers are an effective means of rooting out bad behavior that harms the market as well as investors.

In fact, Section 922 of Dodd-Frank amended the Securities and Exchange Act of 1934 to afford whistleblowers protection from retaliation by their employers for reporting suspected misconduct.

Additionally, Section 922 allows for the SEC to provide monetary awards to whistleblowers who provide “original information” resulting in monetary sanctions over \$1 million.

However, in February 2018, the Supreme Court held in *Digital Realty v. Somers* that whistleblowers who report alleged misconduct internally to their employer, as opposed to the SEC, are not protected by Dodd-Frank’s anti-retaliation provisions.

A whistleblower who reports directly to their employee about alleged misconduct shouldn’t risk being retaliated against. That’s why this bipartisan bill has been carefully crafted to clarify the application of the anti-retaliation provisions to whistleblowers provided within the Dodd-Frank Act.

By further clarifying the anti-retaliation provisions of section 922 apply to those whistleblowers who report internally will encourage employees to report potential misconduct instead of automatically escalating the issue to the SEC.

Internal reporting may be more efficient and practical in some cases as employers have a chance to correct, self-report, or take other action.

Moreover, by clarifying the application of Dodd-Frank anti-retaliation protections to internal whistleblowers, the bill aligns with similar protections for internal whistleblowers within the Whistleblower Protection Act and Sarbanes-Oxley.

I’d like to thank my colleague, Mr. GREEN for working with me on the Whistleblower Protection Reform Act and I urge my colleagues to vote yes.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 2515, 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.

Ms. WATERS. 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 motion will be postponed.

HOUSING FINANCIAL LITERACY ACT OF 2019

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2162) to require the Secretary of Housing and Urban Development to discount FHA single-family mortgage insurance premium payments for first-time homebuyers who complete a financial literacy housing counseling program, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2162

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 “Housing Financial Literacy Act of 2019”.

SEC. 2. DISCOUNT ON MORTGAGE INSURANCE PREMIUM PAYMENTS FOR FIRST-TIME HOMEBUYERS WHO COMPLETE FINANCIAL LITERACY HOUSING COUNSELING PROGRAMS.

The second sentence of subparagraph (A) of section 203(c)(2) of the National Housing Act (12 U.S.C. 1709(c)(2)(A)) is amended—

(1) by inserting before the comma the following: “and such program is completed before the mortgagor has signed an application for a mortgage to be insured under this title or a sales agreement”; and

(2) by striking “not exceed 2.75 percent of the amount of the original insured principal obligation of the mortgage” and inserting “be 25 basis points lower than the premium payment amount established by the Secretary under the first sentence of this subparagraph”.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Kentucky (Mr. BARR) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

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

There was no objection.

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

Mr. Speaker, I rise to support H.R. 2162, the Housing Financial Literacy Act, a bipartisan bill authored by Representative BEATTY, the chairwoman of the Subcommittee on Diversity and Inclusion, and cosponsored by Representative STIVERS. This bill will make homeownership more affordable for FHA borrowers who complete a housing counseling program from a HUD-approved housing counseling agency.

While HUD currently has the authority to provide premium discounts to incentivize housing counseling, HUD is not taking advantage of this opportunity to help borrowers and strengthen the FHA. Research has consistently demonstrated that loans made to borrowers who have received prepurchase counseling perform better than loans made to comparable borrowers who did not receive prepurchase counseling.

And when borrowers avoid delinquencies, lenders save money, too. A 2013 study by Freddie Mac found that, when 90-day delinquencies were lowered by 29 percent, lenders saved an average of \$1,000 per loan.

□ 1715

So this bill would not only benefit consumers; it would also help increase the financial health of FHA.

Mr. Speaker, I thank Representative BEATTY and Representative STIVERS for their work on this commonsense, data-driven bill, and I urge my colleagues to vote “yes” on H.R. 2162.