

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. EVANS) at 2 p.m.

PRAYER

The Chaplain, the Reverend Patrick J. Conroy, offered the following prayer:

Merciful God of the universe, we give You thanks for giving us another day. You know the Members of this assembly through and through. You know each personally. You know how they all relate to one another. You know them, as the American people do, as the 116th Congress of the United States.

Lord, help them to know You. Allow them to come to know You even as they are known by You. As ultimate truth, enter in and make them suitable for Your dwelling within, so that their constituents might place trust in them as their representatives.

May their service continue faithfully, for they were selected; they were elected by their voters back home, and called by You to selfless service.

Bless them and us all this day, and may all that is done be for Your greater honor and glory.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. ROSE) come forward and lead the House in the Pledge of Allegiance.

Mr. ROSE of New York led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

CONGRATULATING IRISH DIASPORA CENTER

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

Ms. SCANLON. Mr. Speaker, I rise today to congratulate the Irish Diaspora Center on opening its new office in my district.

I had the opportunity to join supporters of the center this weekend at its new cultural hub in Havertown, where I had the pleasure of sharing food and swapping stories with fellow Irish Americans.

For decades, this organization has supported and celebrated the vibrant Irish community in the Philadelphia

region with passport and citizenship services, senior outreach, youth programs, genealogy services, and educational and cultural events.

People of Irish descent have historically formed the largest ethnic group in my district, and to this day, we proudly continue to welcome new Irish American citizens. With almost a quarter of the population claiming Irish heritage, Delaware County is even sometimes referred to as the 33rd county of Ireland.

I look forward to supporting and celebrating our Irish neighbors both at home and abroad as I work with Chairman NEAL and the Friends of Ireland Caucus to protect the integrity of the Good Friday Agreement and maintain peace and prosperity in Ireland.

HONORING THE LIFE OF SALLY KABEL

(Mr. ROSE of New York asked and was given permission to address the House for 1 minute.)

Mr. ROSE of New York. Mr. Speaker, I rise today to honor the life of Sally Kabel, a young girl from Bay Ridge, Brooklyn, who, despite battling leukemia for most of her life, did so bravely and with a love of life that earned her the nickname "Sweet Sally Sunshine."

Sally was adored, not just by her family, but by the entire Bay Ridge community, which rallied behind her. Everyone came together to support her family, whether it was bringing meals, raising money, or just giving them hugs on the street.

With that support, Sally was able to beat cancer, but the treatments so weakened her body that she passed away in September 2018, just a week after her sixth birthday.

Although her time with us was far too short, she filled those 6 years with a lifetime of joy.

Now, her parents, Matthew and Nicole, are helping other families undergoing the same struggle. They are advocating for childhood cancer awareness, with the hope that more research will lead to more humane and effective treatments for children.

Sally was truly the peacemaker of Bay Ridge, bringing out the best in all of us.

Mr. Speaker, I ask my colleagues to join me today in honoring her memory.

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, March 2, 2020.

Hon. NANCY PELOSI,
The Speaker, House of Representatives,
Washington, DC.

DEAR MADAM 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 March 2, 2020, at 10:36 a.m.:

That the Senate agreed to Relative to the death of Katherine Coleman Goble Johnson S. Res. 519.

With best wishes, I am,

Sincerely,

CHERYL L. JOHNSON.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 5 p.m. today.

Accordingly (at 2 o'clock and 6 minutes p.m.), the House stood in recess.

□ 1659

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CLEAVER) at 4 o'clock and 59 minutes p.m.

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 votes objected to under clause 6 of rule XX.

The House will resume proceedings on postponed questions at a later time.

IMPROVING FHA SUPPORT FOR SMALL DOLLAR MORTGAGES ACT OF 2020

Mr. SAN NICOLAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5931) to require a review of the effects of FHA mortgage insurance policies, practices, and products on small-dollar mortgage lending, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5931

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 "Improving FHA Support for Small Dollar Mortgages Act of 2020".

SEC. 2. REVIEW OF FHA SMALL-DOLLAR MORTGAGE PRACTICES.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) affordable homeownership opportunities are being hindered due to the lack of financing available for home purchases under \$70,000;

(2) according to the Urban Institute, small-dollar mortgage loan applications in 2017 were denied by lenders at double the rate of denial for large mortgage loans, and this difference in denial rates cannot be fully explained by differences in the applicants' credit profiles;

(3) according to data compiled by Attom Data solutions, small-dollar mortgage originations have decreased 38 percent since 2009,

while there has been a 65 percent increase in origination of mortgages for more than \$150,000;

(4) the FHA's mission is to serve credit-worthy borrowers who are underserved and, according to the Urban Institute, the FHA serves 24 percent of the overall market, but only 19 percent of the small-dollar mortgage market; and

(5) the causes behind these variations are not fully understood, but merit study that could assist in furthering the Department of Housing and Urban Development's mission, including meeting the housing needs of borrowers the program is designed to serve and reducing barriers to homeownership, while protecting the solvency of the Mutual Mortgage Insurance Fund.

(b) REVIEW.—The Secretary of Housing and Urban Development shall conduct a review of its FHA single-family mortgage insurance policies, practices, and products to identify any barriers or impediments to supporting, facilitating, and making available mortgage insurance for mortgages having an original principal obligation of \$70,000 or less. Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Secretary shall submit a report to the Congress describing the findings of such review and the actions that the Secretary will take, without adversely affecting the solvency of the Mutual Mortgage Insurance Fund, to remove such barriers and impediments to providing mortgage insurance for such mortgages.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Guam (Mr. SAN NICOLAS) and the gentleman from Arkansas (Mr. HILL) each will control 20 minutes.

The Chair recognizes the gentleman from Guam.

GENERAL LEAVE

Mr. SAN NICOLAS. 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 insert extraneous material thereon.

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

There was no objection.

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

Mr. Speaker, when it comes to promoting access to homeownership, much of the focus tends to be on how high housing prices are pricing borrowers out of many communities.

But the landscape of homeownership opportunities is varied, and for many communities, the lack of access to traditional mortgage financing for small dollar mortgages continues to be a challenge. Specifically, I am talking about mortgages that are \$70,000 or less.

For many rural communities and communities that are struggling to overcome the impacts of the foreclosure crisis, there are lower value homes that would otherwise be ideal homeownership opportunities for first-time home buyers and working-class families, but the lack of available traditional financing acts as a barrier to those opportunities.

Data from the Urban Institute shows that these small dollar mortgages are

denied by lenders at double the rate compared to larger loans, and this trend cannot be explained away by differences in the creditworthiness of applicants. In actuality, lenders don't make as much money originating these smaller mortgage loans, resulting in a reluctance to make them.

The Federal Housing Administration was designed to support underserved markets and would be instrumental in supporting more small dollar mortgage lending, but the data shows that the FHA is actually disproportionately failing to serve this market.

H.R. 5931 would require the FHA to identify barriers to better serving the small dollar mortgage market and to come up with a plan to reduce those barriers, a public service long overdue for rural America.

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

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5931, the Improving FHA Support for Small Dollar Mortgages Act.

Studies suggest that borrowers of small dollar mortgages, those amounts under \$70,000, may be disproportionately denied when compared to loans of higher amounts, even when the credit profiles of the borrowers are similar.

Specifically, the Urban Institute reports that, in 2015, roughly 25 percent of homes purchased for \$70,000 or less were financed with a mortgage compared to 80 percent of houses worth between \$70,000 and \$150,000.

If there is such a disproportionate amount of denials, this could be an issue for families in my district and many others who are trying to buy a first home, particularly in our rural communities across our country.

H.R. 5931 is a bipartisan bill sponsored by Representative CLAY of Missouri and Representative STIVERS of Ohio and was reported to the House by the House Financial Services Committee last week. This bill seeks to better understand what is happening in small dollar mortgage lending.

This bill asks the fundamental question: Are there borrowers who otherwise qualify for a mortgage who are being left out of the market as an unintended consequence of FHA's own rules and regulations?

After all, the FHA mission is to serve creditworthy borrowers without bias, no matter what the loan size is. If FHA can identify how its own regulations are hurting borrowers' access to credit and remedy the problem without affecting the health of the Mutual Mortgage Insurance Fund, then they should do so.

Mr. Speaker, I would like to thank my friends, Mr. CLAY and Mr. STIVERS, for bringing this issue to our attention and for their work on this bill. I would like to take the opportunity to thank my friend from Guam for managing this bill this afternoon.

H.R. 5931 is a positive example of Congress identifying a problem and

working together to understand the causes and to identify a reasonable solution.

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

Mr. SAN NICOLAS. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. CLAY), the chairman of the Housing, Community Development and Insurance Subcommittee and the sponsor of this legislation.

Mr. CLAY. Mr. Speaker, first, let me thank my colleague from Guam for yielding.

Mr. Speaker, I rise in support of H.R. 5931, the Improving FHA Support for Small Dollar Mortgages Act of 2020.

I want to start off by thanking my Financial Services Committee colleague, Congressman STIVERS from Ohio, for working with my staff and me to craft a bill that will ultimately try to help close the affordable housing gap, and I look forward to working with him on other legislation and policy going forward.

H.R. 5931, the Clay-Stivers Improving FHA Support for Small Dollar Mortgages Act of 2020, would require the FHA to conduct a review of its policy to identify any barriers to supporting mortgages under \$70,000, or small dollar mortgages, and submit a report to Congress within a year with a plan for removing such barriers.

In a recent report, the Urban Institute found that, despite having similar performance indicators, credit profiles, loan-to-value ratios, and lower debt-to-income ratios, the financing options to purchase, renovate, or refinance homes valued at or under \$70,000 remain limited compared to mortgages between \$70,000 and \$150,000—and many of those homes are in our State of Missouri.

Mr. Speaker, the Urban Institute report further revealed that FHA is disproportionately failing to serve this market, despite its mission to serve underserved borrowers. Specifically, the report found that FHA serves 24 percent of the overall market but only 19 percent of the small dollar mortgage market.

Again, I urge my colleagues to support this bipartisan study to identify any barriers to supporting these small dollar mortgages and report to Congress within a year a plan for removing such barriers to financing for credit-worthy borrowers.

Mr. HILL of Arkansas. Mr. Speaker, H.R. 5931, as I say, is a good example of both sides in this House working together for a worthy purpose. I support the bill. I urge all my colleagues to support it, and I yield back the balance of my time.

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

Mr. Speaker, I would like to thank my colleagues, Mr. CLAY and Mr. STIVERS, for their partnership on this important bill, and my colleague, Mr. HILL, for his work with me today as we seek to improve access to affordable homeownership.

This bill is an important step to better understand the barriers to obtaining traditional mortgage financing for small dollar mortgages and begin to reduce those barriers.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Guam (Mr. SAN NICOLAS) that the House suspend the rules and pass the bill, H.R. 5931, 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.

FAIR DEBT COLLECTION PRACTICES FOR SERVICEMEMBERS ACT

Mr. SAN NICOLAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5003) to amend the Fair Debt Collection Practices Act to provide enhanced protection against debt collector harassment of members of the Armed Forces, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5003

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 “Fair Debt Collection Practices for Servicemembers Act”.

SEC. 2. ENHANCED PROTECTION AGAINST DEBT COLLECTOR HARASSMENT OF SERVICEMEMBERS.

(a) COMMUNICATION IN CONNECTION WITH DEBT COLLECTION.—Section 805 of the Fair Debt Collection Practices Act (15 U.S.C. 1692c) is amended by adding at the end the following:

“(e) COMMUNICATIONS CONCERNING SERVICE-MEMBER DEBTS.—

“(1) DEFINITION.—In this subsection, the term ‘covered member’ means—

“(A) a covered member or a dependent as defined in section 987(i) of title 10, United States Code; and

“(B)(i) an individual who was separated, discharged, or released from duty described in such section 987(i)(1), but only during the 365-day period beginning on the date of separation, discharge, or release; or

“(ii) a person, with respect to an individual described in clause (i), described in subparagraph (A), (D), (E), or (I) of section 1072(2) of title 10, United States Code.

“(2) PROHIBITIONS.—A debt collector may not, in connection with the collection of any debt of a covered member—

“(A) threaten to have the covered member reduced in rank;

“(B) threaten to have the covered member’s security clearance revoked; or

“(C) threaten to have the covered member prosecuted under chapter 47 of title 10, United States Code (the Uniform Code of Military Justice).”.

(b) UNFAIR PRACTICES.—Section 808 of the Fair Debt Collection Practices Act (15 U.S.C. 1692f) is amended by adding at the end the following:

“(9) The representation to any covered member (as defined under section 805(e)(1))

that failure to cooperate with a debt collector will result in—

“(A) a reduction in rank of the covered member;

“(B) a revocation of the covered member’s security clearance; or

“(C) prosecution under chapter 47 of title 10, United States Code (the Uniform Code of Military Justice).”.

SEC. 3. GAO STUDY.

The Comptroller General of the United States shall conduct a study and submit a report to Congress on the impact of this Act on—

(1) the timely delivery of information to a covered member (as defined in section 805(e) of the Fair Debt Collection Practices Act, as added by this Act);

(2) military readiness; and

(3) national security, including the extent to which covered members with security clearances would be impacted by uncollected debt.

SEC. 4. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Guam (Mr. SAN NICOLAS) and the gentleman from Arkansas (Mr. HILL) each will control 20 minutes.

The Chair recognizes the gentleman from Guam.

GENERAL LEAVE

Mr. SAN NICOLAS. 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 gentleman from Guam?

There was no objection.

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

Mr. Speaker, I would like to thank Representative DEAN for her leadership on H.R. 5003 and the relief that it will provide to our servicemembers.

At a full Financial Services Committee hearing in September of last year, we heard testimony about the harmful impact of predatory debt collection practices, including negative impacts on the servicemembers protecting our country.

We know this impact is significant, given that two out of every five servicemember complaints submitted to the Consumer Financial Protection Bureau are about predatory debt collection practices.

Some of the complaints include inappropriate threats of punishment under the Uniform Code of Military Justice, threats to the rank and security clearance of the servicemember, and even reports of debt collectors inappropriately contacting the commanding officer of the debt holder.

It is a disgrace that people serving in the military are being threatened and intimidated when they are serving our country. The impact of these abusive collection practices is severe, as servicemembers have reported increased stress and hardship as a result of predatory debt collectors.

These unfair and unnecessary practices against people putting their lives on the line for this country must end, which is why the National Military Family Association; Veterans Education Success; and Retired Army Colonel Paul Kantwill, the former CFPB Assistant Director for Servicemember Affairs, all support the bill.

Democrats and Republicans agree that Congress should put a halt to these abusive practices, and this bill does just that.

Mr. Speaker, thanks to the work of my colleagues, Representative DEAN, Chairwoman WATERS, Ranking Member MCHENRY, and colleagues on both sides of the aisle from the Financial Services and the House Armed Services Committees, we were able to collaborate on the issues and pass this bill out of our committee with unanimous support in November of last year.

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

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5003.

I thank the gentlewoman from Pennsylvania (Ms. DEAN) for introducing this legislation.

Our servicemembers put their lives on the line for us every day. The last thing we want is that, when they are serving, they are to be distracted.

H.R. 5003 prohibits debt collectors from using threats against the servicemember’s rank or security clearance or threats of prosecution under the Uniform Code of Military Justice. Not only are such practices unfair, they increase the risk of harm to the servicemember’s military readiness.

During the committee markup of H.R. 5003, Republicans expressed concerns that there were too many unanswered questions about how this bill could impact military readiness.

The gentleman from Ohio (Mr. STIVERS) offered an amendment to direct the Comptroller General of the United States to conduct a study on the impact of this bill and what its impact is on the timeliness with which servicemembers are informed about debts and collection, as well as on military readiness and national security.

Mr. Speaker, I thank the bill’s sponsor and Chair WATERS in accepting Mr. STIVERS’ constructive addition.

□ 1715

This bill is a commonsense approach to ensure that Congress considers the connection between national security and the protection of servicemembers from unfair practices.

Mr. Speaker, it is very important today that we thank the Department of